



# The Guild Movement in Great Britain

by

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## I

**T**HE guild movement in Great Britain first arose during the period of industrial unrest which preceded the war. At the outset it was largely theoretical, and represented rather an aspiration than an immediate plan of action. The guildsmen set out to convert the trade unions to the idea of workers' control in industry; and gradually their entry into the field of trade union agitation led them more and more to outline actual schemes for the accomplishment of guild socialism. But, in the early years of the movement, its aim was rather to foster the idea of "control" among the workers, and to promote the reorganisation of the trade union movement with a view to the actual assumption by the organised workers of power in industry than to bring about any direct attempt to establish guilds in the midst of a capitalist environment. Only during the past two years has the guild propaganda entered into its third stage of development, which has resulted in a widespread movement among trade unionists in many different industries, fired by the example of the workers in the building industry, to establish the guild method of production even within the hostile environment of capitalism.

It is not difficult to trace the reasons for this line of development. When the guild theory was first advocated, it arose in the minds of a small group of Labour thinkers who had before them economic circumstances of the years preceding the war. Labour, after a period of keen political activity, during which industrial unrest attained to no large dimensions, was turning, from 1910 onwards, to the use of industrial action, partly because it was disillusioned with the meagre results of its political success, and partly because wages had failed to keep pace with the rise in prices during the first decade of the twentieth century. Strikes again became frequent, and it was seen that new forces were at work in the minds of trade unionists, and that a half-conscious effort was being made to give to strike action a new significance, and to use it for wider purposes than the mere improvement of wages and conditions of employment. More and more strikes came to centre round questions which employers had hitherto refused to regard as matters for collective bargaining or negotiation. Questions of "discipline" and "management"

came to the front and formed the subject matter of many important disputes. But, while advances in wages were secured, and strikes, on the whole, succeeded in their immediate objects, those who attempted to get more than a surface insight into the facts of the situation realised that the possibilities of the strike weapon would soon be exhausted unless a new purpose could be given to it — or rather, unless the new purposes latent in many of the strikes of 1911 and 1912 could be brought to the surface and made the basis of a new policy. Guild socialism became a force in the British Labour movement, not so much because it devised the plan of a new industrial order, as because it articulated clearly the possibility of using the power of trade unionism for constructive, as well as for purely defensive, ends. The guild socialists perceived that the possibilities latent in trade unionism, and in the loyalty of trade unionists to their organisations, were not exhausted by the methods of collective bargaining on which the unions had hitherto placed reliance. They saw that this strong working-class grouping on vocational lines might also, if it were rightly directed, become the basis of a new form of industrial organisation.

The essence of the guild movement was thus the linking up of the idea of a new industrial order, to be built up by the workers themselves and based on the principle of co-operative self-government in industry, with the actual defensive organisations created by the workers "for the purpose of maintaining or improving their standard of life". As soon as this connection was firmly grasped and began to be preached in the pre-war Labour world, it exercised a steadily growing influence on the minds of trade unionists. It was not until 1915 that the guild socialists created, in the National Guilds League, a propagandist organisation of their own; but for some years before this they had been conducting, as individual, a vigorous propaganda both by the spoken word, and in the columns of the *Daily Herald* and the *New Age*.

The war, for a time, seemed likely to check this propaganda by the submergence of economic interests; but before long it became clear that war necessities, so far from rendering problems of economic organisation unimportant, would bring them more than ever to the front. The guild socialists soon found in war conditions a fertile field for propaganda. Their influence in the trade union world increased steadily during the war period, and by 1918 the idea of guild organisation had become thoroughly familiar as an ideal, and was already exercising a profound influence on the programmes and policies of many of the unions.

