Industrial Decentralisation and Workers’ Control

Colin Ward

December 1961

THE COMMITTEE OF 100 in convening this series of meetings and in linking the current protests against preparations for nuclear warfare, with the theory and practice of non-violence, and in treating under this theme, topics as far apart as the way we bring up our children and the structure of our economic life, are recognising that these are not separate fields of human experience and activity: that they are all bound up together.

They are recognising that nuclear war is not a dreadful aberration of the modern state, but simply the logical and more perfect development of that old-fashioned, incomplete warfare which was, and is, in Randolph Bourne’s famous phrase “the health of the State”. This is why the struggle against war is bound to be a struggle against the State. The State is a system of human relations based ultimately on violence – there never has been a non-violent State. The State is authority: small wonder that it is authoritarian. But its authoritarian pattern of relationships is not unique, it occurs in every aspect of life with one significant exception. The exception is the network of spontaneous and purely voluntary human relations...
which we undertake for pleasure or for some common purpose of our own.

Why do we not strive to transform all our relationships into free associations of autonomous individuals like those which we form in our leisure? People don’t question whether or not this would be a good thing; they know it would be, they simply say that modern urban life is too complicated and that modern industry is on too large a scale for the simple face-to-face contacts and freely chosen decisions which such a suggestion implies. This is said with resignation, if not with regret, but then everyone goes on daydreaming about “getting away from it all,” or being their own master for a change, with five acres and a cow, and we all pity the inhabitants of Tristan da Cunha at being driven out of their island anarchy into civilisation.

The ironical thing is that these escapist fantasies have become most prevalent at a time when industrial techniques and sources of motive power have made it possible for us to organise a modern industrial society on whatever scale or degree of complexity we choose. This is the text of a paper read to the Committee of 100 seminar at Kensington Central Library on November 20th. The seminar is a pilot course for the Committee’s “Schools for Non-violence”.

There is no need to labour this point. Modern transport, electricity, telecommunications, have made the traditional distribution of industry obsolete. It could be concentrated or dispersed wherever we care, particularly when knowledge of basic industrial techniques is widely diffused, and no longer concentrated in certain districts.

Let us take for granted that industry could be dispersed wherever we wanted it, and that only habit, inertia, or lack of imagination was responsible for the vast industrial agglomerations of today. We can very rapidly see that this is only part of the answer to our demands for a changed social environment. We will do this by reference to two celebrated examples of the decentralisation of industry. My first example is the Tennessee Valley Au-
tority. You are probably familiar with the inspiring story of TVA. The drainage basin of the Tennessee River and its tributaries covers an area about the size of England. There was little or no industry, and the isolated valleys of the region were occupied by single-crop subsistence farmers, growing cotton, tobacco or maize, and as the yields of the valley fields diminished, they cut down the trees, burnt off the vegetation and ploughed the hill slopes, moving further and further up the mountain sides. The heavy rainfall, the failure to replenish the land’s fertility, and the removal of the forest cover, allowed the soil to wash away into the rivers, so that, as Julian Huxley put it “in the heart of the most modern of countries you could find shifting cultivation of the type usually associated with primitive African tribes.” Several regional planning surveys were made in the earlier part of the century to propose the development of the area, but because of controversy on whether the work should be undertaken for public or private profit, nothing was done until Roosevelt’s New Deal in 1933 set up the TVA which “was not handed a simple task of engineering like the Panama Canal or the Boulder Dam. It was told to remake the economic and social life of a vast under-privileged community: through cheap power, land reclamation, re-afforestation, flood control, diversification of agriculture, terracing of hillsides, encouragement of animal husbandry, cheap transport through restoring the navigability of the river, and abundant vacation-sites on the lakes which would form behind the new dams.” It achieved all these and more, and its methods carried many lessons for people concerned with community development. As Herbert Agar wrote, “perhaps the finest and the most hopeful achievement of the Authority is that the citizens of the Valley regard their new society, which has flowered in twenty years, not as something imposed by ‘reformers’ from far away, but as something which belongs to them, which they helped to create, which in many cases they moulded and shaped according to their local customs and traditions. They were never pushed into accepting an ‘improvement’ until their objections have been removed by discussion
and experiment, and their conservatism overruled by their own experience.” Splendid. But unhappily the story doesn’t end there. The valley, with its abundant hydro-electric power provided by the new dams, and its plentiful labour supply, was for these very reasons, selected for the Oak Ridge plants of the Atomic Energy Commission. At Oak Ridge, the beautiful dams and shining turbines that brought light and power to the hillside farms, and brought work and hope to the poverty-stricken people of the valley, made the bombs that fell on Hiroshima and Nagasaki. Thousands and thousands of people worked there for over a year without the faintest idea what they were making. And would it have made any difference if they had known? Today the Atomic Energy Commission at Oak Ridge and Paducah plants is by far the biggest user of TVA power. It uses so much that it has to supplement it by burning 8 million tons of coal a year in five additional generating stations.

