

**EMERGENT AND RECURRENT ISSUES IN CONTEMPORARY INDUSTRIAL RELATIONS:  
PATHWAYS FOR CONVERGING EMPLOYMENT RELATIONSHIPS.**

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**ABSTRACT**

*Within the framework of globalization, there are certain emergent issues that are not only becoming recurrent, but are also coming to the fore in recent discourses that pertain to industrial relations. Based on a review of very vast and current literature in this academic field of study, this paper explores these issues by highlighting the various controversies, challenges and promises that they pose for industrial relations practices in the future. It concludes by specifying the import of the convergence theory in creating a common denominator that characterizes almost all employment relationships worldwide.*

**INTRODUCTION**

The arguments about globalization and the subsequent convergence of industrial relations practices have been widely canvassed for at least the last forty years since the publication of industrialism and industrial man (Kerr, et al, 1960). These early claims for convergence were subsequently proven to be not only incorrect with the emergence of many divergent and vibrant economies, but also theoretically naïve due to an overestimation of the impact of the convergent force of technology. However, in the last decade claims for convergence have again developed new impetus as the pace of globalization has accelerated (McGraw and Harley, 2003). Cooke (2005) in his recent article concluded that while existing comparative studies have shed light on the practices of the three principal actors (trade unions, employers' association, and government) of any industrial relations system; these studies have mainly been based on the same type of economy (e.g. advanced economy or developing economy) and/or geographic locations. In his view, cross economy comparative studies remain insufficient. The fact is that issues and tensions which both the developed and developing countries have been facing in recent years may be more similar than they have been allowed for, despite the fact that their institutional arrangements and historical traditions may be radically different. These studies also need to be conducted with consideration of both the employers and their workers' point of view and in the light of the global trends in industrial relations (Cooke, 2005). It is on this note that the present paper, within the purview of the three principal actors of industrial relations (IR), sets out to explore the IR emergent issues that are becoming recurrent in both developed and developing economies and the consequences of their emergence on global IR systems. In order to achieve this objective, it begins with a discussion of globalization and the controversies about convergence and divergence of industrial relations practices, it then attends to these emergent and recurrent issues, and then it concludes by providing the common denominator that these issues bring to the field of industrial relations.

**GLOBALIZATION AND THE DEBATES ABOUT CONVERGENCE AND DIVERGENCE**

Over the last decade there has been growing use of the term "globalization" to refer to a series of changes in the international economy. As Wade (1996) notes, globalization is normally taken to refer to a set of qualitative changes in the international economy which are associated with increases in international trade in goods and services, greater flows of foreign direct investment and the growth in international financial transactions since the late 1960s. These changes include increased levels of competition across a broad range of markets and higher levels of interconnectedness in international economic activity. There is considerable disagreement about what exactly has driven globalization and the extent to which it constitutes a fundamental change in the international economy (Wade, 1996; Hirst and Thompson; 1996, Weiss, 1998). Nevertheless, with the exception of a very few, there is broad agreement that there have been a series of important changes in the international economy which are having a significant influence on a broad range of political and economic outcomes (Held, et al, 1999; Perraton, et al, 1997; Garrett, 1998). In the field of industrial relations there is a widespread agreement amongst academics, business people, policy makers and union officials that changes in the international economy, associated with the contemporary wave of globalization have important consequences for national patterns of industrial relations in both developed and newly industrializing countries (Bray and Murray, 2000). There is, however, less agreement about the precise nature of the consequences of globalization for industrial relations and how to conceptualize the relationship between these factors. Broadly speaking there are two

