

mass meeting of the whole of Birmingham NALGO branch after the council had agreed to reinstate the three workers and to 'see to ensure' that social services work remained in the hands of directly employed staff. The scrutiny is, however, to go ahead.

The Birmingham dispute, though fought on the unlikely territory of social services, brings into sharp focus many of the key questions around the issue of privatisation and how it can be fought. Firstly, although the action was largely confined to the social services department, it was clear from the council's response that it involved an ideological and political issue of central importance to the Tories. Bosworth conducted all the negotiations in person, bypassing both committee chairpersons and senior officers, although he was aware that the scope for privatising social services, albeit greater than the unions had previously thought, was nevertheless limited. It thus became clearer that privatisation and the cuts were simply two prongs of the assault on public services. Birmingham's council services have been pruned almost continuously since 1975, and there are well-leaked plans to cut £2.5 million off the social services budget in 1982/3. The struggle over privatisation is therefore part of a wider struggle over financial cuts, job losses and compulsory redeployment.

Secondly, although it is usually the threat to publicly owned industries such as British Gas, Britoil, British Telecom and British Airways which grab the headlines as victims of Tory rapaciousness, the scope for smaller-scale municipal privatisation is enormous. In Birmingham alone, the Tories have plans to parcel up huge chunks of the council services and deliver them to small private contractors. The list includes school cleaning and caretaking, school meals, maintenance of parks and gardens at dozens of council buildings, the city architects department, estates services and the best known example, the city refuse collection service. Although the Tories envisage these services being contracted out to very small entrepreneurs indeed, it is instructive to note the alliance they have forged with multinational management consultancy and accounting firms, who are brought in to carry out studies of council 'efficiency' and 'value for money'. It is here that small and large capital meet up.

The top eight of these firms which include Price Waterhouse Associates, Peat Marwick and Mitchell, and Coopers and Lybrand, employ 150,000 people in 2,500 offices in over 100 countries with total revenue in excess of £5 billion. Their role in privatisation is dubious to say the least: Coopers and Lybrand won the contract to do the govern-

ment survey on council services which was used by the Government to justify the need to contract out council services. In Birmingham, Price Waterhouse are already the city auditors, and contributed to the discussion at the social services committee which recommended they be awarded the £85,000 contract without going to tender. The links these firms have with national and multinational capital are hardly tenuous. Small wonder that their recommendations involve privatisation and cuts.

Thirdly, the dispute raises problems with new dimensions for unions such as NALGO and NUPE, for although they have been attempting to alert their members to the threat of privatisation, the process of education is far from complete, and the members' response is patchy. Prior to the social services strike, the City Council, impressed with Southend's privately contracted refuse collection service, decided to repeat the exercise in Birmingham. Despite offering initial resistance, members of the four unions involved have now tendered for the contract themselves in a bid which will close three of the city's six depots, cut over a third from the budget of £10 million, and shed 280 jobs. A union spokesperson has been quoted as saying that they were faced with privatisation or the sack. In the event, both may well occur anyway when the contract is announced in December.

If nothing else, the limited success of the Birmingham strike has shown that the third option of fighting the selling off of direct services can give an enormous boost to the morale of union members punch drunk from years of cuts, and give the council a severe jolt. The action has also led to the setting up of a union privatisation committee which can assist and advise members faced with this threat, for privatisation means not only the loss of council control over services but also leads inevitably to massive job loss, the undercutting of union rates of pay and eventually the destruction of council trade union organisation.

Finally, the Birmingham experience does raise a number of questions about the responsiveness, accessibility and management of council services, when Tory calls for value for money and accountability, however cynically made, find such a resonance in the minds of the general public and trade union members alike. Despite the development of council workers' alternative strategies and plans in the recent past, a great deal more work needs to be done in this area if the drive towards privatisation is to be decisively defeated.

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## PRIVATISATION

For three weeks through October and November 1982, Birmingham social services department was brought to a virtual standstill by a strike of 1,500 workers in NALGO and NUPE, backed by other council employees refusing to carry out any of the city's revenue collecting functions. For several months previously, the right wing Thatcherite council, led by solicitor Neville Bosworth, and the council unions had been shadow-boxing over the council's determination to press ahead with plans to privatise many of the city's public services.

The dispute escalated into strike action when three social services workers in the Northfield office were sacked for following a NALGO instruction not to cooperate with a firm of management consultants, Price Waterhouse Associates, introduced by Bosworth to conduct an 'efficiency scrutiny'. The bitterly-fought strike was called off by a