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P.B. Beaumont (1987), The Decline of Trade Union Organisation

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Published in:
Economic and Industrial Democracy

1988

Document Version:
Publisher's PDF, also known as Version of record

[Link to publication](#)

Citation for published version (APA):
Kjellberg, A. (1988). P.B. Beaumont (1987), The Decline of Trade Union Organisation. *Economic and Industrial Democracy*, 9(1), 143-147.

Total number of authors:
1

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P. B. Beaumont (1987) *The Decline of Trade Union Organisation*. London: Croom Helm.

The end of the 1960s ushered in a new era of trade union growth in several European countries. Especially the Italian unions grew spectacularly in strength, manifested both in the massive extension of union presence at workplace level (factory councils) and in the dramatic increase of union density (from 32 percent of all wage and salary earners in 1968 to 49 percent in 1976).¹ By that Italy left the group of European countries characterized by a low rate of unionization.² The Italian union density reached almost the same level as that of the UK, which since the Second World War has been at a middle position between a group of European countries with a low and another with a high rate of unionization. The British union density (i.e. proportion of unionized workers) also increased considerably from the late 1960s, but at a more modest scale than the Italian. In 1968, 44 percent of the British workforce was unionized and eleven years later 55 percent.

The Years of Decline

After 1979, British unions lost ground so rapidly that already in 1984 the figures had dropped to the 1969 level of 45 percent unionized. How can we explain this development? The British Industrial Relations researcher, P. B. Beaumont, gives some answers in *The Decline of Trade Union Organisation*. As the title suggests, Beaumont confines himself to the years of *decline*, while leaving out the preceding period of expansion. In a historical perspective, the 1979 level of 55 percent stands out as exceptional, exceeding the previous peak years 1920 with 7 and 1947–9/1951–2 with 10 percentage points.³ However, as the Italian development illustrates, the exceptional might be a highly relevant object of investigation. More importantly, the British union growth prior to 1979 and the subsequent sharp fall seems to fit well into a pattern of steep ups and downs characteristic of many European countries. As could be expected in view of the short period of time studied, Beaumont's study lacks a discussion of causes related to the *international* changes of power relations, and consequently also their concrete manifestations on the British labour market.

International Comparisons

However, international comparisons are not absent in *The Decline of Trade Union Organisation*, in many respects a valuable book. Some outlooks are made to Northern Ireland and Canada, but above all plenty of attention is devoted to the stagnating American union movement. At a first glance this may look natural, as Beaumont's focus is put on the decline of unionism. Since 1954 union density has fallen in the USA, overlooking a few, insignificant, recoveries. This lengthy continuity deviates sharply from the development on the European scene. In the past forty years, European unionization has either fluctuated — most dramatically in Italy — or shown a steady rising tendency, as in Sweden and Denmark. As can be seen from this, it's impossible to summarize the international development after the Second World War in a single picture of growth or stagnation. Confining the international comparison almost exclusively to the pair Britain–the USA thus implies some obvious risks when looking for causes of the British union decline after 1979.

The Behaviour of Employers

Having pointed out these limitations of Beaumont's study, I will mention some important merits of the book. One is the weight given to the behaviour of employers, i.e. attitudes and strategies related to the requirements and capacities of enterprises. I fully agree with the author's remark that too little research has been done focusing upon incentives and enabling conditions that lead firms to seek and maintain non-union status. Not even in the USA has the behaviour of firms attracted much attention, despite the long American tradition of companies preferring not to deal with unions. Instead, plenty of attention has been given to the motives of the individual employee to become a union member or not.

Long-term Causes of Union Decline

Secondly, Beaumont seems to be right in rejecting the economic recession of the 1980s as an exhausting explanation of the British union decline. His thesis is that 'the extent of trade union organization in the future in the UK is being shaped by factors that transcend the current economic recession'. However, about half of the fall in union density since 1979 can directly be attributed to the increased unemployment. Excluding the unemployed from the workforce total explains half the 10 percentage points drop (55 percent 1979–45 percent 1984). The question is, then, how to find the crucial long-term factor explaining the remaining 5 percentage points drop. Beaumont here stresses the composition of the labour force, which is undergoing a series of changes that tend to undermine the strength of British unions. First and foremost, the poorly unionized private sector services are expanding, while union strongholds such as manufacturing and the public sector are losing their roles as sources of union growth. It is argued that the latter depends on: (1) saturation effects, particularly in the case of the public sector; (2) restructuring of multi-divisional corporations, involving the creation of divisions and sub-divisions, with a considerably varying level of union density, which tend to reduce the overall union density of corporations and industries; and (3) employment growth in the manufacturing sector is increasingly located in small towns and rural areas. This *decentralization* of employment has a parallel in the development of the collective bargaining system. Nowadays British bargaining in the private sector is to a very large extent concentrated at plant level (and to a lesser extent company level). The resulting reduction in the power and authority of employers' associations probably leaves an enlarged space of manoeuvre for firms wishing to operate on a non-union basis.

