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Abstract

This article reviews the current problems of the UK railway industry and in particular the effective re-nationalisation of Railtrack by the government during 2001. The present state of the industry is placed in the context of the process of privatisation, and of the historical development of the sector. It reviews the current literature and media debate that deals with rail privatisation.

Keywords:

Government Policy; Nationalisation; Neo-liberal; Nostalgia; Privatisation; Railtrack; Railway Industry; Railway Workers

Introduction

1.1

During the 1980s, privatisation and the role of the market were perhaps the key divisions in British politics. This 'clear blue water' was, however, gradually bridged during the 1990s so that by the time of the election of New Labour in May 1997 there remained few, if any, differences between the main UK political parties. This erosion of distinctiveness in analysis has had profound implications for both policy and interpretation of the problems facing government. In this paper I examine this broader shift in political economy within the context of the railway sector and in particular the recent events that have led to a partial re-engagement of the state with the industry. The study highlights the way the original privatisation during the 1990s was based on a highly simplistic reading of the public sector in general and the railway industry in particular. It is suggested that the crude insertion of market logic has had profound and long lasting effects on the social structure of the industry which in turn has resulted in the spate of recent accidents. I argue that my research into the privatisation of the industry highlights the way that there has been a deliberate attempt to remove older, more experienced railway workers and managers and that this process has subsequently restricted a collective ability to respond to generic problems. I would suggest that this is the logical, if unintended consequence of a deliberately under-socialised account of the notion of culture apparent in popular management texts and thinking as well as neo-liberal discourse.

The Politics of Nationalisation and Privatisation

2.1

Writing in a 1938 Labour party pamphlet on the British transport system Peter Mandelson's maternal grandfather argued that:

If the full advantages of co-ordinated transport are to be secured we must eliminate the conflicting interests created by the existence of innumerable separate private ownerships. These, quite naturally, are chiefly concerned about advantages for their own individual undertakings. They do not worry themselves too much about the efficiency and welfare of transport as a whole. If this is agreed, we then have to choose between private monopoly and public monopoly. The trouble about private monopoly is that it is dangerous for the general wellbeing. The management of a private monopoly must inevitably be fettered by much state regulation to protect the interests of the community. A monopoly which is publicly owned does not threaten public interests and so does not require such intense state regulation (cited in [Bonavia 1971](#); 40).

2.2

Although penned nearly sixty years before New Labour's victory of 1997 Herbert Morrison's advice could have formed the basis of the administration's railway strategy. The fundamental issue facing politicians since Gladstone's day is how to regulate what is a natural monopoly service. The lack of a clear policy coupled with insufficient parliamentary time in the initial term has had, and will continue to have, major repercussions for the present government, and runs the danger of turning what could have been a real vote winner into at best a neutral issue, and worse a vote loser at the next election. While the effective re-nationalisation of Railtrack by transport secretary Stephen Byers was a popular move - opinion polls consistently show over 70% of voters in favour of state ownership - public perception is of a government responding to events rather than acting strategically to a well thought through script.

2.3

The end for Railtrack PLC came over the weekend 6th - 7th October 2001 when Byers refused to extend government funding and forced the six-year-old company into administration. Without further advances from the Treasury it was effectively bankrupt, its share price reduced to zero. While the government studiously denied that this was 're-nationalisation by the back door', there can be little doubt that the State had regained control of the key part of the railway industry very cheaply. Had it chosen to purchase the shares before the events of October the government would have been forced, under European law, to compensate shareholders on the average price of the stock over the previous three years, £8-9 rather than the trading price of £2.80 at the point of collapse. Predictably the Railtrack board have fought hard for 'proper' shareholder compensation, claiming that its troubles were due to government duplicity rather than corporate mismanagement. In the latest twist the company is threatening legal action against Byers on the basis of their interim half yearly profits, which they claim show conclusively that the company was far from 'meltdown'.

2.4

What really did for Railtrack was not government double-dealing but the underlying structural weakness of the company and the wider railway industry, coupled with arrogant and incompetent mismanagement on a gigantic scale. The three crashes at Southall in 1997, Ladbroke Grove in 1999 and finally at Hatfield at the end of 2000, and the gradual exposure of the potential liabilities that the company faced, caused its share price to plummet to under £4. This collapse in confidence on the part of institutional and individual investors weakened Railtrack's ability to raise finance at a time when new calls on its reserves were being made on a daily basis. Shareholders voted with their feet and in June 2001 the company tumbled out of the FTSE 100. Simultaneously, financial analysts at City firm ABN Amro warned that even at this level Railtrack was highly overvalued, a more realistic share price, given its exposure was a figure of 58p - this was a full four months

before Byers finally pulled the plug. In response to these events the company made it clear that it could no longer be expected to invest in the network at the level it had formally intended and began to ask for evermore assistance from the Treasury simply to finance the repairs and renewals it was currently undertaking.