The form which this influence took may be clearly seen by a few examples. Before the war the Trades Union Congress regularly passed resolutions in favour of the nationalisation of the principal industries, and the most important trade unions almost all included nationalisation in their programmes. The demand for nationalisation was, however, almost wholly confined to a demand for a change in the ownership of industry, and

nothing was said about the form of management to be adopted when an industry passed under public ownership. Just before the war, some unions had begun to debate this problem under the influence of the guild socialist, syndicalist, and industrial unionist theories which had become prevalent. But in 1914 these debates were still in an early stage, and had hardly begun to influence programmes and policies. During the war a remarkable change had come about; helped, certainly, by the representation accorded to Labour in the organisation of wartime production, the idea of workers' control gained stronger adherence, and by 1918 the big unions were claiming not only the national ownership of their industries, but also, in one form or another, the direct participation of the organised workers in management. Railwaymen, for example, began with a claim for equal representation with the railway companies upon the Government committee which controlled the railway service during the war—the Railway Executive Committee, and this demand was subsequently broadened into a demand for equal representation on the management of a nationally owned railway service. The miners, in 1918, re-drafted their pre-war Bill demanding the nationalisation of mines, and brought forward a new plan under which the administration of the mining industry would be placed in the hands of a National Mining Council and of district councils, on which half the representatives would be nominated by the miners themselves. This was the plan submitted by the Miners' Federation to the Coal Industry Commission early in 1919.

These are only two instances out of a great number which might be quoted, showing the change in trade union policy which came about as a result of the activity of the guild socialists and of the other groups which stood for the principle of workers' control in industry. Another instance, of a different type, is to be found in the attitude of the guild socialists towards the shop stewards' movement and other rank and file workshop movements which sprang up during the war years in the industries most directly concerned with war production. The guild socialists insisted that the road to workers' control in industry lay through the building up of strong workshop organisations, which would make it their aim to assume control in the workshop by a series of 'encroachments' upon the powers of the present administration. They thought that workers' control in industry would come mainly, not by any re-adjustment in the central controlling mechanism of industry, but by the action of the organised workers in equipping themselves for the assumption of, and in actually assuming, increased power and responsibility in the control of productive operations. They adopted, therefore, plans designed with this object, including demands for the election of foremen by the rank and file workers in the shops; the substitution of collective workshop bargaining for individual bargaining over piece-work prices, and so on.

## II

All these plans, however, did not seem to bring the actual realisation of guild aspirations very much nearer. They were at most works of necessary preparation ; and, if these were all the immediate steps to be taken, it was clear that the organisation of guilds would be a long and arduous business only to be accomplished by a gradual process of development. Probably in 1917 most guildsmen did so regard the problem, and had no thought that within a short time an actual attempt would be made by the workers to put immediately into practice the theories which they had been preaching. Yet only a year after the conclusion of hostilities the first actual guild was well on the way to formation ; and at the beginning of 1920 the building operatives of Manchester definitely formed the first building guild and came forward with an offer to work for the community under guild conditions.

Certain of the guild socialists, notably Mr. S. G. Hobson, one of the original preachers of the guild idea in the columns of the *New Age*, were closely connected with this development ; but there can be no doubt that it was in the main the direct creation of the building trades operatives themselves. The building guild in Manchester was formed by the action of the branches of the building trade unions in the Manchester area, and was from the first governed and controlled directly by them. Similarly, when the guild movement spread rapidly to many other areas, the initiative was taken, and the local guild organisations were formed, by the building trades operatives themselves, for the most part without any outside assistance. The National Guilds League, although it did something to help the movement, was, in the main, a passive spectator, watching the spontaneous development of the seed which it had helped to sow.

What, then, were these guilds, to the creation of which the building workers in 1920 began to direct so much energy and attention? They were practically uniform in structure, and in principles and methods of work. In each town, a guild committee was formed by delegates from each of the building trade unions, appointed usually as the result of a general building trades conference, at which the whole matter was discussed. This committee of delegates from the local trade union branches became the governing body of the local guild ; and it was this committee which then approached the local authority of its area with an offer to undertake, on a non-profit-making basis, the building of houses under the government housing scheme. The proposal was this : "We offer to undertake the execution of the local housing scheme, supplying all the necessary labour, and, if the Council desires, also purchasing all the material required for the job. We undertake to do this work absolutely at cost price, and we are prepared to give an estimate of the cost of the