main approaches to the relationship between international economic change and national, industry and enterprise level pattern of industrial relations that can be identified in the literature. The first perspective can be termed the *globalization or convergence* approach. There has been a widespread expectation on both the popular and academic literature that economic changes associated with globalization are likely to produce pressures for convergence of national labour practices and standards. It has been argued that globalization has produced significant increases in competitive pressures across national borders in virtually all product and factor markets and increased the locational mobility of capital. This, it is argued has set in train common changes in labour standards as national governments attempt to prevent loss of productive investment. At its extreme, the convergence approach predicts a universal "race to the bottom" in terms of labour standards across all economies which leaves little room for nationally specific institutional forms of labour market organization which may provide for trade union security or encourage the pursuit of equity as well as efficiency. The convergence approach has been used to explain common changes and pressures for change in industrial relations institutions across a broad range of economies (Ohmae, 1995; Reich, 1991; Jacoby, 1995; and Tilly, 1995). The second perspective on the relationship between globalization and industrial relations can be termed the *divergence or institutionalist* approach. Institutional analyses have stressed the importance of national level institutions in mediating and refracting common economic pressures. For institutionalists, the mediating role of national level institutions explains persistent cross-national differences across a range of variables, including patterns of labour market regulation, despite significant common pressures emanating from the international economy. This approach suggests that the relationship between international economic change and the domestic institutions of industrial relations is not as simplistic as implied by the *globalization* approach. It also suggests that many important variables that explain differences in national patterns of industrial relations are domestic and institutional, rather than international and economic in character. Examples of explicitly institutionalist analyses include work by Turner (1991) and Thelen (1993) which examine industrial relations developments in Germany. They both argue that the dual system of industrial relations in Germany has allowed German unions to withstand pressures of globalization better than workers in the US and Sweden. Institutional arguments have also been influential in mainstream comparative industrial relations scholarship and used to explain the persistence of national differences in industrial relations institutions and outcomes in the face of common economic pressures (Locke and Kochan, 1996). Therefore, despite widespread agreement about the significance of changes in the international economy for national patterns of industrial relations, there is considerable disagreement in the literature about the precise nature of the relationship between international economic change and domestic institutions of industrial relations. On the one hand, the globalization or convergence approach attributes causal significance to international and economic variables and predicts both significant change in national patterns of industrial relations in line with changes in the international economy and increased levels of convergence of industrial relations patterns between countries. On the other hand, the institutionalist or divergent stresses the importance of domestic and institutional variables in shaping national patterns of industrial relations and as a result predicts continuity in national patterns of industrial relations over time and even increased divergence between national patterns of industrial relations. In summarizing some broad constraints on convergence, Salomon (1997) has noted that countries may exhibit the following: different levels of economic development; unique political and economic frameworks; different cultural values and institutions, intra-national system heterogeneity; difference at societal and organizational level in relation to processes of employment relations; divergence between the rhetoric concerning institutional frameworks and the reality of practice; variations in the take-up and operation of technology; and alternative solutions to common problems. The remainder of this paper therefore seeks to reveal the present situation of the convergence or divergence perspectives to contemporary industrial relations by drawing our attention to specific emerging issues cutting across most continents of the world.

## **EMERGENT AND RECURRENT ISSUES**

Management of the employment relationship has changed markedly throughout the world in the last two decades. This has been the subject of considerable research and documentation, much of it presented at the last three World congresses of the International Industrial Relations Association (Markey, et al., 2001). Consequently, one is tempted to probe deeper into the dynamics of these changes and how they have affected the landmarks of modern industrial relations systems. Therefore this section of the paper would seek to distil out these current issues that pervade our world economies. Without further ado, these issues are:

**DIMINISHING VALUE FOR COLLECTIVE BARGAINING:** Collective bargaining in its broadest sense is a machinery for discussion and negotiation, whether formal and informal between employer(s) and workers' representativeness, aimed at reaching mutual agreement or understanding on the general employment relationship between the employer(s) and workers. When examining developments in industrial democracy over the last decade or so, it is clear that, in many countries, the collective bargaining process has declined in significance in industrial relations (Gill and Krieglner, 1999). Underlying these changes have been the globalization of markets and production, fundamental political changes based on a neo liberalist agenda, rapid technological advances and the emergence of ideologies that have buttressed the power of managers at enterprise level. Indeed, to many observers, the contemporary political and economic conjuncture seems to offer little hope for the realization of the long held desire for industrial democracy based on notions of the 'rights' of employees to participate in decisions in their firms. Rather, increased economic competition and a concern over economic performance among industrialized economies appear to have resulted in developments which make the realization of greater employee participation in management more difficult to achieve (Markey, et al, 2001). So far as trade unions and collective bargaining are concerned, there is a link between the changing nature of collective bargaining and the emergence of new forms of participation (both indirect and direct). Until the 1980s, in many countries, including the United States, collective bargaining was the preferred means by which wages and conditions were determined (Markey, et al, 2001). The last decade has witnessed an extensive reform of collective bargaining structures in many EU countries (Pochet, 1999). These reforms have been triggered by the interaction between series of pressures: exogenous (the need to comply with Economic and Monetary Union, i.e. EMU ) and endogenous (the impact of changing labour markets ). Interpretation and projection have presented two scenarios (Regini, 2000): the first, *employer-led* view predicts deregulation and decentralization through the substitution of collective by individual (*market-driven*) regulation, a process which trade union movements are now too weak to resist. The outcome, according to this scenario, would be wage moderation triggered by the decentralization of wage determination and the gradual elimination of barriers to free individual bargaining between employers and workers, thus leading to wider wage differentials (Romo, 2005). A second scenario (Perez, 2002; Soskice, 1990) discounts the probability of across the board deregulation and disorganized decentralization; more probable is a process of growing wage coordination, with beneficial effects on competitiveness. In this view, change derives from inter-associational consensus supported by government rather than pure employer initiatives. Both scenarios coincide to give employers and/or governments a leading role in the process of change, hence predicting convergence in wage bargaining institutions and outcomes, reflecting the weakness of unions and the disciplining role of EMU (Romo,2005). In many sub-Saharan African countries (which includes Ghana, Burkina Faso, Zimbabwe, Uganda, Tanzania) , collective bargaining was much written about and discussed in the 1970s, but dropped off the agenda of policy decision makers during the 1980s and 1990s. This partly reflects the process of policy decision-making in the economic reforms during the 1980s, which became increasingly 'closed' and characterized by limited, if any, consultation between the various interest groups, including employers' organizations and trade unions (Geest and Hoeven, 1999). In Nigeria, despite government declared intention to allow wages and salaries to be determined through voluntary negotiation and collective bargaining agreements, direct government intervention in wage determination has become very prominent (Banjoko, 2006). Consequently, collective bargaining has been relegated to the background in Nigeria. The striking similarities in the development and dilemma of trade unionism in post socialist Russia and China, despite the radical differences in the economic and political trajectories of the two countries, suggest that the challenges facing their trade unions do not so much reflect the specific historical experience of each as the structural features of post-socialism (Clarke, 2005). The argument that the limitations of post-socialist trade unionism are structural, rather than an expression of ideological and political legacies and constraints, is reinforced by the extent to which in Russia (and in Eastern Europe) the 'alternative' trade unions have tended to reproduce the structures and practices of their traditional counterparts (Clarke et al. 1995; Ilyin, 1996). Immediately after the collapse of state socialism, the new trade unions represented themselves, and were recognized by the international trade union movement, as 'real' trade unions, in polar opposition to the traditional unions. Nevertheless, the new trade unions faced considerable difficulty in establishing effective primary trade union organizations, in the face of management opposition and the scepticism of employees, so that their primary organizations were frequently forced into the same compromises with management as characterized the traditional unions. The reproduction of their traditional political and managerial roles has secured the institutional survival of the trade unions in the transition to a capitalist market economy in both Russia and China, at the expense of their ability to articulate the grievances and aspirations of their members through collective bargaining. Any effective attempts to develop the defensive role of the trade unions threaten

their institutional survival as they come up against the opposition of employers and the state. In order to maintain their privileges, the trade unions have to contain the grievances and restrict the aspirations of their members, further eroding their authority in the eyes of those members (Clarke, 2005). This again undermines the collective bargaining process characterized by the so called 'real' trade unions in post socialist countries. The point being emphasized in the discussions above is that in both developed and developing countries, the collective bargaining process has almost been obliterated by either the employers or the state, or sometimes both of them.