2.5

It was all supposed to be very different. During privatisation in 1996 much was made by defensive Tory ministers of the private sector's ability to raise capital to fund the renewal and expansion of the rail network without adding to the PSBR. Railtrack's finances were engineered to give the company an AA credit rating, making it an attractive investment, and importantly allowing it to borrow funds more cheaply because of the relative lack of risk involved. At flotation the stock was valued at £3.90 a share but this steadily climbed to a high of over £17 during 1998, replicating the trajectories of previous denationalisations. So proud of their achievement were Railtrack's senior managers that they insisted that the closing share price was posted anew each day in the company's signal boxes alongside such trivial things as traffic notices and health and safety information.

2.6

Railtrack is at the heart of the Byzantine structure created by the Major privatisation of the early 1990s and understanding the reasons for its failure tells us much about the problems in the railway industry as a whole. But, in addition, this story of corporate demise acts as a signal case of the limits to neo-liberalism and the more general denigration of the public service ethic. Hostility to British Rail was a theme that united both One Nation and neo-liberal Tories. The State's continued involvement in this key industry irritated equally both wings of the Party, representing a monument to collectivism, the removal of which was a genuinely 'big idea' in an era largely devoid of them - the Cones Hotline excepted. Sir John Stokes, the patrician MP, spoke in a Commons debate in 1991 comparing the inefficiency of the nationalised industry with the private companies of the inter-war era:

I remember the thrill of going to Paddington station en route to Oxford, and I remember the chocolate and cream coaches, the glorious engines and, of course, the station master in top hat and tails. Apprentices for the GWR had to go to Swindon to be approved. It was like joining a good regiment. The Railways were privately owned and the morale of the staff was high (quoted in [Bagwell 1996](#), 133).

2.7

According to the Tories public ownership had smashed corporate loyalty and turned heroic footplatemen and signal workers into instrumental employees, dominated by their over-strong unions.

2.8

Alan Clark gives an insight into the Thatcherite attitude towards the industry and its workers during the 1980s in his diary:

I am sitting in a first class compartment of the Sandling train, odorous and untidy, which, for reasons as yet undisclosed, and probably never to be disclosed has not yet left Charing Cross. 'Operating Difficulties', I assume, which is BR-speak for some ASLEF slob, having drunk fourteen pints of beer the previous evening, now gone 'sick' and failed to turn up ([Clark 1993](#), 169).

2.9

Industrial relations had deteriorated on the railways from 1979, several disputes being deliberately provoked with the unions by an increasingly pugnacious management eager to please their new political masters - Peter [Parker \(1991, 258-259\)](#), BR chairman from 1976 to 1983 described the drivers' union of being: 'class warriors battling in the trenches of 1919

agreements'.

2.10

Throughout the 1980s, railway privatisation had been rejected on the grounds of complexity and the recognition of the need for continuing public subsidy. Even Nicholas Ridley, one of Thatcher's many Secretaries of State for Transport (1983-1986) and a keen advocate of denationalisation, advised her that it would be 'a privatisation too far', and later during the Lords debate on the issue he actually spoke against it. It was in the wake of the narrow re-election of the Major government in April 1992 that proposals for privatising the industry were unveiled. From the start much of the programme was heavily influenced by neo-liberal 'think tanks' rather than experienced railway managers. Senior figures in BR were reluctant to fragment the industry along the lines desired by libertarians on the prosaic grounds that it was practicably unworkable. John Welsby, the last Chair of the BRB, reflected that government ministers at the time:

... didn't understand the nature of the markets they were dealing with, how to produce train services or what the implications of their decisions were. They had taken no advice from anybody who knew anything about it (quoted in [Wolmar 2000](#), 128).

2.11

John Major had himself mused over the possible shape that the privatised industry might take, talking of returning to the "good old days" of the four regional railway companies' (See [Strangleman 1999](#)). Major, supported by other chums like Chris Patten, dreamed of privatisation on a regional basis, recreating the 'sentimental pride' of the companies such as the Great Western Railway - steam trains framing the vista of old maids cycling around the village green.

