Labour and the Unions: Exploring Labour Party Evolution

Miller, D., University of Queensland

Please do not cite without permission.

Labour parties are not all that common in democratic systems and as such labour parties, with their explicit ties to unions, have not been fully accounted for in the literature exploring the evolution of political parties. In this paper I will draw on interviews conducted with union officials and party activists in Australia, Britain and Sweden to explore the extent to which the labour parties in these three countries have moved away from Duverger’s ‘mass party model’ and instead adopted features more associated with electoralist parties.¹ I will begin by examining the environment in which these three parties operate before examining the strategies they have adopted to maintain their electability. I seek to discover if there are commonalities in the way labour parties have evolved, as well as explore the role of unions in either forming a barrier, or providing additional pressure, for party change. This paper is not meant to provide definitive answers, but rather to spark a debate about whether labour parties should be seen as a distinct party family that face similar pressures and opportunities.

Background

Labour parties are distinguished by their direct ties to unions and their commitment to labourism. Proponents of labourism suggest that ‘the capitalist state could be managed to the advantage of the working class by a combination of a strong trade union movement with a Parliamentary Labor Party.’² Long standing labour parties exist in Australia, the United Kingdom, New Zealand, Norway and Sweden amongst others, although, some of these parties have changed their affiliation rules.³ These parties emerged around the same time, and like other parties that formed in the late nineteenth and early twentieth century, they developed into what became known as mass parties.⁴ Such parties have been forced to evolve in order to compete successfully in the modern electoral marketplace.

In 2011, party activist and former Rudd speech writer, Troy Bramston, argued that the Australian Labor Party (ALP) was in danger of becoming a catch-all party and perhaps had
already moved in this direction.⁵ Amongst scholars of Australian party politics the debate has moved well beyond this point. A consensus has emerged that the ALP is better described as an electoral-professional party or more controversially a cartel party.⁶ The debate in Australia is reflective of the more general debate regarding the fate of former mass parties.

From the second half of the twentieth century political scientists began to theorise that mass parties were evolving. Scholars have described these new parties in a variety of ways; some of the most notable models include the catch-all party, the electoral-professional party and more recently, the cartel party.⁷ These models portray parties as moving away from concrete ideological commitments and links with particular groups in society, and instead working to broaden their electoral appeal. These theorists have also noted a transfer of authority away from the extra-parliamentary party to the parliamentary wing. These models are not without critics and scholars examining individual labour parties have also raised questions about their applicability.

Scholars in Australia, Britain and Sweden have drawn on the party change literature, but the extent to which parties have move away from their foundations as mass parties is still a subject of debate. Since Blair’s rise a plethora of books and articles on New Labour have been produced.⁸ Many of these highlight the degree to which the party has evolved away from its origins in terms of policy and party culture. For instance, Dennis Kavanagh argues that ‘New Labour is a vote-seeking party, perfectly fulfilling Otto Kirchheimer’s criteria of a catch-all party, or Panebianco’s “electoral professional” party.’⁹ Meg Russell also acknowledges that the party has changed; however, she maintains that conference remains important and argues that the party leadership is cautious of alienating party members.¹⁰ This indicates that the influence party activists and union officials has been downgraded, but further research needs to be undertaken to fully understand the role of direct and indirect members in the modern party. In the case of the Swedish Social Democratic Workers’ Party (Sveriges socialdemokratiska arbetareparti SAP) the effects of social change have been acknowledged; however, scholars such as Nicholas Aylott argue that the party does not fully match the electoralal-professional model.¹¹ Aylott points out that even though SAP has ended the practice of collective union membership; union links remain integral to the
While some questions have been raised about the applicability of the party change literature, it is an understudied area worthy of further attention and a comparative study will better highlight the evolutionary path of labour parties.

Political Environment and Party Change

A country’s party system, electoral laws and political culture has an enormous impact on the types of parties that emerge and the strategies they are able to employ. It is important to consider the electoral environment to make sure the comparison is of parties and not nations. Mair and Muddle write: ‘Given that much of what individual parties do is constrained by the logistics of the system of competition in which they are located, what appears as a cross-national party similarity may therefore turn out to be a cross-national systemic similarity.’ This means it is important to consider the question of political environment when asking if labour parties are a distinct party family that face distinct pressures.

