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(Re)assessing the shifting contours of Britain's collective industrial relations

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'Possibly the most remarkable feature of the period after 1980 in Britain was the collapse of collectivism [collective bargaining] as the main way of regulating employment' (Brown et al. 2009a: 22).

A significant and sustained strand of William Brown's scholarly endeavour embodies the distinctive strengths of the organisation- (workplace and company) based survey tradition in British industrial relations. This is nowhere more apparent than in the manner in which Brown coordinated the predecessor of, and subsequently shaped, the comprehensive Workplace Employer Relations Surveys (WERS), and dissected their findings in order to chart and explain the remorseless retreat of collective regulation from its position thirty years ago as the dominant mode of labour market governance in the private sector. Reviewing the findings of the most recently available (at the time of writing) WERS, Brown and Nash (2008) calculate that the gap between the coverage of collective bargaining and union membership density, which amounted to 35% of the workforce in the mid-1970s, had fallen to less than 5% by 2004. 'Collective agreements have in effect been transformed from being public goods supporting much unorganised labour, to being private goods largely confined to union members' (p95).

This paper has three main purposes. The first is to establish Brown's pre-eminent role as an advocate and academic practitioner of Britain industrial relations survey tradition, and to identify what makes this tradition distinctive. The second is to present Brown's evolving account of the decline of collective bargaining, an account which in the late 1970s and 1980s focused on the decay and subsequent demise of multi-employer agreements as the principal means of setting wages and core conditions such as working time, and their replacement by single-employer arrangements under a process of decentralisation. From the early 1990 onwards, Brown's attention became focused on the extent to which this shift was unleashing contraction in the coverage of collective bargaining, and also in the scope of the negotiating agenda. The third is to examine the explanation

for the 'collapse of collectivism' offered by Brown, which centres on changes in the intensity and geographical scope of competition in the product market. This, it is contended, is problematic and an alternative is elaborated. The paper confines itself to the evolving picture in the private sector.

Britains' industrial relations survey tradition

William Brown has stood at the centre of the workplace, and company, survey tradition in British industrial relations research for almost four decades. WERS and its predecessor, the Warwick Workplace Survey which Brown (1981) coordinated, place an emphasis on primary data collection, designed to provide an integrated mapping of the main features of industrial relations actors, institutions and procedures. The researchers involved are relatively close to the objects of the research. They design the questionnaire instruments, drawing on prior knowledge from earlier, often qualitative, research, as well as describing and analysing the findings. The Warwick Workplace Survey mobilised and pulled together the concentration of expertise assembled at the Industrial Relations Research Unit in the later 1970s. WERS has achieved this in different ways over successive waves of the survey: for example, innovations in and changes to the questionnaires for the 2004 survey stemmed from work by a number of expert groups, with Brown contributing to those on representation and workplace governance; and drawing on their earlier qualitative study of employment contracts (Brown et al. 1998), Brown and his colleagues designed several questions on the issue for WERS1998. Brown and Edwards (2009: 19) note that many of the contributors to the volume drawing on a quarter century of WERS to assess the evolution of the modern workplace 'have themselves been innovators in case-study approaches to employment relations'. The approach to theorising from the surveys is inductive, aimed at developing middle-range rather than general theories. This stands in contrast to the *modus operandi* within contemporary labour economics (Marginson 1998), which relies on secondary analysis of extant survey data, the researcher is relatively distant from the object of research and the predominant theoretical approach is deductive, involving hypothesis testing with the aim of refining established general theories. Distance from the object of the research is accompanied by further dangers, as Brown and Wright (1994: 154) pithily observe: 'the increased availability of a variety of (often excellent) survey data has drawn many researchers to address bargaining [and other industrial relations] issues with statistical techniques, the refinement of which is rarely matched by the understanding of the underlying phenomena'.

