

Analysis of the organizational structure transformation of the Labour party of United Kingdom

The article is dedicated to analyzing the factors, which influenced the structure transformation of the Labour Party of United Kingdom. The author highlighted the nature and features of the transformation on each stage, starting from the party's foundation, till the leadership of T. Blair, and determined the causes and results of the changes in the party structure.

Keywords: party structure, organizational structure, balance of power, New Labour, political actors, the Labour Party, the party system of the United Kingdom.

Аналіз трансформації організаційної структури Лейбористської партії Сполученого королівства

Стаття присвячена аналізу чинників, які вплинули на зміни в організаційній структурі Лейбористської партії Сполученого королівства. Автор підкреслив характер і особливості трансформації на кожному етапі, починаючи від заснування партії, до керівництва Т. Блера та визначив причини і наслідки змін у партійній структурі.

Ключові слова: партійна структура, організаційна структура, баланс сил, нові лейбористи, політичні актори, Лейбористська партія, партійна система Сполученого королівства.

Analiza transformacji struktury organizacyjnej Partii Pracy Wielkiej Brytanii

W artykule analizuje czynniki, które wpłynęły na zmianę struktury organizacyjnej Partii Pracy w Wielkiej Brytanii. Autor podkreślił charakter i cechy transformacji na każdym etapie, od powstania partii, dowództwem T. Blaira i określa przyczyny i skutki zmian w strukturze partii.

Słowa kluczowe: budowa partii, struktura organizacyjna, bilans mocy, Nowa praca, podmiotami politycznymi, Partia Pracy, system partyjny Wielkiej Brytanii.

In 1997, after a long period of opposition, the Labour Party won the election with a large margin of votes. They managed to achieve this result after a profound transformation, which included changes in the structure and ideology of the party. And the key changes happened in the organizational structure. Changes in the organizational structure, accordingly, affected the balance of power within the party, which determines the nature of decision-making and policy direction within the party.

Studies devoted to the analysis of the British party structure date back to the twentieth century and the works of M. Duverger. In his view, the structure is the “most synthetic component, which is largely influenced by several factors (ideology, goals, social base and so on)”¹. In the Labour Party the type of organizational structure defined the balance of power within the party, in which the struggle for policy formation occurred between three different actors. M. Duverger analyzed how aside from the impact on party leadership, the party structure influences the formation of its ideological direction and program development.

Studies of the Labor Party structure were continued by a number of international scientists. The largest contribution were made by A. Gromyko², M. Cole and G. Deighan³, A. Mullen⁴ and H. Puhle. Particular attention should be focused on A. Richards⁵ research. In his work “The Life and Soul of the Party: Causes and Consequences of Organizational Change in the British Labour Party since 1979”, the scientist explores the reasons for innovations and changes in the structure and policy of the Labour party during various phases of its existence and tries to answer the question “how” and “why?”. A significant contribution to scientific research in this study is the analysis of empirical data, newspaper articles, party archives, memoirs and interviews. This allows to see the impact of various factors on informal party structure and policy making at different stages of their existence, after the Second World War.

However, even in the works of these researchers very little attention is paid to the process of party structure transformation and the effect of changes in the party structure on decision-making and program policies of the party. Therefore, the process of transformation in the structure of the party and its impact on the party is the task of our research and should take place in a clear and consistent manner: from the allocation of transitional phases, to the isolation and analysis of key indicators of the party structure.

R. Collins⁶, while analyzing the Labor Party, defined three major phases in the party structure transformation. In his view, such a classification is most relevant, because it is based on the key changes that have occurred during the chairmanship of specific party leaders:

- From party foundation to the leadership of M. Foot (1906-1981);

¹ Duverger, M. (1954). *Political Parties: Their Organizations and Activity in the Modern State*. London: Methuen.

² Gromyko, A. (2005). *Political modernization of the UK from the Westminster Model of Democracy to the Plural Model*. Que RAS, № 158.

³ Cole, M., Deighan, H. (2012). *Political Parties in Britain*. Edinburgh University Press.

⁴ Mullen, A. (2005). *The policy making process of the political left*. University of Bradford.

⁵ Richards, A. (1997). *The Life and Soul of the Party: Causes and Consequences of Organizational Change in the British Labour Party since 1979*. Instituto Juan March de Estudios e Investigaciones.

⁶ Collins, R. (2014). *Building a One Nation Party*. London: The Labour Party.

- From M. Foote's leadership to the leadership of Tony Blair (1983-1997);
- "New Labourism" of Tony Blair (1997-2007).