job. If, however, the job costs more than the estimate, you must pay the actual cost, covering your risk, if you like, by insurance. Equally, if it costs less than the estimate you will get the benefit of the difference; for we shall only charge the actual cost, whatever it may be. But we will have you understand from the first that we include in 'cost' an element which the capitalist employer does not so include. In the past, building trade workers have suffered terribly from discontinuity and uncertainty of employment. Wet weather, or the failure of materials to arrive promptly on the site, has frequently involved lost time, and loss of earnings, which has forced the worker far below a living wage. We hold that no worker ought to be compelled to live in this condition of insecurity, and we therefore propose to pay, to every guild worker employed on a guild job, full-time wages at the standard rate, and to include the sum necessary for this payment as a part of the cost of construction. Labour, we hold, must be recognised as a first charge upon industry, and it is not so recognised if earnings are at the mercy of weather conditions or failure in the prompt delivery of the materials. We cannot undertake to quote a fixed price for the job because, as we propose to take no profit, we are not in the position to stand any loss; but we promise you that we will work with a will and do our best, and we believe that the result of your employing us will be a substantial fall in the cost of building construction. We are, moreover, willing to give you a definite safeguard. Not only can we arrange with the Co-operative Insurance Society to secure you against possible loss on our contract, in return for a small premium; we are also prepared to insert in the contract a 'break clause', under which, if at any time you can prove that the cost of construction is seriously exceeding our estimate, you can terminate the unfinished contract, and hand it over for completion either by direct labour, or by a private contractor."

This offer was made by building guilds and guild committees in all parts of the country to local authorities. It was an attractive offer, because at the time it was very difficult to secure the necessary labour for housing schemes, building employers largely preferring to undertake luxury work and factory building at high rates of profit rather than the execution of public housing schemes. For this and other reasons, many local authorities were willing to accept the guild offer and to enter into contracts. They could not, however, do so without obtaining the sanction of the Ministry of Health, the government Department responsible for housing policy and for the allocation of state grants in aid of local housing schemes. Accordingly, it became necessary for the building guilds to enter into negotiations with the Ministry of Health, which was not at first prepared to accept the guild form of contract. These negotiations occupied the first months of 1920. The Ministry of Health made many endeavours to get the guilds to accept the ordinary form of contract and the condi-

tions applicable to private master builders, quoting a fixed price, and taking either profit or loss on the job. The guilds, however, pointed out that the principle on which they were based was that of service without profit, and that it would be totally destructive of their prospects of success if they admitted any form of profit into the enterprise. The Ministry of Health also took exception to the inclusion in cost of the charge for continuous pay to the guild workers. Finally, a compromise agreement was arrived at in June 1920, under which the sum to be allocated to the provision of continuous pay was fixed at a figure of £40 per house, and the conditions of the draft guild contract, including the "break clause", and the guarantee from the Co-operative Insurance Society, were accepted. The Co-operative Wholesale Society also became a party to the contract, undertaking to purchase building materials on behalf of the guilds where it was called upon to do so.

Under these conditions, the Ministry of Health agreed to sanction a number of guild contracts. It still, however, stated that it regarded the guild form of organisation as "experimental", and that only a sufficient number of contracts would be sanctioned to enable the experiment to be made on a scale considerable enough to provide a real test. It was promised by the Minister that twenty contracts would be allocated, and about a dozen contracts were actually sanctioned within a few months of the conclusion of the agreement. Work on these contracts then began, and the guild is at present engaged on housing schemes in many parts of the country, including London, Manchester, Yorkshire, and South Wales. The total value of the contracts entered into under the first form of agreement, known as the "basic sum contract", is £1,428,938.

Hardly, however, had this agreement been arrived at when the Ministry of Health appears to have begun to repent of its bargain. The master builders, as a whole, took strong exception to the form of the guild contract, particularly to the allowance of £40 per house in respect of continuous pay. Great difficulty was experienced in getting further contracts sanctioned; the full number of twenty, definitely promised by the Ministry, was never allocated. It was, moreover, made clear from the side of the Ministry that, in any further schemes which might be considered, the form of the guild contract would have to be amended. Many contracts approved by local authorities—to the value of at least £3,000,000—were rejected by the Ministry of Health.