In contrast, Brown, along with others who have forged the industrial relations survey tradition, has consistently underlined both the potential and the limits of survey analysis, and the considerable advantages which can flow from interaction, or iteration, between studies which draw on quantitative and qualitative methods. It is a commonplace that rigorously conducted, representative surveys such as WERS enable us to map phenomena, and establish their generality. In addition, their findings can also provide validation, or qualification, of established and emergent models of industrial relations. The Warwick Workplace Survey addressed the diffusion of the model propounded by the Donovan Commission, based on the formalisation of collective bargaining, practices such as job evaluation and procedures for grievances and dispute resolution and industrial relations practices and procedures at site and company level. Its findings (Brown 1981) demonstrated how far manufacturing establishments had gone in acting on the Commission's prescriptions. Following the sharp decline in collective bargaining during the 1980s, and with it the contention that it signalled the 'end of institutional industrial relations' (Purcell 1993), a key line of analysis of the findings of the 1990 WERS examined what was replacing it. Contrary to expectations, there was only limited evidence of the adoption of practices associated with HRM. The predominant picture in the absence of collective bargaining was one of ad hoc, unilateral management practice (Millward et al. 1992), a situation likened by Sisson (1993) to 'Bleak House'. Indeed, HRM practices were more likely to be found in workplaces recognising trade unions than those which did not. As trade union representation continued its decline, considerable debate has focused on whether direct forms of employee voice have displaced indirect ones based on union recognition and/or joint consultative committees. Analysis of the findings of the 1998 and 2004 WERS has shown that the take up of direct forms of employee voice is greater in workplaces which also recognise unions than in those which do not (Bryson 2004; Bryson and Freeman 2007), suggesting that employers see benefits in a dual track approach. It has also established that 'employee silence' prevails in a substantial minority of workplaces (Willman et al. 2006). Shortly before the implementation of the UK's Information and Consultation of Employees legislation, which introduce – albeit in a weak form – the principle of a universal right to representation at the workplace into Britain, the 2004 Survey's findings revealed how relatively rare is the occurrence of non-union based representation structures (Charlwood and Terry 2007).

But, Brown and Edwards (2009: 18) stress, the survey method, involving highly structured questionnaires, has 'unavoidable limits'. It can throw little light on the underlying processes and power relationships, the investigation and analysis of which call for in-depth, qualitative case studies. However, rather than counter-posing the survey and case study methods, Brown insists on

the potentially symbiotic relationship between the two. 'Large-scale surveys are best iterated with in-depth fieldwork. Unless their questions receive constant refreshment from case studies, they cease to engage with the phenomena they seek to measure. Unless case-study findings are placed in a statistical perspective, their significance may be ignored' (Brown and Wright 1994: 162-3). By placing magnitudes on institutional and procedural phenomena, the workplace surveys have served to frame or contextualise findings from qualitative studies. Some studies have gone further, using specific findings from WERS as a benchmark, and not just as background context (Brown and Edwards 2009). Examples are Tsai et al. (2007), who took WERS measures of job autonomy as a benchmark for their sector-focused evidence on small firms, and the use of measures of employee views on management's consultation practice to benchmark findings from a study of the impact of the UK's employee information and consultation legislation within a range of organisations (Hall et al. 2010). The surveys have also been used in selection of case studies, to indicate where a particular practice may be widespread. Examples include studies of performance and variable payments systems (Gilman 1998; Arrowsmith and Marginson 2010, 2011).

Brown's own work exemplifies the fruitfulness of iterating the realisation of in-depth case studies with analysis of large-scale surveys (an observation which equally applies to Paul Edwards, his 2009 co-author). His classic, in-depth study of piecework bargaining (Brown 1973) established the salience of the workplace as a locus of wage determination in engineering factories in the west Midlands, and the extent to which informal negotiations over piece rate systems contributed to the wage drift which was corroding the purchase of the engineering industry national agreement on actual wage levels. The subsequent Warwick Workplace Survey confirmed that the establishment level was the most important level bargaining determining engineering (manual) workers' wages not only in the west Midlands, but nationally, accounting for over three-quarters of workplaces and approaching 90 per cent of the workforce in the industry (Brown 1981: 7-13). At the same time it pointed to recent formalisation of payments and job grading arrangements, thereby curbing the informality documented by Brown (1973).

In the late 1990s Brown together with a Cambridge-based research team undertook a case study-based research project examining the nature of the individualisation of employment contracts, popularly held to be accompanying the decline of collective regulation. This found that, the rhetoric of 'individualisation' notwithstanding, in most of the organisations studied the trend was towards standardisation of the employment contract, particularly in respect of non-pay terms and conditions. In short, the tendency was towards 'standardised packages individually wrapped' (Brown et al.

1998). Subsequently analysis of the 1998 WERS by Brown et al.(2000), established the extent of the generality of these case-based findings: ‘The survey allows the findings of the case studies to be placed in a statistically representative perspective as part of the continuing iteration of the two research techniques that has characterized the development of the WIRS series’ (p613). Over three-quarters of workplaces reported that employees in their largest occupational group had the same employment contract for non-pay entitlements, and those employers not reporting standard contracts were overwhelmingly small, independent private-sector establishments. They also established that in the large majority of establishments pay for these employees continued to be based on standardised payments structures, enabling them to ‘conclude that there is a high degree of standardization of employment contracts within British workplaces, so far as both pay and non-pay entitlements are concerned’ (p620).

As for iteration in the other direction, Brown’s study of the initial effects of the statutory procedure for union recognition introduced under the 1999 Employment Relations Act in some sixty organisations was framed by analysing WERS1998 findings according to detailed industry classification to identify those sectors where union recognition was a live issue, as indicated by the incidence of recognition claims, recent agreements and recent withdrawal of recognition (Oxenbridge et al. 2003). This design enabled greater confidence to be placed on the conclusion that the study had identified the range of possible responses to the new legislation.