**DECLINING RATE OF UNION DENSITY:** Union density is a percentage expression of trade union membership amongst a given group of employees. It refers to the actual union membership of an employee group, divided by its potential union membership multiplied by 100%. It is a common fact that trade unions are strongly dependent on their membership for their ability to reach objectives and goals. The membership provides the resources that are necessary for a union's success and continued existence. The resources obtained from members, such as union dues, voluntary participation in tasks and activities in or on behalf of the organization, participation in collective action, etc., are important for the pursuit of collective goals as well as for providing selective goods and services for individual members (Knoke and Wright- Isak, 1982). In order to secure the availability of the necessary resources, trade unions must not only attract members but must also retain them. However, there has been a declining rate of union density since the last two decades. During the 1980s economic, structural, industrial and political changes interacted, in different ways and to differing degrees, to undermine the traditional foundations of union activity and organization (Western, 1995) and reshape the composition of the unionized work force. Economic recession and higher rates of unemployment throughout the advanced capitalist countries not only sapped the bargaining strength of unions, but also deprived them of members (Richards, 2001). Structural changes in Britain undermined the traditionally strongly unionized sectors of advanced capitalist economies such as heavy industry and manufacturing (Richards, 2001). In both absolute and relative terms, the manufacturing sectors of most advanced capitalist economies shrank considerably during the early 1980s and showed few signs of robust recovery thereafter. Employment levels in manufacturing slumped, while the percentage of workers employed in manufacturing declined steadily throughout the 1980s (Richards, 1995). Such a trend ensured that unions based in these sectors suffered steady membership losses. In the USA, 10.8 million jobs consisting primarily of full-time, and heavily unionized jobs in basic industries such as steel, transportation, automobiles and rubber disappeared through plant closures and cutbacks between 1981 and 1986 (Coggins, 1989). Between 1980 and 1988, the United Auto Workers lost over 300,000 members. Between 1980 and 1987, the Machinists lost 32 percent of their membership, the Carpenters, 22 percent, and the Electrical workers 23 percent (Salvatore, 1992:89). Similar trends affected the traditional bastions of trade unionism else where. In Britain, during the recession of 1980-81, nearly half of the Trade Union Congress (TUC) membership gained during the 1970s was lost (Maksymiwiw et al., 1990:17). Between 1979 and 1987, the number of jobs in manufacturing fell sharply by 1.954 million (or 27 per cent). As in the USA, unions whose respective memberships were heavily concentrated in the blue-collar industrial and manufacturing sectors of the economy fared badly, in terms of numerical strength (Richards, 2001). Also in Germany, union density has fallen, and is now less than 30 percent in the country (Schmidt and Dworschak, 2006). This fall has been attributed to a shift towards decentralized collective bargaining, which has resulted to a decrease in union density from 39.7 percent in 1980 to 29.8 percent in 2000 (Ebbinghaus, 2002). In the same vein, Australia is also experiencing a decline in union density. This has been attributed to structural changes in the economy and associated shifts in employment into less unionized industries, occupations, and types of employment status (Griffin and Svensen, 1996). A conservative coalition government has further eroded the position of unions through industrial relations 'reforms' including the prohibition of compulsory unionism and preference clauses, the encouragement of individual contracts and enterprise bargaining, and the reduction in the powers of the Australian Industrial Relations Commission (Davidson and Griffin, 2000). In addition to contributing to real constraints on union subscription and participation, these changes have been accompanied by the rhetorical entrenchment of individualist values associated with free market liberalism (Griffin and Svensen, 1996; Hartley, 1995). This is reflected in what some peak unions in Australia perceive to be a decrease in peoples ideological motives for joining unions (Peetz, 1998). In a comprehensive review of the industrial landscape, (Peetz, 1998) revealed that while many other countries other than Australia are experiencing a decline in union density, this phenomenon is particularly severe in Australia. Developing countries are also experiencing sharp declines in union density. For example in Poland, trade union density dropped from 80 percent of the workforce to 14 percent in 2002 (Katz and Kochan, 2004). Fashoyin (1992) studied the trends in union density in Nigeria and found out that in 1965