Meanwhile, the building guild movement had been gaining strength in all parts of the country. More than a hundred local guild committees had come into existence, and a great many of these were affiliated to the parent body in Manchester, which was registered as a limited company. This body, and the London Guild of Builders, Ltd., which was registered as an industrial and provident society, were the contracting parties which acted on behalf of the local guild organisations in entering into agree-

ments with the local authorities and the Government. In addition to the sixteen or so public "basic sum" contracts which were finally sanctioned, the guilds and guild committees in many parts of the country began to undertake work for private purchasers, or other work for local authorities apart from housing schemes. In face of these developments, it became clear that a further co-ordination of guild organisations and a re-consideration of some of the methods at first adopted would have to be carried through. Accordingly, in the summer of 1921 a national conference, representative of the guilds and guild committees from all parts of the country, met to consider the report drawn up by a Reconstruction Committee which had been sitting for some months previously. This conference resulted in the unification of the whole of the local organisations into a single national body, the National Building Guild, and in the creation, under this national authority, of regional guild councils, linking up the local committees within each particular region, such as Yorkshire, Greater London, and the North Western area. Rules were at the same time thoroughly overhauled and definite arrangements made for the allocation of responsibilities between the local, regional, and national bodies on future contract work.

More important still, from a practical point of view, were the decisions taken as to the form of future contracts. The old method of undertaking to work at cost price was not superseded; but in addition to it two new forms of contract were devised. The more important of these is what is called the "maximum sum" contract, under which it is expected that most guild work will be executed in the future. The guild, for the past year, has been prepared to quote to any intending purchaser, not merely an estimate of cost, but a maximum sum which it guarantees will not be exceeded in any event. This maximum sum is calculated in the following manner. The estimated cost of carrying out the job is reckoned on the usual basis, except that the labour cost includes, as before, the full-time maintenance, at the standard rates, of the workers employed on the job; but in order to cover the risks involved in the quotation of the maximum price, a percentage is added to the cost so ascertained, and placed to the credit of an insurance fund, which is to be drawn upon for the purpose of meeting deficits arising on contracts entered into on the maximum sum plan. If the guild actually executes the work for less than the maximum sum quoted, the purchaser is charged not this sum, but a less amount, equivalent to the actual cost of construction, plus the necessary allocation to the contingency fund to cover risks. How large these allocations should be will have to be ascertained by practical experience; they will probably be fixed, at the outset, at rather too high a figure; but this will be modified in accordance with the actual results of working under the scheme. There is no danger that sums so allocated will be in any way diverted into the pockets of the guildsmen, because it is the basic rule, incorporated into

the constitutions of all building guild organisations, that no sum can under any conditions be distributed to the guild workers over and above the continuous payment at the standard rate. All surplus is definitely to be allocated either to the improvement of the service or to the reduction of costs, and all plant or other property acquired by the guild is placed in the hands of trustees on behalf of the National Guild.

The second new form of contract adopted is what is called the "labour contract", under which the guild undertakes to supply and organise the whole of the labour required for the execution of the job, the purchaser himself providing the materials, and, if he desires, the plant. It is not probable that this form of contract will be widely adopted, although it may meet the wishes of certain local authorities which have been in the habit of executing building work by direct labour.

During the period of less than a year since this plan was endorsed, fresh contracts made on the "maximum sum" basis have reached a total value of £590,424. These include a number of additional contracts for local authorities in many parts of the country.

The actual organisation of the building guild is throughout democratic. The governing committee, as we have seen, consists of trade union representatives, special provision being also made for the representation upon it of the technical and administrative workers engaged in the industry, and for the co-option on regional or national councils of representatives of any craft or section which may not secure adequate representation by other methods. The regional councils are composed of delegates from each local guild committee; and the National Council of delegates from the regional councils.