The decline of collective bargaining

The coverage of collective bargaining in the private sector was at, or near, its high water mark at the time the Warwick Workplace Survey was conducted in 1977-78. All but 10% of manufacturing workplaces employing 50 or more employees, accounting for 95% of total employment in such workplaces, were covered by a collective agreement which determined wages for manual workers. The equivalent coverage figures for non-manual workers were 75% of workplaces and 85% of employees, respectively. The 1980 WIRS, which additionally brought workplaces with 25-49 workplaces within its scope, broadly confirmed this picture for manufacturing, whilst establishing that in the private service sector collective bargaining was less widespread, accounting for less than one-half of workplaces for both workforce groups (Daniel and Millward 1983).

The subsequent contraction of collective bargaining in the private sector, as tracked by successive WERS (Brown et al. 2009a), is portrayed in Table 1. (Data on collective bargaining from the 1980

WIRS, or the Warwick Workplace Survey, are not comparable with those from the subsequent surveys in the series, hence the table commences with the 1984 survey.)

Table 1: Private sector workplaces and employees covered by collective bargaining, 1984-2004

	1984	1990	1998	2004
% of employees	52	42	32	25
% of workplaces	47	38	24	16

Note: Workplaces with 25 or more employees, and at least some employees with pay determined by collective bargaining

Source: WERS surveys, extract from Brown et al (2009a) Table 2.2

The two early surveys were also conducted at a moment when multi-employer bargaining arrangements, which concluded industry-wide agreements on wages, working time and other key conditions, had begun to unravel. The decline of collective bargaining from the 1980s onwards rested on a two-step process. The first step involved the shift from multi-employer to single-employer bargaining arrangements for determining pay, referred to as ‘decentralisation’ by Brown and Walsh (1991), whilst the second step entailed the spread of employer unilateralism at the expense of (single-employer) collective bargaining, termed ‘contraction’ (Brown 1993; Brown et al. 2009a). The two steps are, of course, interlinked, since under single-employer bargaining the mode of employment regulation itself becomes a focus of competition between individual and collective forms of contract, whereas under multi-employer bargaining arrangements such competition between contractual modes is largely curtailed (Traxler 2003). In a series of publications from 1981 onwards, Brown draws on successive workplace surveys to interpret these two fundamental developments.

The Warwick Workplace Survey provided the first authoritative overview of the extent to which the first step was already underway. Although over 80% of establishments, accounting for three-quarters of the total manufacturing workforce, reported that they continued to follow multi-employer agreements, the wage provisions of numbers of these had been transformed from generally applicable basic rates into ‘safety nets’ which specified minima, changes in which no longer impacted on pay rates in most establishments in a sector. Brown (1981:16-19) further notes that in many instances following the national agreement was probably limited to premium rates for shift and overtime working and/or the length of the working week. Crucially, the Survey established that by this time multi-employer agreements remained the most important level of bargaining in respect

of manual workers' pay for only 27% of employees in manufacturing (and 36% of establishments) as compared to single-employer, either plant- or company-based agreements, which accounted for two-thirds of manufacturing employees (and just over one-half of establishments) (Brown 1981: 7-13). In addition it was estimated that multi-employer agreements influenced the wages of a further 13% of employees, for whom the plant or company level was the most important level of wage determination. The analysis of pay determination concluded that 'the most striking finding ... has been that of the rise in significance of single-employer bargaining of single-employer bargaining for manual workers. A decade earlier the Donovan Commission had described multi-employer negotiations involving employers' associations as the 'formal system' of industrial relations. This no longer holds' (Brown 1981: 24).

A decade later, it was the decentralisation of collective bargaining arrangements which the shift from multi-employer to single-employer had brought about which was central to Brown and Walsh's (1991) review of the evolution of pay determination in Britain during the 1980s (the most recent comprehensive data available were the 1984 WIRS and the CBI's pay databank up until 1986). Striking, in terms of the two-step process of decline, is that little attention was paid to any changes in collective bargaining coverage, which by implication was presumed not to have changed markedly. (In part this can be put down to data difficulties, as the 1980 WIRS had not asked about collective bargaining coverage making it difficult to identify any trend once the findings of the 1984 survey became available.) Brown and Walsh drew attention to the further retreat of multi-employer agreements as the most important level of bargaining in determining pay (see Table 2). An additional feature was the decline since the 1980 Survey, of around a half, in the incidence of establishments reporting that pay rates were affected by two tiers of bargaining i.e. an industry agreement and an agreement at plant or company level, in favour of single-tier, single-employer arrangements. Further decline in the second half of the decade was anticipated, given that multi-employer agreements in a further sixteen industries had been terminated during this time.