2.12

However, the eventual sell-off owed more to utopian market theory than a nostalgia for the golden age of the railways. Of all the books to have emerged post-privatisation it is a rich irony that the one largely written by enthusiasts for the sale ends up being the most damning of the process. In chapter after chapter of *All Change: British Railway privatisation* - edited by one of the architects of the sell-off, Roger Freeman ([Freeman and Shaw 2000](#)), subsequently ennobled and now a transport consultant with PricewaterhouseCoopers - we are given a fascinating insight into the debates within government about the detail of the proposed structure. On the one hand, successive ministers and their advisors wanted as much competition in the new industry as possible, while on the other were those, equally enthusiastic for liberalisation, who realised that too much competition would discourage potential buyers - real entrepreneurs, it seems, don't like competitors. Although the ultra zealous free-marketeers were reined in this still left the industry split horizontally and vertically into over a hundred pieces. Command and control, favoured by virtually every railway in the world since the opening of George Stephenson's Stockton and Darlington Railway of 1825 was replaced by contracts, penalties and key performance indicators.

2.13

The railway industry's real misfortune was that its privatisation took the form of an ideological experiment in the creation of a perfect market. Earlier denationalisations had effectively seen the substitution of public sector monopolies for private sector ones - the case initially with gas, water, electricity and telecommunications. Rail was going to be different! There were to be twenty-five train-operating companies (TOCs) and two freight units. The rolling stock was owned by three separate organisations, then rented to these TOCs and simultaneously maintained by completely different companies. Railtrack owned all of the track and signalling, but contracted out all its maintenance to a series of engineering companies, who in turn sub-contracted still further to a myriad of smaller undertakings. This injection of endless competition was not some accidental, unintended

consequence of privatisation, rather it was a deliberate attempt to introduce market discipline, to create flexibility in the workforce and further restrict the power of the rail unions. The existing social relations within the industry were targeted for reform because they were blamed for previous organisational failure - the railways, it was argued, needed a 'culture change'.

2.14

But what of the nationalised railway itself? On the whole BR's record over its near fifty years existence was not as bad as is often thought. During the 1980s state support for the railways fell progressively from £1.2 billion in 1982 to £400 million in 1991. By contrast expenditure on roads increased from £3.5 billion to £6 billion. Public funding for BR was, during the 1980s, the lowest in Europe, as a percentage of GDP, falling from a high of 0.3 % in 1983 to nearly 0.1 % of GDP in 1990. The European average in the same years was nearer 0.7 % ([Bagwell 1996](#)). At the same time parts of BR, most notably the Intercity operation actually turned substantial profits. Indeed if we look at the whole of BR's existence the organisation did rather well considering the constant interfering of a succession of politicians and chronic Treasury short termism ([Gourvish 1986](#); [Strangleman forthcoming](#)).

2.15

In 1948 British Railways was charged with the commendable if rather vague objective of providing: '... an efficient, adequate, economical and properly integrated system of public inland transport' with the aim of breaking even 'taking one year with another' ([Pollins 1971](#), 168). The nationalised sector, therefore, was never set the task of profit maximisation, but rather a far more ambiguous target of serving the public good. At nationalisation the railways were in a mess. The immediate problem was to recover from massive war damage, but there were far more serious underlying weakness in the industry which dated back to the 19th century. The railways in Britain were constructed in the age of *laissez-faire* capitalism, with successive Tory and Whig administrations consistently intervening only to uphold the principle of competition, and ensure monopoly abuse was avoided. The result was a network of rival lines each in competition with the other which in turn fundamentally weakened the ability of more progressive undertakings to improve their part of the system. Even in the wake of the government-inspired Grouping after World War One - when 120 separate companies were amalgamated into one of four new regional undertakings - the absolute size of the industry remained much as it had at the turn of the century. Even if the London & North Eastern Railway (LNER), London, Midland and Scottish (LMS), Great Western Railway (GWR) and Southern Railway (SR) had wanted to make great changes their scope was limited by a combination of political and public hostility to closure, and lack of investment funds available because of recession. It was only after the Second World War that real change could take place and some of the historic problems could be seriously tackled.