Equally important, however, is the actual job organisation adopted within this guild structure. When a contract is sanctioned, the next thing is to get together the group of men who are actually to do the work. A general foreman is appointed by the local guild committee in whose area the work lies. Departmental foremen are usually appointed, in the first instance, by the trade union branches organising the particular department concerned. Volunteers for guild work are then called for, and in this way the labour force is got together. The position of the foreman on the guild job is, however, in practice, widely different from that of the foreman in an ordinary business concern. He is the nominee of the trade unions, and he is regarded by the workers under him rather as a fellow-worker than as in any sense a "boss". Disciplinary measures very seldom need to be taken; but special provision is made for them in so far as the need arises. The representative of a particular trade upon the guild committee is responsible jointly with the foreman for the discipline of the workers in the group which he represents. If a dispute arises which cannot be settled directly, it is referred to the joint adjudication of the guild com-



mittee as a whole and the trade union branch or management committee in the trade concerned. This machinery, however, has in practice seldom to be employed; for the spirit which prevails on the guild jobs is such that everybody is usually anxious to do his best, and to co-operate as fully as possible with his fellow-workers of all grades in promoting full efficiency. Job committees, representing all the workers engaged on any particular contract, are formed on all jobs of any considerable size, and undertake a good deal of the detailed regulation of the work.

### III

It is, of course, difficult as yet to speak definitely about the results secured by the guild method. It must, however, be observed that, in the first place, in no single case has any complaint been made about the quality of the work done. An inspector of the Ministry of Health has described the work done at Manchester as "the best in England"; and every investigator who has studied the guild work seems to be agreed that its quality is exceptionally good. Of course, its "goodness" is confined within the limits prescribed by the Ministry of Health, to whose plans the guilds, like other contractors, have been compelled, often against their will, to work. Many complaints have been made by local guilds that the houses which they are compelled to erect are inadequate both in construction and amenity, but this is a matter outside the control of the guilds, which are at present compelled to accept the prevailing housing standards which are made the basis of state aid to the local authorities.

Up to May 1922 the National Building Guild had tendered for over £20,000,000 of work (1). During 1920 and 1921 £4,000,000 had been accepted by the local authorities, but was later reduced to £1,250,000 by the Minister of Health. The number of tenders sent to local authorities had been 220, in addition to about 200 for private work (2). The London Guild of Builders had received in cash in December 1921 over £500,000 from the local authorities. Lists of public building contracts taken by the Guild up to April 1922 are given below.

The London Guild of Builders had at the end of September 1921 a salaried staff of 38 persons and 1,010 operatives (3). The weekly pay roll of this Guild was approximately £4,000, the value of its equipment £9,854, and it had in hand contracts to the amount of £600,000. It had paid out in wages approximately £96,000. The amount given out in continuous pay was £2,408, or about 2½ per cent. of the wages bill, distributed as follows: bad weather, £24; sickness, £243; accidents, £80; and holidays, £2,061.

(1) *The Building Guildsman*, Vol. I, No. 5, 1 May 1922, p. 70. Manchester.

(2) *The Guild Socialist*, No. 61, Jan. 1922, p. 11. London.

(3) *Ibid.* No. 62, Feb. 1922, p. 6.

STATEMENT OF MAXIMUM SUM CONTRACTS AS AT 30 APRIL 1922 (1)