Non-union Firms

Two groups of firms preferring to avoid unions are discerned by Beaumont. One consists of the US-owned, high-technology plants, many of them located in Scottish New Towns. The other, not so well known, group consists of recently established British-owned single independent plants of relatively small size in locations such as New Towns. Good, informal communications are stressed by the founders of these firms. They apply flexible working practices, different from those prevalent in the US establishments. Consequently, the role of the US firms as opinion leaders seems to be limited. Nor are the large British, multi-establishment corporations with a substantial number of unionized workers particularly influenced by the US-owned non-union

companies. The practice of double-breasting, whereby a single company is able to operate both union and non-union plants, usually in separate regions, which is common in the USA, hardly exists in Britain. The enabling conditions are, of course, quite different in a small, uniform country such as Britain compared to the vast, heterogeneous USA.

Also the *motives* of attaining non-union status seem to vary between the two groups of non-union firms in Britain. As the US-owned companies usually exist within technologically advanced industries such as instrument engineering, electrical engineering and electronics, they have found it essential to apply flexible working arrangements in order to achieve 'maximum organizational adaptability' in an environment of rapid technological and product market change. To realize this goal they have found union avoidance to be both an 'expected, and desired, outcome'. Beaumont doesn't want to go as far as to label them as 'paternalists', as the union avoidance motive is not the most fundamental consideration, but rather a diverted end.

Wage-related Motives

How common are purely wage-related motives among the US firms in Britain? From the facts given by Beaumont, they seem to be non-existent. For example, IBM pays wages at least 10 percent *above* those paid by comparable employers. Favourable fringe benefits are added to this; in the case of Hewlett Packard they are estimated to add around 50 percent to straight wage payments. It thus appears as if the wage policy of these firms functions more as a *means* of avoiding unions than as a motive for a non-union status. Beaumont's arguments in relation to British-owned firms are, however, rather the opposite. Management in the latter firms is said to have an increased cost incentive to resist unionization. The relative wage effect of unions has increased substantially over the years in Britain, as in the USA. In Britain the major factors behind this development are the high unemployment and the move to single employer bargaining. A second possible incentive for British-owned firms to resist unionization is the increased competitive pressures for flexible working arrangements (cf. above regarding US firms). With regard to both these motives of union avoidance Beaumont makes explicit reference to the US discussion about the decline of the American union movement. Besides the behaviour of at least some US firms in Britain, the problem with these motives is that they are more or less valid in *all* countries, at least if they are looked upon in isolation.

Apparently, the analysis focusing upon employers' incentives has to be refined, as Beaumont himself is aware. There are serious gaps in the present state of research. Under which circumstances are different enterprises prepared to cooperate with unions, instead of suppressing them, in order to minimize the risk of strikes and facilitate technological changes necessary to increase their competitive ability? Is the high Swedish union density related to the fact that the union movement and the employers have very similar views on these matters, or is it simply an expression of the power relation between unions and employers? What does the effect on wages of unionization mean for the employers' choice of strategy? Is the vital point the wage *level* in itself, or rather that non-union firms have a strong desire to act independently, without 'interference' from unions (and employers' associations), with respect to wages as well as other employee-employer issues?

The actual policy of an enterprise towards unions is, as Beaumont points out, not only a result of its preferences or incentives, but also of its *capacities* to fulfil them. The

move away from 'centralized bargaining of the "European model" of industrial relations' is mentioned as the most important factor increasing the ability of British firms to apply a non-union strategy. Other factors are the economic recession and the policy of the Conservative government, including changed labour legislation as the repeal of the statutory recognition provisions in 1980 and legislation making closed shops more difficult.