My second cautionary tale comes from nearer home. After over forty years of propaganda by voluntary associations in the field of town planning, the Government initiated after the war a programme of New Towns, designed to disperse industry and population from the great urban conurbations. In essence it was a great constructive idea; it could have been a great adventure, but was too timid in scale and execution. The first and foremost of the new towns was Stevenage in Hertfordshire. I won’t comment on its architecture, nor on the complete absence of any opportunity for its inhabitants to plan for themselves or to initiate anything for themselves, but it is certainly the most prosperous and economically flourishing of the new towns. It has acquired the nickname Missileville, for it is flourishing because its industries are largely armament industries. Over 50% of its working population are employed at the English Electric Guided Weapons Division factory where the Thunderbird missile is being produced, or at De Havilland’s where the Blue Streak Intermediate Range Ballistic Missile is made. Smaller firms like Hilmor Ltd., makers of tubebending machinery for the Admiralty and the A.E.R.A, or Fleming Radio, mak-

is only effective because we have surrendered to it our own power over our own lives.

We have three duties, to resist, to educate and to establish mutual aid communities. By these means we may make possible survival if Western society collapses, the ability to resist if tyranny succeeds it, and the readiness of the people if reform can be gained by compromise. Resistance and disobedience are still the only forces able to cope with barbarism, and so long as we do not practise them we are unarmed. The means of resistance on a scale larger than the individual is the mutual-aid community, which is in itself an alternative unit able to exist within the state, to survive it, and to combat it. And without education freedom is impossible, for it is not a state which can be imposed upon people who have learned nothing about the nature of responsibility.

Up till now, it has been an article of pride among English politicians that the public would shove its head into any old noose they might show it – unflinching, steadfast patriotism, unshakable morale – obedience and an absence of direct action. We are going to alter that ... When enough people respond to the invitation to die, not with a salute but a smack in the mouth, and the mention of war empties the factories and fills the streets, we may be able to talk about freedom.
–ALEX COMFORT: “Art and Social Responsibility”
titude is being eroded. In industry the characteristic working-class value is sticking together – solidarity, but the characteristic middle-class value is what Seymour Melman calls “predatory competition” – individual self-advancement, which because it is individual, must be at the expense of others. Other people call this the rat race. When after the Leyland take-over of the Standard Motor Company, a number of executive staff were sacked, one of them said “If one man on the shop floor was fired there would be a strike because they are organised. About 200 of us will go and nothing will happen”. But the reason why they were powerless to protect their own interests is precisely because they had identified themselves with the interests of the employers and not those of the workers. They have opted out of that working-class solidarity which is one of the alternative foci of power to which Gene Sharp referred in his lecture last week.

One great incidental virtue of the anti-bomb campaign is that it is teaching middle-class people working-class solidarity. (Even its favourite dirge, the one about the H-Bomb’s Thunder is an adaptation of a miner’s song). It is also teaching them how much more realistic than their own, is the traditional working-class attitude towards the police. But most of all, it is teaching them how weak are their methods of resistance to political authority, compared with the methods by which the working-class have learned how to resist industrial authority. The middle-class sits in puddles as a symbolic gesture – of its own impotence; the working-class has developed over the last hundred years, in the interests of self-protection and of its own concept of social justice, the most effective weapon of non-violent direct action yet devised: the strike, the withdrawal of power from industrial authority.