Guild Committee	Amount of contracts on hand	Amount received on same	Amount due	Reten- tion	Plant	Creditors
	£	£	£	£	£	£
Altrincham	4,000	1,470	—	—	—	—
Bournemouth	2,603	200	1,800	—	3,000	500
Bolton	13,727	—	—	—	—	—
Bradford	15,026	2,050	1,702	370	496	1,511
Birmingham	620	—	—	—	—	—
Brighton	5,187	1,294	1,500	320	100	450
Bristol	20,552	1,344	761	206	129	207
Chatham	894	—	—	—	—	—
Chester	6,824	1,748	1,410	—	120	300
Doncaster	58,679	26,230	232	—	843	—
East Grinstead	1,650	—	—	—	—	—
Eastbourne	6,439	805	975	197	561	899
Dunfermline	80,802	1,760	447	112	500	1,300
Glasgow	32,276	4,690	3,069	100	650	1,340
Gloucester	23,673	2,324	502	121	229	355
Guildford	18,993	3,873	470	482	175	1,126
Halifax	949	—	949	—	700	544
Littlehampton	100	—	—	—	—	—
Leeds	300	—	136	—	73	91
Nottingham	1,817	1,300	—	—	—	—
London	53,366	29,498	18,538	500	8,000	4,361
Manchester	12,545	—	—	—	—	—
Newcastle-on-Tyne	54,152	8,070	4,674	1,416	3,000	8,304
North Staffs.	15,370	3,238	—	—	—	—
Plymouth	4,396	—	475	52	45	515
Southampton	1,398	—	807	10	78	160
Southport	2,230	—	—	—	—	—
Southend-on-Sea	4,661	600	—	—	—	—
Stockton-on-Tees	41,379	—	1,250	—	735	11,400
South Wales	42,566	24,177	15,300	1,700	1,489	4,196
Tunbridge Wells	1,000	642	739	100	79	149
West Bromwich	160	—	—	—	—	—
Wallsend-on-Tyne	61,603	13,568	2,840	1,823	722	3,488
Weymouth	480	—	—	—	—	—
	590,424	128,888	58,583	7,513	21,728	41,150

APPROXIMATE STATEMENT OF BASIC SUM CONTRACTS AS AT 30 APRIL 1922 (1)

Guild Committee	Amount of contracts on hand	Amount received on same	Amount due	Reten- tion	Plant	Creditors
	£	£	£	£	£	£
Altrincham	25,352	26,792	2,034	274	1,065	—
Bolton	118,250	80,912	2,727	737	2,132	—
Hereford	27,510	19,650	341	190	824	—
Kendal	28,888	9,180	350	87	292	—
London	556,408	359,623	14,090	3,449	7,189	16,806
Manchester	265,426	211,097	5,108	1,965	6,415	—
Rotherham	93,664	52,128	378	435	3,000	—
United Valleys	189,500	—	5,780	1,467	6,000	—
Wigan	112,500	77,724	7,125	776	2,670	—
Wilmslow	11,440	12,662	108	108	693	—
	1,428,938	849,771	38,046	9,492	30,283	16,806

(1) From *The Building Guildsman*, Vol. I, No. 6, 1 June 1922, pp. 82-85. Odd shillings and pence included in the totals.

Only a few of the guild contracts have as yet been completed, and it is therefore not possible to quote final figures of cost.

Such groups of houses as have been completed on a number of contracts have in every case, so far as the cost of construction has been worked out, cost considerably less than the estimates accepted as reasonable by the local authorities and the Ministry of Health. Moreover, it must be remembered that these estimates were themselves in every case lower, and usually considerably lower, than the lowest competitive tender submitted by a private contractor. The actual saving to the local authorities and the Government as a result of employing the guild is therefore much higher, in the majority of instances, than the difference between the guild estimate and the finally ascertained cost of construction. At Bentley in Yorkshire, for example, the saving has been in the neighbourhood of £200 per house. On a big South Wales contract it has been about £150, and of the cases before me none shows a saving of less than £50 per house. These figures cannot be taken as final; but they do not seem to be disputed so far as they go.