Electoral Environments

<table>
<thead>
<tr>
<th></th>
<th>Australian Labor Party</th>
<th>Swedish Social Democratic Workers’ Party</th>
<th>British Labour Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Population</td>
<td>22,697,645</td>
<td>9,507,324</td>
<td>61,565,000</td>
</tr>
<tr>
<td>Party Membership</td>
<td>45,000</td>
<td>106,000</td>
<td>200,000</td>
</tr>
<tr>
<td>Union Density</td>
<td>18%</td>
<td>71%</td>
<td>28%</td>
</tr>
<tr>
<td>Party Financing</td>
<td>Public and private funding.</td>
<td>Public and private funding.</td>
<td>No substantial public funding</td>
</tr>
<tr>
<td>Party System</td>
<td>2 major parties</td>
<td>Multiparty</td>
<td>2 major parties</td>
</tr>
<tr>
<td>Electoral System</td>
<td>Preferential</td>
<td>Proportional</td>
<td>First past the post</td>
</tr>
</tbody>
</table>

The Australian Labor Party emerged in the early 1890s out of the union movement. The party formed the first labour government in the world and it continues to be a key player in Australia’s two and half party system. The party’s original organisational structures remain largely the same, however, there has been a shift in authority away from the extra-
parliamentary party. Labor Party parliamentarians continue to sign the pledge to uphold the party platform, but the actual power structures are not as clear as this implies. One interviewee who has experience with Labor’s policy forums stated that ‘whilst we might put some more specific initiatives in the platform, generally the parliamentary wing is slow to adopt initiatives of the party.’ The ability of the extra-parliamentary to exert concerted authority has declined with its numbers.

Membership has declined from the party’s heyday when it could claim 400,000 members. Membership is now approximately 45,000 and membership through affiliated unions has also declined to fewer than 1.1 million members. The party’s membership figures have declined concurrently with the union movement. In the year 2000 unions could only claim 1.9 million members which represented 24.7 per cent of the workforce and the numbers have continued to drop since then. Even so, the union affiliates retain an important place in party decision making structures. As would be expected, the larger the union the greater their ability to influence within the Labor Party, but a union’s influence largely depends on the specific issue. Moreover, the party continues to rely on the unions for funding. While Labor receives donations from prominent individuals and state funding, the bulk of its funding comes from unions. In addition to providing membership dues, party members and union affiliates provide significant labour to support the party’s activities. In a recent party review strategies to increase the membership and attract party supporters were put forward. The review process is ongoing and it is not yet known how the review process will play out at the state branch level.

The British Labour Party formally emerged in 1900 and developed similar structures to its Australian counterpart. In 1997 its internal organisation underwent a shakeup with the implementation of the Partnership in Power policy. This policy was designed to make the conference less volatile and to move policy debates behind closed doors to the new National Policy Forum. Blair stated that the goal of the National Policy Forum was to allow more people to contribute to policy making. Despite such comments New Labour became known for its centralisation and the dominance of the party in parliament. One interviewee stated that ‘fewer people were participating, [in partnership in power structures] people were saying well what’s the point, the government, the party leadership
ignores it’. He also noted that ‘at the national policy forum meetings themselves there was huge effort made to persuade people to back off on certain issues.’ The effort made to control debate was clearly evident at the 2005 conference. Ann Black recalls that the ‘speeches in the hall were uniformly bland’ and discord only arose when an 82 year old man was ejected for heckling a minister. Blair government backbencher, Richard Burden, sums it up: ‘Mechanisms for the party to communicate directly with its members may be more extensive than they have ever been. But such communication is essentially “top down”. Power is increasingly centralised around the leader’s office, with immense pressure on everyone else to fall in line.’ These comments suggest that the party should be categorised as an electoralist party, however, a more nuanced analysis is required in order to discover any points of successful resistance on the part of the extra-parliamentary party. It is necessary to ask if these changes are permanent or simply represent Labour at a particular point in time.

