

## **The Academic Study of Industrial Relations: Allan Flanders and the Cold War**

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Allan Flanders (1910-1973) was one of the leading members of the highly influential 'Oxford School' of industrial relations. Along with Hugh Clegg, Alan Fox and Otto Kahn-Freund, he developed a particular institutional approach to the analysis of industrial relations issues, first publicised in the 1954 textbook *The System of Industrial Relations in Great Britain*, co-edited with Hugh Clegg and later elaborated in his popular collection of essays *Management and Unions* (1970). In the 1960s Flanders and his colleagues made substantial contributions to a range of government measures, including the design of state incomes policies, the promotion of productivity bargaining and more broadly the reform of collective bargaining. Flanders worked for the National Board for Prices and Incomes and the Commission for Industrial Relations and his evidence shaped the main arguments of the 1968 Donovan Report.

Less well known is the fact that Flanders was also a key figure in social democratic and anti-communist politics from early in the Second World War up until his death in 1973. Consequently he was a major player in some of the key political struggles and turning points of the 1950s and 1960s. For instance, as Chair of the Editorial Committee of *Socialist Commentary*, the principal postwar journal of right-wing social democracy, he contributed to the Gaitskellite victory over the Bevanite left in the 1950s and to the Campaign for Democratic Socialism (CDS) in the 1960s .

This paper has three aims: first, to trace the development of Flanders' political thinking from his revolutionary and ethical socialist ideas of the 1930s through to his right wing social democratic ideas of the late 1940s and beyond; second, to show the impact of the Cold War on Flanders' political thinking especially in the period from 1945 until around 1950; and third, to show how his political thinking influenced his analyses of industrial relations issues and his prescriptions for reform.

The first part of the paper briefly maps out Flanders' conversion to a particular brand of ethical socialism, through the influence of a tiny, leftist and vanguardist German sect, the Militant Socialist International. The group's propagandising against reformist socialism and against Marxism and communism proved ineffectual and its whole *raison d'être* was thrown into crisis by the onset of the Second World War. Flanders quickly accommodated to the widespread sentiment within the British labour movement for anti-fascist unity and for economic planning, and soon came to believe that planning should serve two quite distinct purposes: it was to be a means for

effectively prosecuting the war against Nazi Germany but it was also to function as an instrument of social reform, redistributing wealth and power away from Britain's monopolists. As early as 1941 he had begun to argue that a reformist planning agenda would entail a radical shift in the role of trade unions. They would need to support state incomes policy, cooperate in improving work practices and abandon their attachment to the 'outmoded' doctrine of class struggle against capitalist exploitation. Initially inspired by the exigencies of war, these themes were to become permanent features of Flanders' thinking as anti-fascist war gave way to Cold War.

The growing antagonism between capitalist and communist states had several major effects on Flanders' thinking and activity. First, his longstanding anti-communism was intensified by the events of 1947 through 1949 (especially Czechoslovakia, Berlin, the Marshall Plan and the split in the WFTU). Second, he was led to rework his ethical socialist ideas as a countervailing philosophy to Soviet Marxism, particularly in the 1950s publications of the think tank Socialist Union. In essence he argued that full employment, nationalization and the welfare state had inaugurated a 'new social order'. Combining economic planning with individual freedom, it was claimed to represent a 'Third Way' between classical (US-style) capitalism and Soviet communism. Finally Flanders became increasingly active in mainstream politics, in the Labour Party and the Fabian Society and on the fringes of the CIA front organization, the Congress for Cultural Freedom (CCF). His network of contacts and acquaintances included the leading British figures of anti-communist social democracy, such as Crosland, Gaitskell, Healey, Jenkins, Pickstock and Rodgers as well as overseas writers and intellectuals associated with the CCF such as Bondy and Silone.

The final, and major, part of the paper traces the links between Flanders' political thinking and his industrial relations ideas. He argued consistently, from the early 1940s through the early 1970s, that the role of trade unionism could no longer be confined to, or dominated by, militant wage struggle or 'free collective bargaining'. This would damage the competitive position of the British economy, threaten the public interest in low inflation and 'orderly' industrial relations and create the conditions under which communist agitation would find a receptive audience. He argued unions should cooperate with both government and employers to raise productivity and control inflation, contribute to economic growth and therefore help increase wages. State incomes policy, with union support, he regarded as a legitimate and necessary form of economic planning under 'the new social order'. Through collective bargaining workers could participate in setting workplace rules and conditions, enhancing their dignity and status at the workplace and thus underpinning good industrial relations. This set of activities therefore comprised an economic project (protecting the British economy), a political project (protecting the new social order and the 'free world' against communism) and an ideological project (securing worker support for a common purpose in industry and undermining support for Marxist ideas of class conflict).

These positions placed him firmly in opposition to a variety of left-wing views and organizations and help account for the wide range of Flanders' activities. In his academic work he attacked leftist writers, such as Allen, Anderson and Blackburn, who were more sympathetic to union militancy and more hostile to union cooperation with employers. In his analysis of union membership (later developed by George Bain) he went out of his way to attack and downplay the idea that union militancy played any role at all in promoting union growth or improving terms and conditions of employment. His political work focussed both on the Labour and the trade union left:

he was close to Gaitskell and Crosland and to their key union supporters such as Sam Watson of the Durham Miners and was active in CDS. He was a leading opponent of the left-wing demand for further, widespread nationalization, helping draft the anti-nationalization arguments in the seminal 1960 text *Must Labour Lose?*

The contradictions in Flanders' positions, and those of the Oxford school more generally, became increasingly clear through the 1960s and 1970s. State regulation of wages could not be combined with local wage bargaining for more than a few years at a time before breaking down in a wages explosion. Devolution of power to workplace representatives often strengthened left militancy rather than promoting labour-management cooperation and genuine productivity bargaining.

Flanders and other members of the Oxford School increasingly called for the type of firm and authoritarian leadership of men such as Bevin and Citrine and the degree of labour movement discipline seen during World War Two and the Cold War. They came to support legal curbs on trade unionism, e.g. *In Place of Strife*, and tougher incomes policies to enforce union compliance in the absence of widespread consent. Yet in the face of a powerful and well-organized trade union movement these measures were doomed to fail. Politically, the social democratic circles around Flanders came under increasing strain as the economy slid into recession through the 1970s. In the early days of the Thatcher era they finally split apart, one wing remaining inside the Labour Party, grouped around Healey and Hattersley, whilst the Jenkins-Rodgers group broke away to create the SDP.

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