

DRIFTING TO DEFEAT: 1974-79

By Alistair Graham

"WHAT WENT WRONG": published by Spokesman, £12.

Can we learn anything from the defeat of the last “old” Labour Government under James Callaghan in 1979? Are there perhaps lessons to be learned? Spokesman Books certainly think so.

They have reprinted a series of essays, originally published in 1979, looking at the record, and the shortcomings of the Wilson/Callaghan administration between 1974 and 1979 – and why Callaghan went down to defeat.

There are certainly similarities. A new Prime Minister having to take over following the resignation of the old in mid-administration. A decision not to call a general election – followed by a phase when everything seemed to go belly-up. Sound familiar?

As Ken Fleet says in his foreword to the 2008 edition, “the Labour Government failed to fulfil its pledges to regenerate manufacturing industry, preserve full employment or extend democracy, but chose instead to capitulate to the restrictive demands of the International Monetary Fund.”

Labour had been elected – albeit with the slenderest of majorities, in October 1974 on a left-wing programme. In the following year, a referendum confirmed our membership of the European Community, and North Sea oil began to flow. There were some achievements, when the Education Act to end selection and enforce comprehensive schooling came into force – followed by the sex discrimination and equal pay Acts.

But in the Spring of 1976, Wilson resigned abruptly as Prime Minister and Callaghan took over. By 1977, the Government had lost its overall majority, but remained in power thanks to the “Lib Lab” pact. But in September 1978, Callaghan

made his famous TV broadcast, to tell us all that he would NOT be calling an election that autumn.

It was then that things really began to go pear-shaped for the Government. There was a massive hike in oil prices and the “Social Contract” between the Government and the unions ended in disarray. With prices rising, union members found that pressure on their pay packets was just too much to bear. And overall was the baleful influence of the IMF.

But these essays are much more than an account of why Callaghan lost so disastrously in 1979. They are an analysis of social change, the inadequacies of the Government of the day in its response, its inability to bring in Socialist measures to tackle its problems – and its reliance instead on drift.

As Ken Coates writes, “the truth is, Mr Callaghan had presided over what had been fundamentally, as well as in name, a liberal-labour coalition, covering for the International Monetary Fund. He had struggled to ride out a prolonged slump, in the hope of securing re-election ...”

Even by 1979, the percentage of working class voters who supported Labour had declined. Even amongst trade union members, Labour’s share of the vote had fallen.

But the point of these essays is to challenge the myth that it was just bloody-minded trade unions and “the winter of discontent” that toppled Callaghan. Even today, this myth is still thrust down our throat at every turn.

The Forest & Wye Clarion - August 2008