2.16

BR had inherited a workforce of over 600,000. By 1979 this number had been reduced by more than two-thirds. At the same time the system had been dramatically rationalised, services cut, branch lines axed and new technology quickly eradicated the beloved steam engine. Indeed one reading of the hostility of the Conservatives towards BR was that it was too successful in bringing about change, destroying tradition in its self-conscious attempt to move away from steam age technology and marginal rural markets. In his preface to LTC Rolt's account of the successful movement to save the Talyllyn railway - Britain's first preserved line - John Betjeman fulminated against the modernising trend that he associated with nationalisation, suggesting that the volunteers' success was:

... the result of the independent spirit which still survives in this country and refuses to be crushed by the money-worshippers, centralizers and unimaginative theorists who are doing their best to kill it (Betjeman in [Rolt 1961](#))

xix).

2.17

The adventures to save the Talylyn formed the basis of the script for Ealing Studios' 1952 film *The Titfield Thunderbolt*, where a group of villagers attempt to stop their branch line from being closed by offering to run the service themselves. During the public enquiry it appears that the group has lost its chance; this elicits an outburst from the local squire against the dead hand of Whitehall:

Don't you realise you are condemning our village to death? Open it up to buses and lorries and what's it going to be like in five years time? Our lanes will be concrete roads, our houses will have numbers instead of names, there will be traffic lights and Zebra crossings ... [the railway] means everything to our village.

2.18

Titfield prefigures many of the battles fought out in numerous parts of the country over the next thirty years against the Beeching axe. During the 1960s BR management attempted to develop a new modern identity for the railways, a mood in step with Harold Wilson's modernising rhetoric. Symbolically, the most important moment of this process was the re-equipping of the West coast main line from Euston to North West England and Glasgow - a line which four decades later contributed significantly to Railtrack's demise as estimated costs spiralled out of control when it tried to rebuild it again. Much was made of clean electric traction introduced and the rebuilding of the London terminal, with the associated destruction of its famous Doric arch, now viewed as the touchstone of post-war architectural philistinism. Betjeman complained that:

... the architects of British Rail never cease to destroy their heritage of stone, brick, cast iron and wood, and replace it with windy wastes of concrete... I became aware that the rich inheritance of railway architecture from Victorian pride in achievement to Edwardian flamboyance, declining to the poverty of the new Euston, has a moral. There was nothing modern to photograph ([Betjeman 1972](#), 9).

2.19

The 1960s were also significant for the attempt to introduce external managerial expertise into the industry; Richard Beeching, the chairman of BR from 1962 to 1965, had previously been an industrial chemist with ICI. Traditional railway management was portrayed by its critics as a closed order of amateurish enthusiasts rather than commercially-minded professionals. This rather polarised account rehearsed many of the arguments made during the Thatcher and Major period and was a major impetus behind the eventual sale. At the heart of the matter was the consistent belief in public sector failure and general incompetence. What the railways needed was a new culture, one where managers would manage rather than be restricted by custom and Spanish practices engrained in the workforce. Throughout the 1980s BR underwent restructuring designed to signal to both politicians and workforce that management was serious about change. Systems of quasi-markets were created and separate business units, or sectors, formed. The idea behind these reforms was to break the power of the producers (the engineers) by empowering the consumers (the commercial managers). BR, it was argued, had been dominated by a 'production-led' culture, where strategy was made by technical experts rather than the commercially astute. Unlike the later privatisation these changes were made by managers who usually possessed more than a passing acquaintance with railways, for instance Bob Reid, the chief architect of sectorisation, had joined the London and North Eastern Railway in 1947. Crucially each of the units created as part of the system was vertically integrated, individually responsible for its own track and signalling.

2.20

By the early 1990s many industry observers believed BR was organisationally stronger than it had ever been, but unfortunately this was just when the Conservatives decided to privatise the industry. Speaking in the Commons in 1993 Transport Secretary John MacGregor stressed BR still:

... combined the classic shortcomings of the traditional nationalised industry. It is an entrenched monopoly. That means too little responsiveness to customer needs... Inevitably also it has the culture of a nationalised industry; a heavily bureaucratised structure... an instinctive tendency to ask for more taxpayers' subsidy (quoted in [Bagwell 1996](#), 139).

2.21

In 1995 Brian Mawhinney, the third of four ministers involved in the privatisation process, was also critical, arguing that even after fourteen years of greater 'customer focus':

... the old arrangements were flawed because they were producer-led ... It was the same old nationalised industry story: the management taking all the key decisions on a centralised, bureaucratic basis and without a stable financial regime. The command economy with a vengeance ([Department of Transport 1994](#), 4).