In face of the closing down by the Government, in the summer of 1921, of the greater part of its housing schemes, it became clear that the guilds could not, unless and until this policy was reversed, in the future look mainly to expansion on public housing work. The adoption of the "maximum sum contract" was indeed largely designed to facilitate the extension of work done for private purchasers. The first thing the private purchaser wants to know is his maximum liability in entering into a contract; and the guilds are now proposing to make a definite attempt to capture as much as possible of the private work of building. For this purpose they need, of course, a greater amount of plant than has hitherto been the case. For on big housing sites the plant is secured directly for the job, whereas, in the case of private work, a mobile plant, available in all parts of the country, and for small jobs as well as big ones, is indispensable. At the outset the building guilds worked without any capital whatsoever. When a contract was accepted, the Co-operative Wholesale Society was willing, on the security of the first instalment due on the contract, to make an advance to the guild for the purchase of plant and other expenses which had to be incurred in advance of the payment of the first instalment. In this way the guilds were able to undertake work without a halfpenny of capital; but for any considerable amount of private work it was recognised from the first that some capital must be provided, and the National Building Guild has now accordingly made an appeal to the building trade unions to provide it on loan with a sufficient sum to enable the immediately required expansion to be undertaken. The Annual Conference of the National Federation of Building Trades Operatives has endorsed this appeal, and a levy was raised from all the members for this purpose. The Federation has already

advanced considerable sums to the Guild, and further large advances are now under negotiation. In addition, the guilds are raising from individual sympathisers and Labour bodies a national loan; £150,000 has been asked for, but it is too early yet to say what is the response. Some £20,000 were speedily raised at a low rate of interest. Any capital so obtained will take the form of a loan, and will receive a strictly limited rate of interest, similar to the interest paid on their capital by co-operative societies. In relation to the volume of guild work it will be a very small charge, for the building industry is, of all great industries, that which requires the smallest amount of either fixed or working capital. It must, however, be admitted that the provision even of the comparatively small sums required is one of the most serious difficulties confronting the development of the building guild movement, and, indeed, of any attempt to establish guild organisations within a capitalist environment.

#### IV

Only brief mention can be made in this article of the movement in other industries which has followed the rapid success of the building guild experiment. These movements are still in their infancy; but there is every sign of their rapid expansion in the near future. In Lancashire, for example, a Trade Union Guild Council was formed in 1921 consisting of representatives from most of the big trade unions in the district, with the definite object not only of stimulating interest among trade unionists in the guild idea, but also of furthering the establishment of guilds in other industries, on the lines of those now at work in the building industry. Already the result of this movement has been the creation, in Manchester, of a guild for the furnishing trades, which is now so successfully at work that it has recently been compelled to move into large new premises. In Manchester also guilds of vehicle builders, of packing case makers, and of clerks have been formed. In Glasgow a clerks' guild and a tailoring guild are actively at work. In London the guild movement is showing signs of extension. In October 1921 the London Trades Council summoned a conference on the same lines as the Lancashire conference, and decided to adopt the stimulation of guild enterprise as a definite part of its work. Before this, a guild of clothiers, under the direct auspices of one of the clothing workers' trade unions, had been started in London, and preparations are in full swing for the starting of a dairy workers' guild for the Metropolitan area. At least a dozen other immediate guild experiments are now under discussion in London alone, and guild committees have been formed by the bookbinders, the musicians, and the musical instrument makers. Moreover, for some months a guild organisation has actually been at work with very successful results among the horticultural workers in the Lea Valley on the North of London, and the belt of agricultural

land around the new Garden City of Welwyn in Hertfordshire, acquired by trustees acting on behalf of the City, has been handed over for development to the Welwyn Agricultural Guild. This Guild, despite the agricultural depression, is doing well, producing Grade A milk and cream, as well as stock and arable produce. This is the first experiment in guild control in the agricultural industry. It is, however, impossible at present to do more than record the inauguration of these experiments, and the high hopes which are entertained of success even in face of adverse trade conditions.

An important step in the co-ordination of the guild movement was taken in April 1922, when the National Guilds League summoned a conference fully representative of the various guilds and guild committees and of trade union bodies which have endorsed the guild idea. This conference established a new organisation—the National Guild Council—on which both the National Guilds League and the building and other guilds are represented. The purpose of the new body is both to co-ordinate the existing guilds and promote the formation of others, and to undertake systematic guild propaganda among the trade unions.