Table 2: Main locus of pay decision-making in the private sector, 1984-2004

% of workplaces	1984	1990	1998	2004
Collective bargaining total, of which:	39	30	16	14
Multi-employer bargaining	18	9	3	3
Single-employer bargaining	21	21	13	11
No collective bargaining,	59	69	79	85

of which:				
External (e.g. statutory)	10	6	6	2
Management determined	49	63	73	83
Don't know	2	2	5	1

Note: Workplaces with 25 or more employees, main locus is taken as the pay method covering most employees

Source: WERS surveys, extract from Brown et al.(2009a) Table 2.4

This decentralisation, Brown and Walsh observed, had resulted in exponential growth in number of bargaining units in Britain's economy, which in the mid-1950s, when multi-employer agreements constituted not only the main, but across most of the private sector the sole, level of bargaining probably amounted to 'only a few hundred'. In contrast, the 1980 WIRS findings 'permitted the rough estimate that there probably well over 30,000 bargaining units covering [the workforce in establishments with] 25 or more employees' (1991: 48-9). Yet the extent of fragmentation which this suggested was misleading, because of the controls over plant- or site-level bargaining that large firms which had opted for single-employer bargaining arrangements now exercised. Large firms, they argued, had broken away from multi-employer agreements because with the adoption of the multi-divisional form of internal organisation (Chandler 1962) they now possessed the capacity to organise their own employment systems, and control their own pay determination arrangements. In short, there were noticeably fewer 'pay control' points than bargaining units, estimated by Brown (1983) to be of the order of 10,000. Decentralisation was 'controlled', but not through formalising a two-tier procedural settlement between a multi-employer, industry-wide framework and plant- or company-based negotiations, as the Donovan Commission had anticipated, but within the structures of individual large corporations.

It was the release of the findings of the 1990 WIRS which made it starkly apparent that the shift from multi-employer to single-employer bargaining arrangements had also unleashed a contraction in private sector coverage (see Table 1). 'There can be no doubting the recent decline in the extent of collective bargaining' concluded Brown (1993: 192) adding that 'The proportion of the [British] workforce whose pay was at least partly determined by collective bargaining ... contracted sharply in the latter half of the 1980s'. As anticipated, the process of decentralisation had advanced further, with barely one in ten of employees in private sector workplaces employing 25 or more coming under a multi-employer agreement as the most important level for pay determination (see Table 2). A new development in terms of the controlled nature of decentralisation within large firms was an

increase in the proportion of single-employer pay bargaining arrangements at higher, divisional or company level within large, multi-site enterprises. This probably reflected the nature of the industries in which multi-employer agreements had recently been terminated, including banking and retail distribution, which lent themselves to more centralised arrangements within companies given similarity of activity across locations. Contraction in a second sense, namely the extent to which the bargaining agenda had narrowed since 1980, was also highlighted by Brown (1993). The proportion of managers reporting negotiations over a range of non-pay matters had fallen substantially between 1980 and 1984, and again between 1984 and 1990.

During the 1990s and 2000s, it is the further contractions in coverage of both the incidence of collective bargaining over pay and the scope of the bargaining agenda which become the central focus of Brown's assessments of the findings of the 1998 and 2004 WERS. Reviewing findings from the 1998 survey, Brown et al. (2000) underline the further contraction in the coverage of collective bargaining since its 1990 predecessor (see Table 1), and that the 'long retreat' of multi-employer bargaining had reached the point where in the private sector it 'remains a significant institution in construction only' (p614) (see Table 2). The extent of the contraction anticipated had led the designers of WERS1998 to explore variation in the forms of pay determination when collective bargaining was absent. Brown et al.(2000) note the rarity of individual negotiations over pay; for the vast majority of employees not covered by collective bargaining, pay was unilaterally set by management. They might also have added that, consistent with the scope for coordination offered by the corporate frameworks that now governed pay setting, for four out of every ten of private sector employees concerned the relevant level of management was at a higher level, beyond the workplace. The extent to which the bargaining agenda had been whittled down is highlighted, with pay, working hours and holidays being the only issues on which approaching a majority of workplaces where there were union representatives reported negotiations with those representatives. Even extending the canvass to include consultation as well as negotiation only identified three further issues where engagement with union representatives was a majority phenomenon: health and safety, dispute procedures and handling grievances. In fewer than 10% of the workplaces were negotiations over recruitment or staffing levels reported. Brown et al. (2000) contrast this with the extent of union control over recruitment and aspects of work organisation revealed by the 1980 WIRS when 'bargaining over work organisation issues was clearly the norm' (p617). Not only was the coverage of collective bargaining contracting, seemingly remorselessly, but where it survived its content was being hollowed out.