What cannot be denied is that since the election of the Blair government in 1997 the British Labour Party has suffered a significant membership decline from the 1997 height of 400,000 members. Likewise, the composition of the membership has changed over time. Referencing the work of Seyd and Whiteley, Steve Ludlam writes: ‘In 1990, two-thirds of Labour’s members were union members; by 1999 two-thirds were not. And among party members who had joined after 1994, the non-union proportion was even higher.’ The strength of the union movement has also declined. In 1976 trade unionism in Britain was sitting at 50 per cent but by 2010 it had dropped to approximately 30 per cent of the workforce. Internal polling suggests that trade union members are not much more likely to vote Labour than the rest of the public. Even so, union affiliates remain an important part of the party. Despite the fact that the Blair government sought to foster closer links with business and wealthy individuals, (between 1980 and 1993 the proportion of Labour funding derived from the unions fell from 80 per cent to 54 per cent), union funding remains important. One interviewee stated: ‘trade union funding is crucial. It makes up a very large percentage of the Labour Party’s income and without it the party would be lost.’

The Swedish Social Democrats officially emerged in 1889 and over its lifespan the party has achieved enormous electoral success. As the above table suggests, support for unions and
SAP remains strong in Sweden. Social democracy remains a significant part of the Swedish political culture and Sweden has one of the most highly unionised workforces in the world. Unions are viewed as more legitimate in Sweden than in the UK and arguably this also holds true for Australia. Even so, Sweden has been subject to many of the same pressures that other parties have been struggling with. The size of the working class has declined in Sweden as it has in Scandinavia more generally. Since the 1970s the relationship between SAP and the Swedish Trade Union Confederation (Landsorganisation LO) has been subject to tensions, particularly as the party attempted to expand its electoral appeal beyond its working class base. Swedish unions affiliate to one of three confederations: the LO, the Swedish Confederation of Professional Employees (TCO) and the Swedish Confederation of Professional Associations (SACO). While the LO remains the largest group it has declined in comparison to the other two groups. At times there has been talk of distancing SAP from the LO and some discussion of seeking closer links with the TCO and SACO. As seen elsewhere, the proportion of funding the SAP receives from the unions has declined, and since the 1960s the party receives funding from the state. However, ties between the LO and SAP have not been disbanded.

These brief overviews reveal that all three parties have undergone significant decline in membership and alterations in their relationships with their traditional working class bases. These changes are in keeping with general trajectory suggested by the electoralist party literature, however, it is necessary to delve deeper into relationship between these parties and their union affiliates the extent to which the relationship has changed.

**Party Organisation and Union Ties**

Evidence from all three countries suggests that there is hostility towards unions amongst the general public and all three parties have discussed severing or at least reducing their unions links. Even in Sweden where social democracy is much more popular people have exhibited suspicion of the union link. The Australian and British Labour parties have moved to decrease union voting power within the party. In 1993 British Labour reduced the voting strength of unions at conference and also repealed the mandatory requirement for party members to join a union. In 1995 British Labour ended the practice of union’s directly sponsoring individual MPs. Unions are able to sponsor constituency parties and
interviews reveal that strong links still exist between unions and individual parliamentarians. This distancing has occurred on both sides. During the Blair years several unions decided to withhold or reduce funding to the party. The Fire Brigades Union disaffiliated in 2004 and the National Union of Rail, Maritime and Transport Workers was expelled for support non-Labour candidates. Moreover, just as in Britain, a small number of Australian unions have rethought political funding. Data from the 2010-11 financial year reveals that the Australian Metal Workers’ Union and the Construction, Forestry and Mining Employees’ Union donated funds to the Australian Greens. It is the Swedish Social Democrats, however, that have made the most dramatic changes to the rules governing the relationship between the party and the unions.

The Swedish Confederation of Trade Unions emerged in 1898 and continues to organise ‘blue-collar workers’. SAP maintains close links with the LO. The Social Democrats have the power to select two of the five appointees to the Trade Union Confederation’s executive body and the president of the LO is generally a member of SAP’s steering committee. Despite the close relationship between SAP and the union movement, the party made a decision to alter the relationship. In 1987 SAP ended the practice of collective union affiliation. Instead local union branches can affiliate to the party at the local level and individual unionists can affiliate as individual party members. The level of influence that unions command within SAP depends on the number of that union’s members who have ‘opted into the party’. At the local level unions can still have an impact on the party, for instance on they can influence selection of candidates. Nevertheless, the changes to affiliation raised questions about the union movement’s ability to continue to exert influence inside the party.