Britain-USA

On the other hand, the employers' ability to oppose unions is negatively related to the current level of unionization. In this last respect Britain differs a lot from the USA as the British union density still is at least twice as high as the USA's. Together with other differences in the economic, political and industrial relations systems, it makes Beaumont conclude that the two countries are likely 'at quite different stages in a process of management opposition to unions'. In my opinion it is even questionable whether the comparison Britain-the USA is the most relevant one. Wouldn't a comparison between Britain and other European countries better illuminate current trends and future prospects of British unionism? As a matter of fact, both the rapidly increasing British union density in the 1970s and the decline in the 1980s fit well into a European pattern of periodically changing power relations on the labour market. Any parallel with the now more than three decades long American union decline seems to place the searchlight outside the core of the problem. However, several of the factors Beaumont enumerates are highly relevant for an explanation of the pronounced cyclical curve which capital-labour relations describe in many European countries. Or, to formulate the problem more exactly: how can we explain that *the penetrative power* of the international economic and political cycles *varies widely* between different countries or groups of European countries?

Labour Force vis-a-vis Power Relations

A comparison Britain-other European countries would cast doubt upon the changing composition of the labour force as a crucial long-term cause of the British union decline. Similar changes of the labour force in, for example, the Scandinavian countries have not produced similar effects. Furthermore, if the argument about saturation effects is applied on British industries with a low union density, then the prospects for future union growth are splendid rather than bad!

Recent research has demonstrated that not even the protracted US union decline can be reduced to a problem of structural changes of the labour force.⁴ Of more basic importance are changes in the relation of class forces, i.e. changes in the interrelations between workers, unions, employers and the state. In particular the employer offensive stands out as having a decisive impact on organizing efforts. Changes in the structure of the labour force seem to be of secondary importance, and therefore function as an *immediate* and not as the *ultimate* cause of union decline. The consequences of the employer offensive are no less far-reaching in the traditional areas of union strength than in the more rapidly growing, low-unionized sectors. The spearhead of the most successful union-busting campaign, which has taken place in the construction industry, is the Business Roundtable, an association consisting of the largest industrial corporations in the USA.⁵ It has been argued that in a longer historical perspective, the decline of the US union movement may ultimately be explained by major defeats suffered by the working class from the mid-1930s to the mid-1950s, i.e. in the last

period of major trade union upsurge.⁶ The explanatory power of the changing labour force argument is also put into question in view of purely statistical evidence.⁷ However, as mentioned above, Beaumont is in practice far from concentrating his attention on changes in employment patterns. The behaviour of the employers is emphasized, but almost exclusively in relation to *economic* considerations and hardly ever with reference to changes in the relation of class forces. Neither the political development, nor the activities of the government are seen from the latter perspective. Probably due to this, the political sphere is treated in a rather unsystematic manner. Consequently, the reader hardly gets a satisfactory answer to the question of whether the British trade union decline since the beginning of the 1980s indicates the beginning of a long-term stagnation, as in the USA, or just a cyclical phenomenon expressing temporarily changed power relations, so typical of several European countries.

Notes

1. Anders Kjellberg *Facklig organisering i tolv länder (Trade Union Organisation in Twelve Countries)*. Lund: Arkiv förlag 1983, pp. 36–7, 311–12.

2. France still belongs to this group. West Germany and the Netherlands also have a relatively low union density.

3. Beaumont characterizes as peak years 1920 and 1948. According to Bain and Price, the British union density was 48 percent in 1920 and 45 percent in 1947–9 as well as in 1951–2. See George Sayers Bain and Robert Price, *Profiles of Union Growth. A Comparative Statistical Portrait of Eight Countries*, Oxford: Basil Blackwell, 1980.

4. Michael Goldfield (1984) 'The Causes of U.S. Trade Union Decline and Their Future Prospects', *Research in Political Economy*, 7, 81–159; and Michael Goldfield (1986) 'Labor in American Politics. Its Current Weakness', *Journal of Politics*, 48, 2–29. See also Richard B. Freeman and James L. Medoff (1984) *What Do Unions Do?* New York: Basic Books, chapter 15.