It is in recognition of this that the Committee of 100 has issued its appeal for industrial action against the bomb. But it is precisely because the bomb is not something unique, but is the inevitable outcome of the principle of authority, that we must recognise that our common struggle is against authority itself, an authority which
ity, he will be irresponsible when away from work too. The contemporary social trend towards a centralised, paternalistic, authoritarian society only reflects conditions which already exist within the factory. And it is chiefly by reversing the trend within the factory that the larger trend outside can be reversed.

Yes, we are all theoretically in favour of workers’ control nowadays, but we regretfully reflect that the scale and complexity of modern industrial production makes the notion impracticable. The Labour Correspondent of The Times for example, discussing the only examples of workers’ control we have in this country – the handful of co-operative co-partnerships – these shoes I’m wearing were made by one of them – agrees that they “provide a means of harmonious self-government in a small concern” but that there is no evidence that they provide “any solution to the problems of establishing democracy in large-scale modern industry.” This is the same conclusion that George Orwell reached about anarchism.

If one considers the probabilities one is driven to the conclusion that anarchism implies a low standard of living. It need not imply a hungry or uncomfortable world, but it rules out the kind of air-conditioned, chromium-plated, gadget-ridden existence which is now considered desirable and enlightened. The processes involved in making say, an aeroplane, are so complex as to be only possible in a planned, centralised society, with all the repressive apparatus that implies. Unless there is some unpredictable change in human nature, liberty and efficiency must pull in opposite directions.

I often think he was right: that we would have to choose between an air-conditioned nightmare or a free society with a low standard of living, but of course the vast majority of the inhabitants of our world have the worst of both worlds – a nightmare of poverty and an unfree society. They haven’t got the luxury of choosing, as we can, between air-conditioning and freedom. But it seems to me that the vital point that we usually overlook in assuming that it is the scale and size of industry which make it useless to strive for workers’ control, is that these primarily are a reflection of the social

by many highly intelligent pacifists on the outbreak of the second world war.

Just as we need to widen and deepen the motives and effectiveness of the struggle of the industrial workers, so we need to widen and deepen those of the people who have been drawn, for the first time in their lives, to movements of social protest and struggle by the campaign against the bomb: I agree completely with the editorial in one of the Rank and File journals that declared that the Committee of 100 must show “that it not only stands against nuclear weapons, but that it also stands for something positive, for a new philosophy of life, for a new system of society in which ordinary people will be masters of their own fate”. And I agree with Michael Randle’s answer to a journalist when challenged on this point: “People have come into the nuclear disarmament movement from many different backgrounds. It’s quite legitimate for people who come from a background of industrial struggle to see there is a relation between what we have been saying about nuclear disarmament and what they are saying about society in general.”

It is always said that the way in which the English aristocracy has maintained its ascendency is by continually absorbing new blood from below, and in one generation imbuing it with its own values and attitudes. The establishment absorbs the outsiders. This happens all the way down the social scale. One of the characteristics of industrial and social change in the last forty years – and one which is moving at a greater pace today than ever, has been the decline in the number of people employed in primary production, and the growth of the numbers in secondary or service industries. In terms of personality types, the change is one from the “status-accepting” to the “status-aspiring”, it is a change from the traditional working-class values to those characteristic of the middle-classes. The good side of this change is the opportunity it provides to break out of the restricted and narrow traditional environment of working-class life. The bad side is that, in accepting the value system of the bosses, the traditional strength of the working-class at-
ARCHY 2 – the issue on Workers’ Control. The effect of the group contract system, as G. D. H. Cole put it “would be to link the members of the working group together in a common enterprise under their joint auspices and control, and to emancipate them from an externally imposed discipline in respect of their method of getting the work done.”