Despite the rhetoric and the rule changes all three parliamentary parties continue to engage with their extra-parliamentary parties and in particular their union affiliates. Mechanisms continue to exist for union affiliates to exert influence and put forward their views and interview evidence from all three countries makes clear that parliamentarians maintain links with particular unions. While these links exist it is important to examine labour in government to assess the level of influence of the party organisation on policy.
Labour in Government

Labour in government is able to access the resources of the state and therefore has less need to rely on the resources of the party. Furthermore, there are greater costs associated with a strong extra-parliamentary party which has the potential to push the parliamentary party in directions that may prove to be electorally costly. With this in mind it is worthwhile to briefly examine labour in government.

The three parties have different leadership selection strategies and in all three union affiliates play a role in selecting the leader. British unions have a direct role in the Electoral College but must poll their members. In SAP there is a taboo against openly campaigning for the leadership. A committee of party ‘elders’ gauges the views of different groups with the party and then puts forward a name to be confirmed at the party congress. In the ALP the parliamentary leader is selected by the Parliamentary Labor Party. Paul Reynolds, commenting on the Queensland branch of the party, states that over time as the factional system became entrenched electorates have come to be the domains of individual factions and it atypical for a seat to move between factions. Factions have both union and individual members and through factional associations unions play a role in the selection of leaders.

The Rudd (2007-2010), Blair (1997-2007) and Persson (1996-2010) governments all developed strained relationships with their broader parties and union affiliates. All three leaders sought to publicly distance themselves from the union movement. Göran Persson once described the LO as ‘an interest group like any other’. In 2007 Kevin Rudd stated: ‘Trade unions will survive or die based on their ability to compete – that means being able to offer working Australians services to represent them which they can’t obtain elsewhere’. Blair stated that the British Labour Party is 'not the political arm of anyone today other than the British people ... Forget the past'. These comments give some idea of the attitude of these three leaders to working with their union affiliates and illustrate the existence of a belief that Labour governments need to show distance from unions.
The Blair government and New Labour has been subject considerable academic analysis and its approach to working with union is well known. As Chris Howell points out: ‘hostility to the trade unions is an integral part of the modernization strategy.’ The government’s attitude was evident in the fact that they did not fully restore union rights removed during the Thatcher years. While there were opportunities for union representatives to meet with ministers and MPs, established mechanisms for dialogue, such as the Trade Union Liaison Committee, did not operate under the Blair government. While the government was popular they could afford to maintain this attitude. By 2004 the government was preparing for its third election campaign and could no longer afford to ignore its base. The 2004 Warwick Agreement was a meeting between affiliated unions and government representatives. The unions did not obtain all of their demands, but they were successful in gaining some concessions from the government. According to Ian J. Griffiths this meeting ‘averted the threat of mass disaffiliation from the party by the unions and helped to secure union support for Labour in the 2005 election.’ This led the Conservatives to claim that the affiliated unions were the party’s ‘de facto rulers’ a similar claim was also levelled against the Rudd government.

During the 2007 federal election, claims that 70 per cent of a future Labor government would be former union officers were used in an attempt to frighten voters. Despite such claims, Labor under the leadership of Kevin Rudd was successful bringing an end to the long lived Howard government (1996-2007). Labor’s electoral success must at least be partially attributed to the union movement’s ‘Your Rights at Work’ campaign and the incoming Rudd government was committed to dismantling the Howard government’s industrial relations policy. The resulting Fair Work Act was produced with the assistance of the Committee on Industrial Relations (COIL) which incorporated both business and union representatives. The resulting legislation did not incorporate all union demands, in particular the retention Australian Building and Construction Commission was a sore point with some union affiliates. Looking more broadly it would be implausible to describe Labor governments in Australia as the servants of their extra-parliamentary organisations, but it is clear that unions have greater access to government when Labor holds power.
Economic crises often give rise to tensions between labour governments and the broader party. This was certainly true of the most recent Swedish Social Democratic government which had to contend with a country in economic difficulty. The government dealt with the poor economic situation by reducing benefits for the sick and unemployed. The government’s choice of strategies did not endear them to the broader party. One union leader notes ‘during the LO Congress in 1996, it was the first time and so far the only time, that LO has marched out from the Congress Centre to demonstrate against an Social Democratic government.’ Despite such tensions consultation continue to occur. Anderson and Meyer examine the pension reforms of the mid-1990s and argue that even though all three union confederations were consulted the greater influence due to its links with SAP. However, since the party lost power in 2006 it has undergone significant changes. One interviewee noted that within SAP there has been ‘a very strong movement to the centre... they try to attract more the white collar workers and the upper middle class.’ It will be interesting to see how the next Social Democratic government will interact with the party organisation.