Within each of the above mentioned phases, five key indicators can be identified. In our opinion, the consideration of party transformation patterns based on these indicators will clearly reveal the nature of the party structure transformation:

- Features and the role of membership;
- The nature of decision-making within the party;
- Method of leader elections;
- The nature of the relationship of the center with links;
- Features and role of governing bodies;

The Labour Party of the United Kingdom was founded in 1906. At the beginning the party existed thanks to the collective membership of trade unions and other affiliated organizations. Individual membership in this organization was introduced in 1918, after the implementation of amendments to the party charter. From that moment we can talk about the emergence of the Labour Party, as a mass party. Under the new charter ("Constitution") of the Labour Party in 1918 (which remained unchanged until 1995) the party was characterized by a federal structure, which included, "on one hand: associated trade unions, socialist societies and later the Cooperative party, and on the other – the local Labour organizations".⁷ At this time regular rank and file members were awarded representation rights at the annual Labour conferences.

Decision-making at the Labour Party conferences was based on the "principle of delegation", which in practice led to the fact that the "block vote" of affiliated organizations repeatedly overran the voices of local parties on the ground – the so-called "constituency Labour parties" (before the Second World War this block vote was 90% after – 70%)⁸. As a result, until the internal party reforms of the 1990s, the trade unions, which were the largest affiliated mass organizations "held a dominant position in the party, thus refusing ordinary members the right of choosing candidates and leaders, thus pushing away incentives for mass membership".⁹ Moreover, constituency parties were also heavily bureaucratic. They were controlled by local leaders who were usually elected by the party leadership and usurped power. The possibility of joining the party on the ground was often shut for "undesirable" individuals. However, by 1978, the number of party members increased. Yet, this was normally achieved through trade union membership, and not through the initiative of citizens.

After the founding of the party, the leader and his deputy were elected by members of parliamentary factions. Candidates were nominated exclusively from deputy ranks, and a "closed" vote was conducted, without the participation of ordinary members and affiliated

⁷ Labour Party. (2013). *Labour Party Rule Book*. One Brewer's Green.

⁸ Gromyko, A. (2005). 'Political modernization of the UK from the Westminster Model of Democracy to the Plural Model'. Que RAS, № 158.

⁹ Mullen, A. (2005). *The policy making process of the political left*. University of Bradford.

organizations.¹⁰ On one hand this centralization of power allowed quick leader elections, but it was totally undemocratic and, in fact, divided the party from within even more. Since the leader was elected “from the top”, he had no credibility among unions and affiliated members who did not support him, and often rebelled and blocked his initiatives at party meetings.

In 1976, after the resignation of G. Wilson, D. Callaghan (who defeated M. Foot), was also elected in this manner. In 1980, later M. Foot himself, (who defeated D. Healey) was also elected this way. If in the first case a traditionally moderate candidate won, in the second – a representative of the left wing, as a result of radicalization. Taking advantage of a change in the balance of power in the party in their favor, the left of the Labor Party took the offensive. Their expanded campaign for the democratization of the Labour Party led to “the establishment in 1981 of a board of voters and the a change in the voting procedure: 40% of votes were given to affiliated trade unions and socialist societies and 30% each to the constituency parties and members of the parliamentary faction”.¹¹ It was a huge achievement which became the impetus for significant reforms within the party.

Since the mid-1980s, after Labour’s defeat in the general elections of 1979 and 1983 and the election of N. Kinnock as the party leader, a long process of reformation in party ideology and structure began. In the early 1980’s the balance of power in the Labour party was broken in favor of local constituency parties, trade unions and leftist groups in the parliamentary faction. The new Labour leader set two objectives: “to end the “Trotsky’ists” and to gain support form the middle class electorate”.¹² In addition to combating the radical left-wing elements in the party, N. Kinnock also started the process of reforming the party organization.

When N. Kinnock took up the position of the party leader, the elections procedure which was held in the course of the special party conference, were considered to have taken place if one of the candidates gained an absolute majority of “weighted votes”. Otherwise, the votes cast for candidates, which have shown the lowest results, were distributed between the top ranking candidates. If the leadership position turned vacant, the candidates for the nomination were required to enlist the support of 12.5% of the members of the faction; if there was a disagreement – 20% and two-thirds of party conference delegates.¹³

A similar fight occurred about the issue candidate nomination for parliamentary elections. In 1980 as a result of the campaign for the democratization process a mandatory re-election of deputies of the House of Commons before each parliamentary election was introduced. In 1984, when N. Kinnock first proposed to adopt the O.M.O.V. principle (One Member One Vote), the conference opposed. In 1987 he managed to achieve a compromise: “local electoral college where created, where 40% of the votes were given to local offices of affiliated trade

¹⁰ Mullen, A. (2005). *The policy making process of the political left*. University of Bradford.

¹¹ Labour Party. (2013). *Labour Party Rule Book*. One Brewer’s Green.

¹² Puhle, H. (2002/03). *Still the Age of Catchallism. Old Concepts and New Challenges*. Oxford University Press.