The change of government in 1997 brought, according to Brown and Nash (2008), an administration more sympathetic to trade unions and collective bargaining, legislation supportive of union recognition, sustained economic growth and marked decline in unemployment, factors which in earlier times had been found to be favourable to extending both the coverage and scope of collective bargaining. These were reasons to anticipate that the findings of WERS2004 would reveal that the tide of contraction had been turned, although not to expect any recovery in multi- as opposed to single-employer bargaining. Such anticipation was however confounded with, as Brown and Nash (2008) record, the findings showing a substantial further fall in coverage in the private sector (see Table 1). Most of this further contraction was in single-employer bargaining, since the coverage of multi-employer bargaining was already at such low levels it could hardly fall further: 'sectoral collective agreements ... have all but faded away' (p96). As a result the figure for collective bargaining coverage was rapidly converging on that for trade union membership. Contraction of the agenda of collective bargaining did, however, seem to have been arrested, with the pattern of negotiation (and consultation) over a range of issues remaining broadly similar to that at the time of the 1998 survey. Changed circumstances appeared to have enabled unions and their representatives to do no more than hold the line where collective bargaining survived. Brown and Nash (2008: 102) concluded that collective bargaining in the private sector 'offers no more than a diminished, patchy and highly localised protection to a small and shrinking minority of workers'.

Accounting for decline: a reassessment

How might the remarkable decline of collectivism in Britain's industrial relations over the past 30 years be explained? Three possibilities are addressed in Brown's recent writing (Brown 2008; Brown et al. 2009a; Brown et al. 2009b): structural change in the economy; public policy and legal intervention; and changing competitive conditions in product markets. The first concerns the extensive structural changes the British economy has undergone since the late 1970s, and can be dealt with rapidly. These changes involve inter alia the decline of manufacturing, and within that traditional industries that were heartlands of union strength, and the rise of services; the shift from manual to white-collar employment; and the rise of part-time and temporary employment at the expense of full-time, open-ended jobs. Brown et al. (2009a) deploy multivariate analysis to identify the effects of changes in these and further structural factors on collective bargaining coverage in the private sector over the 20 year period spanning the 1984 and 2004 WERS. 'The remarkable result is that only around one-tenth of the decline in the workplace incidence of collective bargaining in the private sector is due to compositional [i.e. structural] change' (p30). The remaining nine-tenths

unaccounted for by structural changes is, they infer, due to changes in employer behaviour and worker preferences, concluding that 'We can confidently reject the proposition that compositional change in the economy has played a major part in diminishing the role of collective bargaining in Britain' (p31).

As between the other two possibilities, Brown et al. (2009b: 356) accord primacy to 'the overwhelming importance of toughening competition in product markets, backed by increased legal intervention' on which is conferred a secondary role. The extensive collective bargaining coverage resting on multi-employer agreements which prevailed during the middle-decades of the 20th century were the product of 'the marriage of nationally-bound product markets and [collective] laissez faire [in industrial relations]'. Both sides of this conjunction changed fundamentally from the late 1970s onwards. Taking an international canvas reaching across the advanced industrialised economies, Brown (2008) similarly contends that it is changes in product markets that are primary to accounting for the decline in collective bargaining coverage across countries, and of multi-employer bargaining arrangements in particular. The viability of the latter is specified by Brown as resting on two conditions: the structure of competition in product markets, with multi-employer bargaining requiring that competing firms are evenly matched and hence gain similar benefit from the collusion over wage setting which is entailed; and the scope of the product market, following Commons (1909), being coterminous with trade unions' ability to organise and regulate it through collective bargaining with employers. The crumbling of both conditions over the past 30 years, as large firms increasingly dominate product markets whose scope has become international, has undermined the basis for multi-employer agreements. Public policy and the legal framework can exert influence on the durability of multi-employer arrangements, through interventions which underpin them, but their role is secondary.

Reflecting the primacy accorded to product market conditions, it is changes in these that have been the focus of Brown's empirical investigation drawing on WERS data. The role of changes in public policy and legal intervention, whilst consistently acknowledged in the interpretative accounts of survey findings reviewed above, have not been subject to equivalent depth and robustness of survey-based investigation. Although this might be attributed to their perceived second order explanatory status, the task would also be rather more problematic to design and operationalize with the survey findings, since changes in public policy and laws are less specific in their effects on different sectors or types of firms than changes in product market conditions and hence systematic variation within the survey population can be expected to be less. This discussion therefore follows

Brown in focusing on the role of change in product market conditions, first elaborating the underpinning theoretical perspective, then reviewing the empirical evidence and finally offering an alternative account of developments.

‘The theory that guides our account ... focuses on the central importance of the markets in which employers trade. The more competitive these product markets are, the smaller are the profits potentially accessible to trade unions. Having profits for unions to bargain over may be a necessary condition for collective bargaining, but it is not sufficient. What is also needed is a trade union organisation that is strong enough to make that bargaining effective. Here the product market becomes important again, because the environment in which unions are best able to flourish is one where the employers of their members face relatively slack competitive pressures. Tougher competition forces employers to tighten their control over employment, of which reducing the leeway for unions and reducing their influence over the conduct of work is part. It was a feature of our period [1980-2004] that product market conditions tightened for much of the private sector’ (Brown et al. 2009a: 22).