But since we are discussing this topic from the point of view of the struggle against war, we must also recognise that – just as we have seen that the geographical decentralisation of industry is only part of the story, so is the decentralisation of control of industry – a far more radical aim, and one infinitely harder to achieve. When Reg Wright in ANARCHY 2 and 8, or Seymour Melman in his book Decision-Making and Productivity describe how three thousand men made half a million Ferguson tractors in ten years with practically no supervision, you can reflect that they could just as well have been tanks or any other kind of war material. Considering the fabulous output of the war industry from 1939 to 1945, the story would have been one of far greater miracles of production. A self-governing industry will reflect the general social climate with great accuracy. (Think of the record of the British Medical Association – the mouthpiece of a self-governing profession – and the way in which it behaved over the absorption of refugee doctors in this country before the war, or that of the American Medical Association today over all and every effort to create health services available to all in the United States). It is true that the only working-class body campaigning today for workers’ control of industry, the National Rank and File Movement, has as item 8 of its aims and objects, “To promote the policy and slogan of an ’International General Strike Against War’. But we know how, in 1914, the identical policy and slogan, at a time when industrial militancy was a hundred times more widespread, vanished into thin air the moment war was declared. The slogans were no more than ... slogans. Don’t think I mention this to discredit the working-class movements; the same volte face was accomplished, as Richard Gregg points out, and economic ideas current in society rather than of actual technical complexity. We are hypnotised by the cult of bigness. This cult, which makes oversize cars, oversize ships like big Cunarders and oversize aircraft (remember the Brabazon – whole villages were swept away to make a runway for it, and now it rusts in its million pound hangar) – this cult of bigness pervades industry as well as most other fields of life, and it has nothing to do with complex processes. Actually, it makes us exaggerate the actual extent of bigness in industry, as Kropotkin found sixty years ago in compiling the material for his Fields, Factories and Workshops when he discovered that the economist’s picture of industry had little to do with the reality.

At a conference held a few years ago by the British Institute of Management and the Institute of Industrial Administration, Mr. S. R. Dennison of Cambridge declared that the belief that modern industry inevitably trends towards larger units of production was a Marxian fallacy. (Since then, Khrushchev and his so-called Decentralisation Decree, seems to have reached the same conclusion). Mr. Dennison said that

Over a wide range of industry the productive efficiency of small units was at least equal to, and in many cases surpassed that of the industrial giants. About 92 per cent. of the businesses in the united Kingdom employed fewer than 250 people and were responsible for by far the greater part of the total national production. The position in the United States was about the same.

(There is of course a whole field of economic theory about the optimum size of the firm and its relation to the law of diminishing marginal productivity, but I am not the right man to discuss it). Again, those who think of industry as one great assembly line may be surprised to learn from Dr. Mark Abrams that “in spite of nationalisation and the growth of large private firms, the proportion of the total working population employed by large organisations (i.e. concerns with over 1,000 employees) is still comparatively small. Such people constitute only 36% per cent. of the working popula-
tion and are far outnumbered by those who hold jobs as members of comparatively small organisations where direct personal contact throughout the group is a practical everyday possibility."

It is also revealing to study the nature of the industrial giants and to reflect on how few of them owe their size to the actual technical complexity and scale of their industrial operations. Broadcasting under the title Have Large Firms an Advantage in Industry? Mr. H. P. Barker referred to two essentially different types of motive, the industrial and non-industrial. By the industrial motive, he meant the normal commercial development of a product or a service which the public wants; for instance, the motorcar industry or the chain store. There is also the vertical type of growth in which a seller expands downwards towards his raw materials, or a primary producer expands upwards towards the end products of his primary material. The soap and oil industries are such cases. Then there is the kind of expansion in which a successful firm seeks to diversify its business and its opportunity and to carry its financial eggs in several baskets – and lastly there is the type of expansion by which whole industries are aggregated under a single control because they cannot effectively be operated in any other way. Electricity and Railways are an example.

One might very well have reservations about the truth of Mr. Barker’s last two examples*, and it is interesting that his other reasons relate to the financial structure of competitive industry, rather than its actual technical demands. When he turns to what he calls the non-industrial and less healthy types of growth, we are in familiar territory.