2.22

And it was the desire to break this link with the past that was so fundamental for the way in which privatisation was structured. Successive Tory ministers involved in the process genuinely believed that market pressures would create a climate in which a real culture change could occur in management and the workforce. The fragmentation of the industry was seen as an integral part of this change and not some unfortunate by-product. Ministers and their advisors thought that railway expertise would unproblematically be cascaded into the new organisation, skilled and experienced workers simply dovetailing into the plethora of new units created as part of the process.

2.23

The ability to keep the trains moving whatever happens is an important aspect of the railways and its management. But this very strength has had the effect of masking some of the underlying problems in the industry. The fact that the railways failed to collapse on the first morning of privatisation was taken as a positive sign that the doom-sayers had been wrong all along and that rail privatisation would enjoy the success of previous sell-offs, and many of the contributors to *All Change* take this line of argument ([Freeman and Shaw 2000](#)). Such was the confidence of the apologists for privatisation that when the three major crashes occurred at Southall, Ladbroke Grove and Hatfield those who tried to link them with the way the sell-off had been structured were roundly criticised; critics argued that each separate incident was caused by human error or technical failure rather than commercial pressure or structural problems. Latterly, however, it has become increasingly apparent that fragmentation of the industry was a crucial factor in each case.

2.24

Christian [Wolmar's \(2001\) *Broken Rails*](#) is a careful and detailed story of privatisation told through each of the crashes and the response to them. At Southall a driver's momentary inattention in missing a danger signal was simply the last act in an unfolding drama of crucial faulty safety equipment switched out of use, several attempts to get it repaired having foundered on a breakdown in communication between the various parts of the new railway and the pressures on inexperienced maintenance staff. Ladbroke Grove, was again superficially caused by human error, where a newly qualified driver accelerated through a red signal outside Paddington. However, as Wolmar explains, this becomes a far more complex tale of financial pressure on Railtrack during re-signalling carried out in the area, of a string of complaints about poor sighting of the signal by experienced railway staff and

an erosion in basic driver-training on the part of Thames Trains, one of the twenty-five train operating companies. Finally, there is Hatfield which so neatly encapsulates the flaws of the British railway industry break-up that it will surely form a 'case study' so beloved of management gurus on how *not* to liberalise your public services. Like the other two disasters we find the initial incident was one that has always been a regular issue of railway operation around the world - a broken rail. What made Hatfield so important was the way it exposed the fundamental weakness not only in individual parts of the fragmented railways but also in the relationships between them. [Wolmar \(2001\)](#), [Jack \(2001\)](#) and [Murray \(2001\)](#) all dissect complex bureaucratic inertia involved around the basic need to replace a length of rail in the Home Counties - the damaged rail was known about over a year before the accident. Each report the arguments between different contractors as to whose job it was to undertake the remedial work - if the rail was over a certain length, then a 'repair' is deemed to be a 'renewal' and therefore the province of another company and a separate contract. The crash highlights the commercial pressure that all the different parts of the industry are under from each other as well as the various regulators. Railtrack incurs fines if they fail to provide paths for train operating companies, maintenance units get fined if they overrun the time allocated to them for repair, while the rail regulator imposes penalties on various parts of the industry if they fail to provide the timetabled service. At Hatfield this chaos conspired to prevent the faulty rail's replacement for over a year while no one took responsibility.