These tougher competitive conditions in product markets, as the British economy became substantially more open in terms of trade and investment flows, are hypothesised to be ‘the driving force behind the weakening of ... trade unions. It lay behind the undermining of the collective bargaining arrangements that they [i.e. employers] had built up over the previous century’ (p23).

The proposition draws on both economic theory and theory in industrial relations. Appropriately for a senior member of Cambridge’s economics faculty, there are distinct echoes of Marshallian derived demand for labour, that is the proposition that conditions in the labour market derive from those in the product market. The emphasis is also on the existence of economic rent as a pre-condition for union activity to secure economic improvements for their members through collective bargaining. The implication being that collective institutions best thrive in less than competitive markets (and whither in competitive ones). From industrial relations, Commons (1909) contention that to be effective trade union organisation and collective regulation needs to match the scope of the product market, mentioned above, becomes crucial in a context where product markets have become increasingly international in reach. For unless the scope of collective regulation is correspondingly extended, employers have the option to escape, or relocate, to parts of the product market which are not as robustly regulated. The proposition’s framing is also consistent with Dunlop’s systems approach (1958), in that changes in the industrial relations system are triggered, and explained by,

changes in key exogenous variables, of which markets are one (the others being technology and politics).

The proposition is tested by Brown et al. (2009a) using the findings from four successive WERS over the twenty year period 1984-2004, with results that 'confirm[s] the intimate link between collective bargaining and the fortunes of the product markets within which it is conducted' (p40). The analysis finds that the retreat of collective bargaining was most pronounced in product markets with particularly tough competitive conditions: amongst workplaces which faced comparatively more competitor firms, amongst workplaces where competition in the local geographic area was most intense, and amongst workplaces in industries with lower (and worsening) levels of profit. Yet, on closer inspection there are some issues of interpretation open to question. The degree of competition, measured in terms of numbers of competitor firms in the relevant product market, and the geographical scope of the product market tend to be conflated in the account. International product markets are not, however, necessarily characterised by large (or larger) numbers of competitor firms. Moreover, the finding of the multivariate analysis concerning the influence of scope of product market is that the significant difference in the incidence of collective bargaining is between workplaces operating in geographically local product markets, on the one hand, and those in regional (sub-national), national and international product markets, on the other. There is barely any difference in the respective impact of these latter three categories on the incidence of collective bargaining, hardly conclusive that it is when product markets are international scope that a decisive blow is dealt to collective bargaining. The role of increased internationalisation of product markets in accounting for decline is also questioned by the finding that the proportion of workplaces reporting that competition was international increased had remained static, rather than increasing, between 1984 and 2004.

Brown et al. (2009a) recognise the inconsistency, suggesting that either firms or sectors which had been exposed to international competition prior to the 1980s were better adapted to the harsher conditions that were to come or that product market effects were being overlaid by ownership ones, with firms competing in regional and national, as well as international, markets increasingly subject to pressures from institutional and/or international owners. Both suggestions are, however, conjectures. And, concerning one distinctive form of ownership – namely by overseas-based, multinational companies via foreign direct investment – their multivariate analysis finds no difference in the incidence of collective bargaining between foreign- and domestically-owned

workplaces. In sum, the evidence base to support the product market proposition is patchy and mixed, and not as conclusive as Brown et al. (2009: 40) claim.

Recalling the two-step process underlying the decline in collective bargaining, there is also a need for the type of collective bargaining arrangement, multi- or single-employer, to be subject to a multivariate analysis of the 1984-2004 period. Arguably, the effect of growing internationalisation of product markets might be expected to impact more on the relative incidence of multi- and single-employer agreements, as multi-employer bargaining at national level can no longer fulfil the central, traditional function take 'wages out of competition' in internationalised markets. Further, earlier WERS (and company-level surveys of industrial relations) identified a distinct preference on the part of overseas-owned companies for single- rather than multi-employer bargaining, alongside little overall difference in the incidence of collective bargaining between domestically- and overseas-owned firms. Later surveys, in the 1990s and 2000s, show that the difference had – with the almost complete demise of multi-employer agreements – disappeared (Edwards and Walsh 2009; Purcell et al. 1987; Marginson et al. 1993). In dynamic terms, the impact of internationalisation of product markets and the growing incidence of overseas ownership in Britain's private sector (Edwards and Walsh 2009) impact first on employers' choice between multi- and single-employer bargaining arrangements, and it is the demise in the coverage of multi-employer agreements which subsequently opens the way for a generalised shift away from collective bargaining irrespective of the scope of market competition or the nature of ownership. This stands as an alternative conjecture to those offered by Brown et al. (2009a).