Among these there is the type which starts and ends in the Stock Exchange and where the sole reason is the prospect of making a profitable flotation. Then there is the type of adiposity which often occurs when a successful company becomes possessed of large resources from past profits. The Directors then look round for ways of investing the surplus fat merely because they have it. Then there the type of large business born only out of doctrinaire or political ever have achieved by following the path (beset as it is by practical difficulties on which all past experiments have foundered) of direct workers’ management. Indeed we may risk the generalisation that the greater the power of the Unions the less the interest in workers’ management.

Now we may regret this profoundly, but if you look at the history of the trade union movement in different countries you will find this generalisation to be true. It is idle for disappointed revolutionaries to proclaim that the ordinary day-to-day industrial conflicts over wages, hours, tea-breaks and so on are useless. Within their own terms they justify themselves completely. For just as one of the great social lies is that crime doesn’t pay, when it does, so it is another myth that strikes do not payoff – they do. (And let me add, parenthetically, that strikes over tea-breaks, that make the middle-class Evening Standard reader, as he drinks his tea, smile because of their “pettiness” or scowl because of their “irresponsibility”, are not about tea-breaks but about human dignity and about the intolerable boredom of doing what someone else wants, as, when, and how, he wants it).

Happily, there need not be an all or nothing choice between revolutionary and reformist industrial action. There is an approach which combines the day-to-day struggle in industry with the aim of changing the balance of power in the factory. This is what the Guild Socialists called “encroaching control”. As Ken Alexander puts it,

A few simple aims – for example control over hire and fire, over the ‘manning of the machines’ and over the working of overtime – pressed in the most hopeful industries with the aim of establishing bridgeheads from which workers’ control could be extended, could make a beginning. The factors determining whether such demands could be pressed successfully are market, industrial organisation and, more important, the extent to which the nature of their work compels the workers to exercise more control.

For the elaboration of this argument, in terms of the collective contract and in terms of the ‘gang system’, I must refer you to AN-
than centralising; increasing the significant content of jobs rather than subdividing them further; harnessing group solidarity rather than trying to break it up; putting more satisfaction into the work situation rather than expecting workers to find it outside their jobs; in short, making it possible for workers to utilise their capacities more fully and thus truly earn their keep.”

Notice his last phrase which tells us why the industrialists employ the psychologists. But if the industrial psychologists were employed by the workers instead of by the employers, where would this line of thinking end?

It would lead us to conclude that technically, organisationally, and in terms of the sociology and psychology of work, control of industry by the people who work in it was both possible and desirable. This is a revolutionary demand, for it affects the whole foundations of our society, and implies a change in the whole structure of property relationships upon which it is based. Is there any demand for it (let alone any likelihood of its being achieved in the immensely stable and unrevolutionary society in which we live)? The fact is that the demand is infinitesimal. Between forty and fifty years ago, in the time of syndicalism and Guild Socialism, there was at least a vocal minority in the trade union and socialist movements which sought workers’ control of industry. Today such a minority movement does not exist, though there have been many attempts – after the war in the League for Workers’ Control, and today in the National Rank and File Movement – to sow the seeds for the re-creation of such a movement. The labour movement as a whole has settled for the notion that you gain more by settling for less. This is why Anthony Crosland contends that

In the sphere where the worker really wants workers’ control, namely his day-to-day life in the factory, we must conclude that the British (and American and Scandinavian) unions, greatly aided by propitious changes in the political and economic background, have achieved a more effective control through the independent exercise of their collective bargaining strength than they would consider. Last of all there is the industrial giant created primarily to satisfy the megalomania of one man.

The very technological developments which, in the hands of people with statist, centralising, authoritarian habits of mind, can make robots of us all, are those which could make possible a local, intimate, decentralised society. When tractors were first made, they were giants suitable only for prairie-farming. Now you can get them scaled down to a size for cultivating your backyard. Power tools, which were going to make all industry one big Dagenham are now commonplace for every do-it-yourself enthusiast. Atomic power, the latest argument of the centralisers, is used (characteristically), in a submarine – the most hermetically sealed human community ever devised.