2.25

Perhaps what is most cruelly exposed in Wolmar's volume is the lack of engineering expertise at a senior level in Railtrack. At the time of Hatfield the company's board contained just two members who had engineering backgrounds, and only one of those was in an operational position. The chief executive, Gerald Corbett, had previously been a finance director of drinks group Grand Metropolitan, and had brought in new management which the *Financial Times* (21/5/2001) suggested: 'became symbolic for many railwaymen of the new culture of bureaucrats and accountants'. It was Corbett who reportedly had boasted at a lunch of having changed 60 of the top 100 people during his time at the company. The result was the semi-paralysis of the network for much of the autumn and winter of 2000 as 1,200 temporary speed restrictions were hastily put in place to warn of 3,200 instances of suspected 'Gauge Corner Cracking' - the immediate cause of the Hatfield crash. This lack of corporate expertise was no accident. When privatisation was being planned in the early 1990s a deliberate decision was made to exclude engineering from Railtrack's remit. The fundamental reason for this was to make the organisation more attractive to the City, it was calculated by government advisors that including the mundane aspects of track repair and renewal would dent institutional enthusiasm for investment in the company. What was left in the package were large amounts of sexy prime real estate, particularly in large cities, which was ripe for redevelopment. Track repair and renewal was hived off into a series of twelve track maintenance and renewal companies which competitively bid for work on offer from Railtrack. Many of these firms were themselves snapped up by civil engineering groups eager to move in to what they saw as a potentially lucrative area. Railtrack ruthlessly used this competition to force down the price it paid, manically creating a series of Dutch auctions among competitors who in turn cut costs by laying off risk onto numerous sub-contractors. It has been estimated that there are now over a thousand contractors working on Britain's rail system ranging from some of the biggest civil engineering firms to temporary workers recruited in pubs. Jack suggests that BR used to employ over 30,000 full time track workers, post privatisation, however, this figure dropped to between 15,000 and 19,000. Coinciding with this fall in the size of the permanent workforce hundreds of specialist employment agencies have sprung up to service the new desire for temporary flexible labour poignantly dramatised by Ken Loach in his film *Navigators* - several television critics grudgingly accused Loach of being nostalgic in his portrayal.

2.26

Interestingly, much of the criticism of the industry post-Hatfield focused on the lack of a skilled workforce who either failed to identify the problem before the crash or were unable to cope with its aftermath - between 40,000 and 60,000 railway workers were made redundant during the restructuring of the industry from the early to mid-1990s. The *Financial Times* (22/2/2001) reported:

The first consequence was the breakdown of the old comradeship, which used to mean that the problems were easily spotted, repairs made, and people could talk to each other. Track workers operated in gangs and knew their stretch of rails like their own back gardens. Instead, workers became nomadic, moving to the next job with little or no local knowledge and instructions not to talk to rival workers.

2.27

Other parts of the media were also filled with such accounts, with enthusiastic journalists warming to their subject in reporting the recruitment of ex-army personnel or more desperately Italian, German, Indian and Romanian rail engineers.

2.28

Much was made of the incompetence of senior figures in Railtrack and their lack of railway industry experience. Within the industry, Hatfield finally allowed more experienced managers to voice doubts about the faults of privatisation. Chris Green, the head of Virgin Trains and a career railwayman who began in the industry as a BR management trainee in the early 1960s spoke of 'a collective loss of memory on the basics of running a railway' and suggested 'Old skills have not been valued and experienced staff have been dismissed in ill-considered cost-cutting initiatives' (*Rail* 21/2/01).

2.29

This sense of past experience being deliberately devalued was a recurring theme in the research I carried out during and after privatisation. As one signal worker in his 60s said:

If the old men, old railwaymen, if they start to talk about the old days a glazed look comes over the eyes of [new] management, they're not interested. It's 'Oh here we go again, the "Olden Days" (John Porter, signalman Railtrack, interview 1995).

2.30

The marginalisation of established workers transcended the divisions between blue and white-collar staff. A Railtrack manager who had over three decades of experience described key operational meetings where he and another colleague would be the only long-serving railway personnel present. He observed how younger, but more senior, colleagues' eyes would roll every time he tried to make a comment based on previous events or incidents that might have occurred two decades before:

Because it happened 20 and 15 years ago, or before that, they find that threatening because they can't identify with what we're about...Oh yes, that railway culture's been challenged, but at the end of the day, for as long as we intend to run trains, there'll be problems and by all the old hands being told to shut up and get out, somebody should say "hang on now, why didn't we listen to them" (Railtrack Manager, interview 1997).

2.31

This manager went on to say that in the end he usually kept quiet in such meetings rather than provoke a confrontation which could have major implications for his career. At the same time that experience was being devalued comparative inexperience was being privileged. A Rail Maritime Transport (RMT) union official explained:

They [the train companies] have got a policy of recruiting as much as possible from the street, you know, young keen people that they think will be completely malleable, won't be trade-union minded and they will be able to do what they want (RMT interview 1998).