But how far can the break-up of multi-employer bargaining arrangements be primarily attributed to the effects of internationalisation of product market competition? Taking a cross-country, comparative perspective suggests caution in reaching an affirmative answer. Internationalisation of product markets is something that Britain shares with all of the advanced industrialised economies of Europe, as well as further afield, a process that for a quarter of century within the European Union has been accelerated by the creation and deepening of the single market. Yet despite the pressures that this extension of the spatial scope of product market competition has brought to bear on nationally-based systems of labour market regulation, and attendant scope for and incidences of regime competition (Streeck 1992) between these national systems and relocation by employers, multi-employer bargaining arrangements for determining basic pay remain in place in the countries of continental western and Nordic Europe. It is only in Britain, and more recently in Ireland with the demise in 2009 of the national, cross-sector wage agreement and the institutional arrangements

underpinning it, that multi-employer bargaining institutions for the private sector have unravelled. Other factors, this suggests, need also to be considered.

One is the role of foreign ownership, already mentioned above, given the survey evidence that overseas-owned companies in Britain exhibited a preference for single- rather than multi-employer bargaining arrangements, at a time when the coverage of multi-employer agreements was still significant (Edwards and Walsh 2009). Amongst the EU's large economies, the UK is amongst the most open in terms of flows of foreign direct investment, hence pressure on multi-employer bargaining arrangements from overseas-owned companies will have been correspondingly less than in Germany, Italy or Spain. But it is not noticeably more open to FDI than France, or the smaller economies of north-western Europe including Belgium, the Netherlands and the Nordic countries (Marginson and Meardi 2009) where despite pressures multi-employer bargaining remains in place.

Legal and state supports, whose removal Brown et al. (2009b) recognise as contributing in the demise of multi-employer agreements, also invite attention. These include according legally binding status to collective agreements, the inclusion of binding peace clauses in agreements, provision for legal extension of agreements to firms (and workers) not belonging to employers' associations and hence not covered, and public policies which promote collective bargaining as the preferred mode of employment regulation. In general, most if not all of these supports are found in the countries of north-western continental and, taking basic agreements as providing the equivalent basis for binding standards, Nordic Europe. In Britain, they either never existed (the first three), or in the case of the fair wages resolution and the commitment to the public services as a collective bargaining based model for the private sector, have been abandoned. The absence of legal supports always rendered multi-employer bargaining arrangements in the UK more fragile than those in France, Germany or Scandinavia (Sisson 1987), and the reversal of public policy from the 1980s onwards removed what state support there had been. But Britain is not, and was never, alone in not enjoying substantial legal support for multi-employer bargaining. In Italy, multi-employer agreements have never been legally binding, neither does a binding peace clause feature. Yet multi-employer agreements have remained central to wage determination. There are differences with the British situation since, as a result of judicial decisions, de facto extension of the pay clauses of industry collective agreements to non-covered firms (and workers) is common, and public policy, until very recently, has remained favourable towards collective bargaining. Overall, the effects of legal and state supports constitute part of an explanation.

Differing trajectories in the capacity of multi-employer bargaining arrangements to reproduce themselves in the face of the emergence of new sectors and business activities draw attention to the role of a further factor; the strategic choices made by the bargaining parties. Germany, where legal supports are amongst the strongest in western Europe, and Italy, where these are noticeably weaker, provide a sharp contrast (Marginson and Sisson 2006). Yet, collective bargaining coverage in Germany's private sector has steadily declined since around 1990, to a point where it barely extends to a majority of the workforce. In contrast, coverage in Italy has remained broadly stable over this period, at a level in excess of 70 per cent. The divergent trends in the two countries cannot be accounted for by legal and state supports. Rather, it reflects differing responses by industrial relations actors, and in particular employers, to the emergence of new sectors, such as ICT, and the transformation of existing ones through the arrival of new ways of doing business, as in banking, or as a result of market liberalisation, as in telecommunications. In Germany, large employers have tended to establish these activities under newly-established subsidiaries not affiliated to an employers' association or outsourced them altogether to companies which are not members of an employers' association either. Insofar as unions have been successful in organising and securing a collective agreement, these agreements have been company-based. More frequent is that these new activities fall outside the scope of collective bargaining altogether. With the exception of temporary agency work, sector-based, multi-employer collective bargaining arrangements have not therefore been reproduced amongst new sectors and new forms of business activity in existing sectors. In Italy, in contrast, although outsourcing has also been a marked feature in activities such as ICT, direct banking and telecommunications, a combination of the formation of new employers' associations and /or the re-framing of existing agreements to reflect the changes brought by new ways of doing business in existing sectors, has ensured reproduction of sector-based bargaining arrangements so as to extend coverage to these new business activities. This stems from the exercise of differing choices by employers, but also greater willingness on the part of trade unions to accommodate change to existing agreements (Doellgast 2012; Marginson and Sisson 2006).