¹³ Richards, A. (1997). *The Life and Soul of the Party: Causes and Consequences of Organizational Change in the British Labour Party since 1979*. Instituto Juan March de Estudios e Investigaciones.

unions, and other vote rights were spread among individual members according to the “one person – one vote” principle.¹⁴ Shortly, at the annual conference in 1990, N. Kinnock also managed to push the decision according to which the re-election procedure was held after the vote of “parties on the ground” (earlier, traditionally, only activists – members of the General Committee of party offices – had the right to vote).

In 1992, N. Kinnock’s successor – J. Smith managed to spread the O.M.O.V. principle onto the leader elections and the elections for parliamentary delegates. It became mandatory in calculating the results within the union share of votes and the share of constituency party branches. Earlier they were counted automatically based on the number of paid membership fees in both structures, now – by individual voting via mail. In addition, only those members of trade unions retained the right to vote under the electoral college who paid not only trade union based contributions, but also “political” contributions. During J. Smith’s leadership the college was completely eliminated, although unions did still manage to ensure that by making additional contributions, their members were also considered members of local constituency branches, and, therefore received extra votes. At the end of his term, Smith also managed to introduce the O.M.O.V. principle for elections to the National Executive Committee, which traditionally controlled the implementation of decisions of Labour conferences and participated in the development of party policy.

As a result of the “Policy revision” program, a marginalization of the National Executive Committee occurred, as well as the submission of this body to the will of the party leader. To a logical end, this reform was brought under the leadership of T. Blair, who not only rid himself from the custody of the trade unions, but often ignored their decisions. If earlier the unions controlled half the votes of the National Executive Committee, “after expanding committee membership to 32 persons, the trade union quota was reduced to 12 seats”.¹⁵ The majority of committee members were elected at party conferences, whose individual role during “New Labour” significantly decreased.

T. Blair continued the reforms in the second half of the 1990s, He called his new policy New Labour. New Labour provided significant transformation in the organizational structure (namely the balance of power among the main actors of influence in the party), the centralization of power in the hands of the party leader, the change of ideological direction away from the “left” position towards centrism (by implementing market values in the economy and changing the concept of the “social state”), and the reorientation of the party towards attracting the “transition” voter, aside from traditional electorate.

To achieve his goals “T. Blair often used the tools of direct democracy”.¹⁶ In 1995 all party members were rallied to a referendum, concerning the new wording of Clause 4 of the Labour

¹⁴ Richards, A. (1997). *The Life and Soul of the Party: Causes and Consequences of Organizational Change in the British Labour Party since 1979*. Instituto Juan March de Estudios e Investigaciones.

¹⁵ Gromyko, A. (2005). ‘Political modernization of the UK from the Westminster Model of Democracy to the Plural Model’. Que RAS, № 158.

¹⁶ Gromyko, A. (2005). ‘Political modernization of the UK from the Westminster Model of Democracy to the Plural Model’. Que RAS, № 158.

Party constitution, (which was preceded by an active propaganda campaign led by T. Blair). As in the case of the National Policy Forum, this solved two problems at once: demonstrated a democratic decision-making mechanism, and thus removing an important issue concerning internal modernization of the party from the jurisdiction of its supreme body – the Conference. In 1996 a referendum was held in support of the new election manifesto, which was preceded by the campaign the “Road to Manifesto”. With these actions New Labour demonstrated the voters and the media that their new program was, firstly, developed in the most democratic manner, and, secondly, reflected consensus in the party.

In 1996 T. Blair continued the direction of limiting the inner power of trade unions. The unions’ blocks votes at conferences was reduced to 50%, and at the conference of 1997 the initiative Partnership in Power was approved.¹⁷ Its central idea was the creation of the National Policy Forum. The main purpose of the document – to coordinate the relations in the “power triangle”: senior management – National Executive Committee – Conference. According to this document the Party Conference, which was the main forum of debate, and the main legislative policy-creating organ of the party, was to become only a formal finalizing stage in the formation of party policy, which now only had to ratify programs created on the outside. In 1999 a new consultation paper called “Party of the 21st century” was also produced, which proposed to strengthen the organizational structure of constituency parties and make it more modern. In a number of districts in an experimental fashion meetings were organized. They were open not only to activists, but to all members of the local party. Working groups with member participation in specific areas of policy were also set up.

Thus, the “internal party reforms of the 1980-90’s, contributed to the empowerment of ordinary members in the candidate selection process to parliament and for leadership elections. Activist and trade union influence declined, but the party leadership has expanded its autonomy in decision-making”.¹⁸ Until 1997 the unions still provided Labour with an overwhelming majority of its members (around 85%), the number of affiliated trade unions has dropped to half of the total. If in the mid-1970s the unions provided 80% of funding for the party, in twenty years this number dropped to 50%. At the beginning of the 21st century 8% of Labour’s budget was provided by party contributions, 27% by trade union donations and 35% represented donations from companies and individuals (in the Tories’ case – 90% and in the Liberal Democrats’ – 66% were from companies and individuals).¹⁹

The transformation of the Labour Party was not an “end in itself” for the party elite. They were guided by considerations for implementing control over the interests of ordinary party members, especially party activists and the electorate in general. Labour history with great clarity suggests that electoral success of parties can be significantly complicated by the desire

¹⁷ Labour Party. (1997). *Partnership in Power*. One Brewer’s Green.