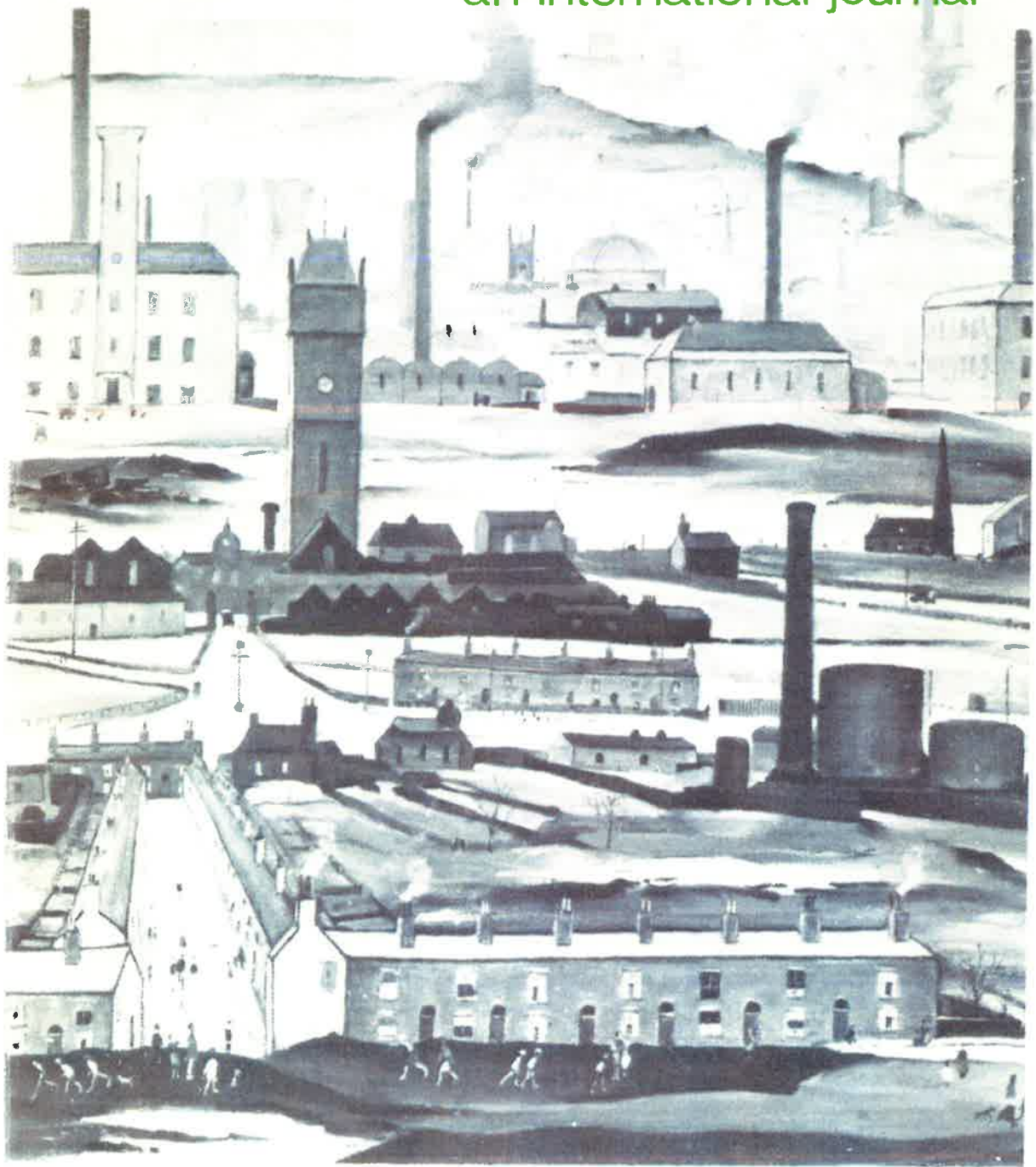
5. Goldfield (1984), pp. 126–27. As a result of double-breasting, and the use of other methods, union density in the US construction industry has fallen from well over 50 percent in the 1960s to 32 percent in 1980.

6. Goldfield (1984), p. 143.

7. *Within-industry* declines in percentage of workers organized account for 60 percent of the 1956–80 decline, while only 40 percent can be attributed to shifts in industry composition. See George R. Neumann and Ellen R. Rissman (1984), 'Where Have All the Union Members Gone?', *Journal of Labor Economics*, 2(2), 181.

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economic
and industrial
democracy
an international journal



Special Issue
IMMIGRANTS AT WORK
Volume 9 Number 1 February 1988

Sponsored by
Arbetslivscentrum, Box 5606,
S-114 86 Stockholm, Sweden

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Published in February, May, August and November by
SAGE Publications, London, Newbury Park, Beverly Hills, New Delhi.
Annual subscription rates: institutional £63/\$94.50; individual £25/\$37.50 (\$ prices
are subject to change due to fluctuations in the £/\$ exchange rate).

Second class postage paid at Westwood, NJ 07675. Air freight and mailing in the
USA by PSCA, 40 Carver Avenue, Westwood, NJ 07675.

Subscription and advertising details available from
SAGE Publications Ltd, 28 Banner Street,
London EC1Y 8QE, UK.

Printed by J.W. Arrowsmith Ltd., Bristol, UK.

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economic
and industrial democracy

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an international journal

Volume 9 Number 1
February 1988

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