Strikes

Life on Mars

Talk of a return to the 1970s is overdone

AN UNPOPULAR Labour government clings to office. The public finances are in a mess, the pound is devalued and the economy is on the rocks. Abba, a big-haired Swedish pop group, is in the headlines. Platform shoes are in again, or so *The Economist* is told. And workers are striking. Civil servants and British Airways cabin crew have walked out. Tube-workers and gas-fitters have been balloted. Signallers and white-collar workers on the railways plan four days of disruption after Easter.

For the retro-minded, all this evokes the 1970s, Britain's post-war nadir. It was the time of the three-day work-week (imposed in 1974 after striking miners caused a power shortage), and of nationwide strikes in the "winter of discontent" of 1978-79. Such was the power of organised labour that many feared overmighty trade unions would bring not just the government but also the country to its knees. Similar talk is heard today.

A quick look at the numbers confirms that modern fears are overblown. Despite the odd conspicuous walkout, industrial relations have been serene for nearly two decades (see chart). Official statistics going back to 1891 suggest that strikes have never been less frequent. Fewer days have been lost in the entire period since 1990 than were lost in a single year in 1984, when Margaret Thatcher's government defeated the last big strike by the coalminers, or in 1979 or in 1974. Indeed, there were more lost days during the second world war (13.3m), with its famed all-in-this-together Blitz spirit, than in the 1990s or the 2000s.

In other, less measurable ways current strikes are different too. Disputes in the 1970s often lasted for months; modern ones last for days. British Airways' cabin crew say they have offered to take pay cuts, a far cry from the inflation-busting rises demanded three decades ago.

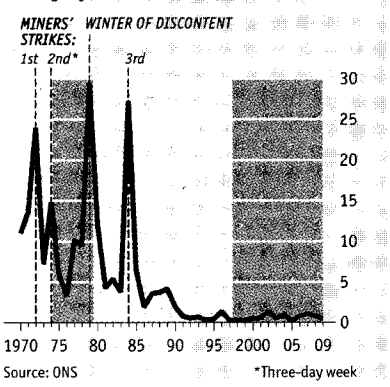
The unions' earlier militancy is the main reason for their relative docility today. Elected after an anti-union campaign in 1979, Margaret Thatcher's government passed several laws limiting union power. Secret balloting for strikes was made mandatory, secondary strikes made illegal and closed shops restricted. Public revulsion at the violence surrounding the 1984 strike in particular strengthened support for her. These restrictions, combined with the decline in manufacturing during the 1980s, reduced union membership from 53% of the workforce in 1979 to around 27% today, mostly in the public sector.

That is not to say the unions are a spent force: their strong public-sector membership makes strikes particularly disruptive. And they have regained their traditional position as paymasters of the Labour Party, after a decade during which their contributions were eclipsed by those of businessmen. The Conservatives (who have their own funding troubles) make much of the fact that four of the five biggest donors to Labour are unions, hinting darkly about buying influence.

It would be naive to assume that the unions are not getting something for their money. But if Labour and the unions are working hand-in-glove, it is difficult to explain the timing of this latest round of walkouts. A series of strikes just before a general election is the last thing this government needs. ■

Anarchy in the UK

Working days lost to strikes, m — Conservative / Labour



Source: ONS *Three-day week

Care for the aged and disabled

Who cares?

The answer is postponed once again

WHEN ministers face a vexed problem, a convenient way to sidestep it is to establish a royal commission. Few are more vexed in ageing Britain than how to pay for long-term care for the elderly. Months after Labour came to power it named a group of worthies, who duly reported in 1999. Yet it has taken the government more than a decade to come up with a policy on care. And no sooner had Andy Burnham, the health secretary, published a white paper on March 30th than he called for yet another commission to be established.

The sick are treated free of charge by the National Health Service, which is funded by general taxation. The disabled receive money to help with everyday tasks. Those who are merely frail, however, cannot be given free help with washing, dressing and cooking unless they are also poor. That strikes many people—but not all—as unfair.

When granny has become so infirm that she can no longer make a cup of tea, she may be nudged into a care home. Unless she is particularly poor, with assets worth less than around £23,000 ($35,000), she must pay for it, first by running down her savings, then, so long as no husband or dependent children live there, by selling her house. This penalises responsible folk who have saved and invested, say those who think care should be provided free of charge.

Not everyone agrees. Old people are usually wealthier than the young, since they have had time to accumulate cash and property. True, they may plan to hand these on to their children. But other people's children should not have to pay for their care, say dissenters.

A penny for her thoughts

Some early ideas for funding care—including mandatory levies on workers, retired folk or dead people's estates—proved controversial. With a general election looming, the government ducked the issue, leaving it to a proposed new commission to be convened after the election. A bill in the House of Commons would give the neediest old people care in their homes free of charge, if it passes before Parliament is dissolved.

Yet the white paper makes some sensible proposals, such as charging only for the first two years in a care home. Many do not last that long and others do not have assets greater than the fees but, for those who do, it would bring a certainty now denied to all but the poorest.