**Is there something unique about labour parties?**

The study of party families generally and labour parties as a distinct family are both under-theorised areas of research. Apart from Rawson’s article on the life-span of labour parties written in 1969, there are very few studies that focus specially on labour parties at the macro level. Few political scientists even draw a distinction between labour parties and other social-democratic parties or conduct studies that directly compare a range of labour parties. There have been articles comparing the ALP with its counterparts in Britain and New Zealand, studies of European parties and others exploring the social democratic parties of Scandinavia, as well as separate works examining unions. While these, and studies of individual studies are useful, what is lacking is an overarching study examining the evolution of labour parties and their power structures. In this paper I have attempted to begin this task. Future comparative research needs to be undertaken in this area. Karl Loxbo concludes his 2011 study of the Swedish Social Democrats with the statement: ‘An open question in the future analysis of the historic fate of intra-party democracy is, therefore, whether the few party members that do remain in parties exercise less influence over party
policy than members in the past or, rather, if they have become a force with which to be reckoned.  

I would add that another key question is whether the presence of unions gives strength to the extra-parliamentary wing. In this vein, it would be worthwhile to explore a former labour party, such as the Dutch Labour Party in order to compare the ability of the party organisation to direct the parliamentary party without the added force from union affiliates.

While the decline in individual membership numbers and union strength cannot be denied it is clear that parliamentary parties and their leaders cannot afford to neglect their extra-parliamentary wing if they wish to achieve long term success. Unions continue to exert considerable influence in all three parties. Union support played a crucial role in the rise of both Julia Gillard and Ed Miliband and the Swedish Social Democrats have a new leader with a trade union background. Blue Labour, which emphasises connections with the working class, is one of the most dynamic strands of thought in British Labour today and recent internal reviews in Australia and Britain have proposed measures to engage the membership and open up decision making structures.  

As one British union official interviewee states: ‘The trade union movement formed the Labour Party for a start. I mean, they are in my opinion nothing less than a political wing of the trade union movement.’

This comment makes clear that the ethos that gave rise to labour parties continues to exist in some form, what this means in a practical sense is deserving of further attention.

1 This paper also draws on my doctoral work. Danielle Miller, ‘ALP Premiers: Delegates of the Party, Autonomous Actors or Somewhere in Between?’ (St Lucia: University of Queensland, 2011).


12 Ibid., pp.372, 379.
15 Interviewee J, Interview, 25 August 2011.
19 Interviewee G, Interview, 9 February 2012.


Interviewee C, Interview, 26 April 2011.

ibid.

Ann Black, Member of the National Executive Council, Personal Communication, 11 April 2011.


Labour, op. cit., p.11


Interviewee C, Interview, 26 April 2011.


Interviewee H, Interview, 11 April 2011.


Jonas Wall, LO Communication Department, Interview, 3 May 2012.


Ingela Edlund, National Secretary SEKO (Union of Service and Communication Employees), Interview, 4 May 2012.

Howell, op. cit., p.206.

Billy Hayes, General Secretary of the Communication Workers Union, Interview, 20 April 2011.


Hyman and Gumbrell-McCormick, op. cit., p.322.


Bernard Keane, ‘Electoral Funding Figures Show Labor’s Donations Collapse’, Crikey, 1 February 2012.


52 Allern, Aylott and Juul Christiansen, op. cit., p.616.
54 Nicholas Aylott, ‘Understanding the Social Democrats’ Leadership Crisis’, The Local, 9 March 2011.
55 In the ALP factions have both individual and union members and through factions unions. Paul Reynolds, Interview, 3 December 2009.
59 Howell, op. cit., p.208.
65 Senator Jacinta Collins, Parliamentary Secretary for Workplace Relations, Personal Communication, 19 October 2011.
67 Jonas Wall, Interview, 3 May 2011.
69 Ingela Edlund, Interview, 4 May 2011.
76 Andy Kerr, Deputy General Secretary (Telecoms) Communication Workers Union, Interview, 20 April 2011.