2.32

In a sentimental piece reflecting on the opening of a new annex to the London Transport Museum, this narrative of a loss of skill during privatisation was prefigured by *Guardian* journalist Jonathan Glancey. He lamented the demise of the railway work ethic, arguing that it, too, was now only fit for the museum. Comparing contemporary workers with past generations of train drivers he suggested: 'Such men were like champion jockeys in charge of mechanical racehorses looked up to by even the most expensively educated British schoolboy', continuing:

More importantly, they were well read, dedicated union men, who learned their craft, as well as the ideas of Ruskin, Morris and Marx, in evening classes and in oily depots. They were truly the aristocracy of labour. Not today. Those working for the privatised transport companies run by former supermarket managers and second-hand car salesmen have become little more than the "lump" (*Guardian* 22/9/99).

2.33

Nostalgia for a lost workforce has been one of the most intriguing themes of post privatisation commentary. Railway workers it seems are back in fashion after having spent most of the era of nationalisation as popular and political folk devils. But as so often is the case this rediscovery of loyal and committed workers selflessly beaver away coincides with their near-final demise. This theme of loss is a perennial one with few generations not attempting to claim that they are the last authentic railwaymen. Some date this loss from the Grouping of the railways in 1923 which destroyed the individuality of 120 companies. For others it was nationalisation after World War II that snuffed out occupational commitment, while others point to the end of steam in the late 1960s as the actual terminal point. So regularly does this sense of decline surface in railway historiography that it is possible to trace it back to the earliest decades of the industry in the nineteenth century. During the late 1840s, for example, contractors and engineers lamented the death of the 'genuine navy', moaning that 'navvies weren't what they used to be!' ([Coleman 1968](#), 68). In this respect *Off the rails* represents continuity, the volume populated by workers who describe a frightening world increasingly dominated by 'flip-chart merchants' rather than skilled professionals, a place where good operating practice is subsumed under piles of paperwork and blame-attribution forms. All of the voices here lament the passing of BR, referred to by one employee as 'mother railway', but this sense of loss is complex and if there is nostalgia here it is qualified, as one driver concedes: 'Some of the old BR managers were bastards but they knew the railway'. What many railway workers grieve for is not a lost utopia. Rather they speak of an absence of intelligibility and rationality in the new railway - another driver notes ironically 'If the unions had put forward this way of working, we'd have been called Luddites' ([Murray 2001](#), 102). They lament the passing of an era where decisions reflected the need to provide a service rather than avoid the imposition of fines or gain key performance indicators. In one passage after another established workers talk of the distaste expressed by the new players in the industry for the 'old railway' 'they didn't want old railway people, they said "you've got old-fashioned railway ideas"'.

Discussion and Conclusion

3.1

I started my doctoral research upon which this paper is based just as the railway industry was being privatised and broken-up (see [Strangleman 1998, 1999; forthcoming](#)). During

the research process I gradually developed a greater understanding of 'railway culture'. In management and political thinking, railway, or any public sector culture for that matter, was and is often dismissed as being old fashioned, backward-looking and hidebound. Much effort has been put into attempts to change the 'culture' of this industry with little or no attempt to try and define what was meant by the term, still less whether changing it was either possible or desirable. Rather, what has occurred over the last two decades has been the neglect of more subtle sociological discussion of culture - understood as a broad set of meanings and values - and the imposition of a one-dimensional economic reading of social interaction and change ([Eagleton 2000](#); [Parker 2000](#); [Smith 2000](#); [Strangleman and Roberts 1999](#)). What has emerged is a vision of individual and collective action being driven almost entirely in response to market signals, a vision of 'the social' thoroughly disembedded from the economic. In designing the structure of railway privatisation the Conservatives went further down the road of creating a 'perfect market' than in any of their previous attempts ([Williams et al 1996](#); [Wright 1994](#)). In the process they have done serious damage to the social relations in the industry that had been produced and reproduced over time. The skills and knowledge within the industry have always been rooted in informal and tacit networks of social relations. Workers have traditionally been socialised into this complex occupational identity and often based their whole careers within the industry. From the life histories I reconstructed as part of my research, and from other scholars working in the area, it is possible to understand how this culture was both vibrant and inherently flexible in that it could respond to change precisely because it was rooted in collective experience ([Strangleman forthcoming](#); see also [McKenna 1976, 1980](#); [Revill 1991, 1994](#)). In crude neo-liberal readings this culture appears valueless, backward-looking and as if change is resisted by a largely nostalgic workforce wedded to a 'Golden past'. I want to argue that it is precisely because of the subtlety and complexity of this workplace culture (however that term is defined) that it was easy for neo-liberals to ignore its value and meaning, and end up blaming the workforce for being responsible for the industry's decline.