Returning to Britain, employer solidarity was traditionally weak even when multi-employer agreements formed the bedrock of wage-setting arrangements (Brown 1983; Sisson 1987). Large employers, from around 1970 onwards, chose to break away from their industry agreements altogether – and reach local agreements which paid higher rates - rather than opting to elaborate a two-tier bargaining arrangement which gave scope for company, and establishment, negotiations within a continuing sector framework. Recognition of the benefits of coordination around a settlement level consistent with maintaining competitiveness across the economy's trading sector

which industry-based bargaining could bring led the CBI to put in place mechanisms aimed at coordinating settlements under the much more decentralised arrangements that single-employer wage determination, either bargained or not, brought (Ingram and Lindop 2011). This proved unsuccessful, underlining the continued weakness of employer solidarity. For their part, trade unions chose not to mount a strong defence of industry-wide agreements. This was particularly so across most of the manufacturing sector (printing being an exception), where strong union organisation in the workplace had given rise to the prioritising of local negotiation by national leaderships of major private sector trade unions. Moreover, as noted above, legal support for multi-employer bargaining from the state was minimal. In short, this brief overview of developments across three countries demonstrates that the strategic choices of the parties matter.

Conclusion

In the absence of William Brown's pioneering of the large-scale, representative workplace survey, of his interpretative analysis of the shifting contours of collective industrial relations revealed by successive WERS and of his consistent advocacy – practised as well as preached – of the fruits deriving from iterating large-scale quantitative enquiry with in-depth qualitative investigation, industrial relations research in Britain would be decidedly the poorer. Brown himself would probably self-deprecatingly claim that there has been an element of serendipity: the Warwick Workplace Survey was undertaken when the reach of collective bargaining turned out to be at or near its zenith, enabling its subsequent decline to be charted, whilst the timing of the 1998 WERS was impeccable for assessing the impact of almost two decades of deregulating Conservative administrations and establishing a benchmark for future assessment of what might follow in a changed environment. His interpretations of the findings of the successive surveys has provided an evolving analysis of the retreat of collectivism, drawing attention earlier on to the process of decentralisation as multi-employer bargaining progressively lost its grip of, and then any role in, wage setting in Britain's private sector, then subsequently to the unrelenting contraction in collective regulation in terms of both its workforce coverage and the narrowing scope of negotiations. Brown's account of this decline places changing conditions in product markets, and particularly intensified competition and internationalisation of markets, centre stage. The final part of this paper has shown empirical support from the surveys for this proposition to be far from conclusive and, drawing on a cross-country perspective, offered an alternative explanation.

By also placing actors and institutional supports towards the centre of the explanation, this alternative account brings to the fore the role of endogenous forces in the trajectories taken by collective regulation in different countries, and the decline of collective bargaining in Britain in particular. This differs from the 'Dunlopian' emphasis on exogenous factors, such as changes in product markets, in triggering change on which Brown draws. Also opened up to question is the specification of the relationship between markets and institutions apparent in Brown's recent writings (Brown 2008; Brown et al. 2009a, b), in which collective institutions only enjoy space to operate and have effects in product markets which are less competitive. As noted, this flows from the view that the existence of economic rent, or firms' 'ability to pay', is a precondition for unions' capability to negotiate economic improvements for their members. This is, however, to focus exclusively on the monopoly side of the 'two faces' of unionism (Freeman and Medoff 1984). The second, productivity-enhancing face, relates to firms' 'ability to compete', and this remains relevant even where the scope for rent seeking activity is curtailed. There is much evidence which is suggestive of a shift in the agenda and outcomes of collective bargaining towards greater focus on 'ability to compete' over the past twenty years (Schulten 2002). The shift was heralded by a wave of negotiations over 'employment and competitiveness' across western Europe, including the UK, in the 1990s (Sisson and Artiles 2000), and which have subsequently become an enduring feature of the landscape. Indirectly this shift is also identified by Brown, reporting qualitative research which points to the role of cooperative relationships between employers and trade unions, around an integrative agenda, in sustaining meaningful collective bargaining (Oxenbridge and Brown 2004). The potential for agreements addressing employment and competitiveness to shape firms' ability to compete is well illustrated by the widespread incidence in parts of manufacturing of crisis-induced agreements aimed at sustaining employment and skills, whilst also reducing companies' immediate cost base through short-time working and other measures, across western Europe during 2009 and 2010 (Glassner et al. 2011). Institutional arrangements, by placing firms in a more advantageous position to respond to the upturn, had the effect of changing the conditions of competition in product market. More broadly, markets are framed by institutions as well as institutions being constrained, or facilitated, by markets. The relationship is a two-way one, and one that evolves.

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