And now comes automation. Those industries where the size of the units is dictated by large-scale operations, for example steel rolling mills or motor car assembly, are the very ones where automation is likely to reduce the number of people required in one place. Automation – the word is merely jargon for a more intensive application of machines, particularly transfer machines – is seen by some people as yet another factory for greater industrial concentration, but this is only another expression of the centralist mentality. Mr. Langdon Goodman in his Penguin book Man and Automation puts the matter in

*I think he is wrong about electricity. A few years back the “New Scientist”, commenting on the appalling complexity of the present centralised system, prophesied that “in future there will be a tendency to return to more or less local generation of electricity.” In the “Guardian” (9/11/61) Gerald Haythornthwaite comments on the Central Electricity Generation Board’s “spinning a web of electrical transmission lines without much reference to any other interests than its own” thus “prejudicing the development of a more flexible and useful power system” from such new developments as the advanced gas-cooled reactors which could provide a “footloose
power unit” for “a large number of small and compact power stations close to the centres of demand.”

I think he is wrong about railways, especially in view of the present proposals for granting autonomy to the Regions of British Railways instead of central control by the British Transport Commission. After all, if you travel across Europe, you go over the lines of a dozen systems – capitalist and communist – co-ordinated by freely arrived at agreement between the various undertakings, with no central authority. Paul Goodman remarks that “It is just such a situation that Kropotkin points to as an argument for anarchism – the example he uses is the railroad-network of Europe laid down and run to perfection with no plan imposed from above.”

Automation can be a force either for concentration or dispersion. There is a tendency today for automation to develop along the larger and larger production units, but this may only be a phase through which the present technological advance is passing. The comparatively large sums of money which are needed to develop automation techniques, together with the amount of technological knowledge and unique quality of management, are possibly found more in the large units than in the smaller ones. Thus the larger units will proceed more quickly towards automation. When this knowledge is dispersed more widely and the smaller units may take up automation the pattern may be quite different. Automation being a large employer of plant and a relatively small employer of labour, allows plants to be taken away from the large centres of population and built in relatively small centres of population. Thus one aspect of the British scene may change. Rural factories, clean, small, concentrated units will be dotted about the countryside. The effects of this may be far-reaching. The Industrial Revolution caused a separation of large numbers of people from the land, and concentrated them in towns. The result has been a certain standardisation of personality, ignorance of nature, and lack of imaginative power. Now we may soon see some factory workers moving back into the country and becoming part of a rural community.

But perhaps the most striking evidence in favour of reducing the scale of industrial organisation comes from the experiments conducted by industrial psychologists, sociologists and so on, who, in the interests of morale, increased productivity, or health, have sought to break down large units into small groups. The famous experiment of Elton Mayo at the Hawthorne Works of the Western Electric Company or the experiences of the Glacier Metal Company, or J. J. Gillespie’s ideas about ‘free expression in industry’ or the Group Production methods adopted by a Swedish firm, are all examples of this tendency. Their aim is by no means workers’ control. They simply want to increase productivity or to reduce industrial neurosis or absenteeism, but they do indicate that the preconditions for workers’ control of industry are there. Thus Professor Norman C. Hunt, in a broadcast in 1958 remarked that the problems arising from the growth of industrial enterprises were such that

A number of large companies have recently decentralised their organisations and established smaller, largely autonomous units, each to some extent a managerial entity in itself. A few years ago the President of the General Electricity Company of America, one of the companies which has followed such a policy said: “With fewer people we find that management can do a better job of organising facilities and personnel. This results in lower manufacturing costs and better production control.” It may be that the current interest in and apparent tendency towards the decentralisation of large undertaking is a somewhat belated recognition of the importance of people in organisations. One can only hope that at long last we are beginning to think about the pressures which traditional forms of organisation put upon the people who are required to work in them.

He concluded by reflecting on the possibility of reversing the trend of so-called scientific management; “decentralising rather