3.2

Similarly, it is important that in valuing an old industrial culture we don't fall into an unreflective nostalgia ourselves. Jonathan Glancey's quote above is representative of a romantic idealisation of work cultures of the past that perhaps does more to obscure rather than illuminate what was, and is, being lost from the collective railway workforce. While the railways had their fair share of autodidactics the average railway worker was neither hero nor villain. Railway culture could be both inclusive and supportive and at other times exclusive and narrow. However, while sharing collective traits this was a dynamic heterogeneous working class culture which changed subtly over time and across generations.

3.3

Labour's problem in 1997 was that it inherited a system deliberately designed not to be unpicked. British Rail was disembowelled, fragmented vertically, horizontally and temporally; its parts sold off in a variety of ways so that it could never be put back together as it was. This represents both a problem and an opportunity - for few would view BR as having ever been perfect. Understandably John Prescott during the first term recognised that the last thing the industry needed was large-scale upheaval and decided to try and work within the confines of the structure he was bequeathed. Blair reportedly didn't recognise the industry as a priority and thus change, where it has been made, is largely piecemeal. The poverty of such a stance has been cruelly exposed over the course of the last year as the logic of privatisation gradually, but remorselessly works itself out on a day-to-day basis. Just as large-scale railway investment takes a long time to come on stream so too do the faults in the system. At the moment, Labour can blame the problems of privatisation on the Conservatives, and the charge is legitimate and will continue to stick. But the public seem increasingly likely to ask why, if the system is so wrong, are large-scale changes not now being made - private polling for the Party suggests a minus 49% rating for their performance on rail. At the moment government policy seems to be the modest aim of

tinkering with individual franchises rather than seriously tackling a fundamentally flawed system. There are many options available to Byers or his successor (for most transport ministers only last a year or two), including full re-nationalisation. If political ambitions are more limited, then government control of Railtrack is a good place to start. Maintaining, renewal and creation of new capacity in the industry is expensive and the lead-in times are glacial, but is nonetheless vital. Such investment should be made by the state for the long term strategic good of the public and not by train operating companies who have to turn profits in months rather than decades.

3.4

The signs, however, are very mixed; Railtrack's administration is likely to drag on into the summer of 2002 at the earliest and Byers' star is on the wane. In the meantime the Public Private Partnership on the Underground looks like being even more complex than mainline railway privatisation, while a resurgent road lobby makes radical change in transport even harder. In addition, is the continued blanket criticism of the public sector, which is still perceived in government circles as inherently inefficient when compared to the private. The continued baiting of public servants is damaging and counter-productive. 'Railway culture', or the wider public service ethic for that matter, is, or was, a priceless intangible asset that is difficult enough to capture in the finest sociological mesh, let alone the accountant's balance sheet. One of the main reasons the railways still work, after a fashion, is because of the skill and commitment of the old nationalised workforce. It is time this was properly valued rather than disregarded in the genuflecture to all things private. New Labour once made a virtue of being non-ideological in its policy making. Now, in its search for solutions to the problems of the public sector, it should remember its own dictum - 'it's what works that matters' - clearly private involvement in public transport doesn't.

3.5

As I write trains have once again started running past the site of the latest crash on Britain's rail system at Potter's Bar. Again there has been much speculation as to the extent to which this incident can be blamed on privatisation and the subsequent loss of skilled workers. The idea that workplace culture is more subtle and valuable than has been acknowledged in the past may be becoming more acceptable than it has been over the past two decades. In his report in to the Southall train crash in 1997 John Uff makes the following observation:

The lesson to be learned seems to be that compliance with Rules cannot be assumed in the absence of some positive system of monitoring which is likely to detect failures. Such a conclusion would, however, be a sad reflection on a fine industry which has been created through the enthusiasm and support of countless individuals who were proud to be thought of as part of "the railway". *Perhaps the true lesson is that a different culture needs to be developed, or recreated, through which individuals will perform to the best of their ability and not resort to delivering the minimum service that can be got away with* ([Uff 2000, 202](#)) (emphasis added).

It seems to me that sociologists need to be bolder in their public interventions when politicians and managers make use of core sociological concepts such as culture.

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- *The Financial Times*, London.
- *The Guardian*, London.
- *Rail Magazine*, Peterborough

Web Links

[<www.ft.com/rail>](http://www.ft.com/rail)

[<www.titfield.co.uk>](http://www.titfield.co.uk)

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