¹⁸ Richards, A. (1997). *The Life and Soul of the Party: Causes and Consequences of Organizational Change in the British Labour Party since 1979*. Instituto Juan March de Estudios e Investigaciones.

¹⁹ Heffernan, R. (2003). *Political Parties and the Party System Developments in British Politics*. Palgrave Macmillan.

of activists to preserve the “ideological purity” of party lines. However, this does not necessarily have to be considered as a negative factor: the resistance of many activists and ordinary members to a policy of electoral opportunism propagated by the party leadership is an important factor in preventing the excessive weakening of the ideological framework, which holds the party together. Moreover, in such a “traditional” society, like the British one, the party must maintain its “brand”, which has been forming over the decades. A significant departure from the “roots” may adversely affect the party’s image among the British public.

During the *first stage* of transformation of the Labour Party met all features of a mass party: a massive individual and collective membership, the presence of the parliamentary faction, the distancing of the rank and file members from the party leadership, the existence of a great influence of trade unions, whose advocacy, was the root cause of the creation of this party. Parliamentary practice has always played a big role, but not as great as that of the Conservatives. This role was stripped down even more in the 70’s, as a result of a fierce inner struggle. Key issues were resolved, on a “triple” level: party organizations, trade unions and only then – the parliamentary faction. Significant changes in the party structure at this stage did not occur.

The first step towards organizational and structural changes in the party was made during the *second phase* when M. Foote became leader. The main reason for this, in our opinion, was the need to change the balance of power and make the structure more centralized. This could be accomplished by concentrating power in the leader’s hands, in order to secure the right to form the ideological direction of the party by him and a narrow circle of his assistants. At this stage the trade unions still had a strong influence on decision-making, yet their power declined after the introduction of the O.M.O.V. principle by N. Kinnock. Yet, despite the changes, the relationship between the party elite and the constituency parties and activists still remained weak. During the second stage the foundation for a radical and fundamental change was laid, but came into full effect only after T. Blair became leader.

At the end of the twentieth century a number of factors occurred, which made T. Blair and his supporters radically transform the structure of the party on all levels. The first of the factors was the decline in trade union membership. This meant that Labour could not win the election only with the support of loyal voters who were members of unions. Attracting new voters involved raising the image of the party in the eyes of the public, creating an image of a strong and united party (which the Labor Party was usually not considered to be, because of regular inner-party strife). The party conference – which was the main decision-making body regarding party policy – with the advent and proliferation of media, created the impression that the party entities (represented by trade unions, party leaders, members and affiliated organizations) created discord in the party, by always fighting each other, and being unable to make decisions.

During the *third stage*, in order to change this stereotypical image of a disunited party, of T. Blair and his team shifted the decision making process of the Conference “behind closed

doors". In order to achieve this, it was necessary to reform the role, place and power of the Conference in the structure of the party, which was done by T. Blair and his associates. After the establishment of the National Policy Forum, the party leadership got the power to monitor and manage the policy-making process, and to divert public attention from it, thus creating an artificial image a consolidated party. The final word in the making of political programs was given to a commission, led by the party leader. Now the role of the National Conference was reduced to only approving certain programs, which were prepared in advance by the newly-founded commission. The program formation process, as it was before has been canceled. This of course raised the image of the party in society, and led to victory in the elections, but significantly reduced the level of democracy within the party.

Shifting the balance of power in the Labour Party enabled the new leadership, headed by Blair, to successfully promote their policies and, in our opinion, was one of the key factors which helped Labour win three elections in a row. After receiving the first victory, T. Blair changed the nature of leadership elections, to make it almost impossible to shift him from the post of the party leader. He also affirmed the right to form party programs. He was able to concentrate in his hands the full authority necessary to influence key decisions. During his leadership, the O.M.O.V. principle was also distributed onto party leader elections, the election of parliamentary representatives and onto the elections to the National Executive Committee, which traditionally controlled the enforcement of the Labour Conference decisions and participated in the development of party policy.

From the above-mentioned, a clear conclusion can be made: the Labor Party has gone through an inner-structural transformation, which resulted in the centralization of power in the hands of the party leadership and the loss of the majority of primary features of a mass party. Features of a mass party are still present in the Labour party, but these features were altered, as were the real channels of influence. This makes it possible to say that after three stages of transformation, the Labour Party gained a hybrid form of an inner structure.