## V

Two questions arise naturally as a result of these explanations of the working of the guild movement as a practical force in British industry at the present time. First, how does this guild movement differ from the old and, in Great Britain, largely discredited attempts at producers' co-operation, and, secondly, how far is it regarded as possible to apply the guild movement on a considerable scale throughout industry, and especially to those industries which require for their working expensive capital equipment?

The first point is easily answered. The guilds differ from the old producers' co-operative societies in at least three respects. In the first place, they are not producing for profit, and they have based themselves on the definite exclusion from their work of all forms of profit-making, whereas the producers' co-operative societies have been for the most part profit-sharing concerns, which, as guildsmen believe, frequently came to grief largely as a result of admitting the principle of profit into their organisation. In the second place, the guilds are based directly upon the trade unions, which exercise control over them. In this way the risk, which has proved to be so large in experiments in producers' co-operation, that the workers who attempted to establish the new conditions of democratic control in industry would become an isolated group cut off from the trade union world and perhaps increasingly out of sympathy with it, has been altogether obviated. In the third place, the guild organisation is internally far more democratic in character than most producers' co-operative societies have ventured to be. It has tackled courageously the problem of managerial control by placing the management directly in the hands of trade union representatives ;

it has dealt with the difficult question of discipline by calling in the trade unions as the responsible authorities for their members; and it has been based, from the outset, on the united action of the manual workers and the technical and administrative grades. There are, of course, dangers that groups of workers, attracted by the guild idea, and not fully aware of guild principles, will inaugurate experiments on lines which approximate rather to producers' co-operation than to those initiated by the building guilds. But, broadly speaking, the difference is clear, and the guild advocates are fully aware of the importance of preserving intact the three principles indicated as differentiating a guild from a producers' co-operative society.

The answer to the second question is more difficult to make. It is clearly impossible at present to start a mining guild or a railway guild, because all the available mines and railways are owned and controlled by private persons whom it would be exceedingly costly to buy out. Most guildsmen therefore do not expect to see any rapid extension of the guild movement in the basic industries and services, but rely rather on success, in the first instance, in those industries which can be undertaken with comparatively little fixed capital outlay, hoping that the result of success on these cases will be to fire the workers in the basic industries with the aspiration for industrial democracy. Engineering, which stands midway between the basic industries and those which are clearly favourable to guild development, has a Provisional Guild Committee; but in this case it has not yet been possible to make a start with actual production. The Printing Guild, which is also still in the provisional stage, has more hope of early development, because the cost of the necessary plant is not in this case so large. Meanwhile, in these basic industries, guildsmen continue to urge the methods of "encroaching control" and the gradual assumption of authority as opportunity permits, together with the re-organisation of the trade union machinery in such a way as to fit it for the constructive task of control, as the means of preparation for the coming of industrial democracy in this wider sphere.

The guild movement is just now rapidly growing and expanding. During the past two years it has made strides which no one would have ventured to prophesy; but the very fact that it is developing so rapidly makes it extraordinarily difficult to write about, for no one can pretend to know precisely in what way it will grow or what new methods will be devised as a result of actual difficulties experienced and lessons learnt by the method of trial and error. Conditions in the building industry were admittedly, at the outset, highly favourable to success, both because of the character of the industry, which requires comparatively little capital, and because of the crying need for houses, which the Government had shown its incapacity to supply. Trade depression is already making the conditions more difficult, and the new guilds which are now springing up will have to face greater obstacles than the movement has yet encountered.

Moreover, the provision even of the necessary minimum of capital for development presents ever-increasing difficulties.

The main reason for hoping that these difficulties will be successfully overcome lies, in the opinion of the present writer, in the fact that the movement is essentially democratic, and does arise directly out of the desire of the workers themselves for self-government and control. Undoubtedly a powerful factor in the success of the building guilds has been the feeling of the operatives engaged on guild work that in the guilds the working class is on its trial. It has made its demand for "workers' control" and industrial democracy, and it is now being called upon to show what it can do. Each man, therefore, tends to feel that his personal contribution to the success of his guild really counts for something in the struggle for freedom. This personal factor will also, I believe, be of very great importance in the extension of the guild movement to other industries which is now taking place.