1975, and 1985, the rate of union density was 44.2%, 39.6% and 35.1% respectively. These figures reveal a declining rate of union density over time. Though there is paucity of data of what union density currently looks like, it is believed that there could have been a further decline following the very harsh economic reforms undertaken by the Present Nigerian government and the subsequent weakening of the Nigeria Labour Congress (NLC), which supposedly is the umbrella organization of all trade unions in Nigeria. The summary of these discussions on declining rate of union density points to the claim of many commentators, that the developments in industrial society since the end of the 1970s question the continuing relevance of trade unions solidarity and collectivism (Clark and Rempel, 1993; Gyes, et al, 2001). It is argued that socio-economic trends such as increasing individualization and new forms of work arrangements have fostered the diffusion of individual orientations at the expense of traditional forms of union solidarity (Valkenburg, 1996; Zoll, 1996).

**TRADE UNIONS SERVING AS MERE PUPPETS:** While the decline in collective bargaining and union density is undeniable, there remains unanswered questions about what difference a union presence continues to make in the workplace. Information on this score is relevant to the debates about the future of trade unions. The starting point for the analysis is that union presence can be advantageous to both employers and employees, for example, by facilitating organizational performance while also permitting improved terms and conditions for employees. But how is it possible for the presence of powerless unions to benefit both employers and employees simultaneously? The most influential answer to this question derives from Freeman and Medoff (1984), who argued that unions do not only operate through power-based bargaining, but they argued that this was outweighed by the positive effects of voice. They described various ways in which voice produced its effects, and of these, the most relevant can be classed as 'informational' (White, 2005). Unions, by providing voice services (e.g. bringing together, interpreting and amplifying employee voice; and also communicating employers' messages to employees), can help employers to obtain valuable information from employees at a reduced cost and to communicate to employees in a legitimated manner. At the same time unions by organizing the collective voice of employees and ensuring that it is heard by management help to get a wider range of things employees want. Of course, the idea that unions could produce positive effects was also familiar in pre 1980s debates about unionism. For instance, it was often argued that unions provided an incentive for managerial efficiency, through wage bargaining pressure on profits ('the shock effect'). However, the voice concept is increasingly attractive not only because of its firmer foundations in mainstream economic theory, but also because it resonates with an era of rapid change in work organization (White, et al., 2004), whereby employers rely increasingly on knowledge and active involvement of workers in seeking to be competitive. Freeman and Medoff (1984) emphasize that cooperative institutions between employers and unions are crucial for voice based industrial relations. Although collective voice provides an explanation of how mutual gains can be achieved by employers and employees, this may not happen in practice. Especially, employers (or management) may prefer to ignore collective voice or suppress it. In recent reworking of Freeman and Medoff's argument, Bryson, et al (2004) conclude that employer's choice plays the primary role in whether collective voice is implemented. Hyman (1997) is another who stresses the primacy of management in deciding what union can do. In the U.S.A., some attention has been devoted to specifying the managerial policies that can deliberately engender cooperative unions and lead to mutual gains (Kochan and Osterman, 1994). These authors have argued that the implementation of innovative and performance-enhancing human resource (HR) practices will generally be more effective where unions are involved and employees can see direct advantages for themselves. Nonetheless, others have concluded that in practice, management has tended to pursue innovation in HR with the aim of increasing performances while offering few or no gains to employees (Osterman, 2000; Ramsey, et al, 2000). Recently in Nigeria, as in other more advanced economies, the collective voice concept has been utilized in creating a sense of common purpose and shared corporate culture (Fajana, 2000). There is also an extensive U.S. literature which advocates or recognizes that management may want to create other innovative voice based alternatives to unionized employee relations (Beer et al; 1984; Foulkes, 1980; Kochan et al; 1994; Lawler, 1986; Pfeffer, 1994). For example, management can develop its own communication methods to replace dependence on union-organized voice services, and it can use incentives and benefits to weaken the financial attractions of union membership. In these circumstances, what looks like cooperation and mutual gains (in terms of the immediate outcomes for both sides) can be a stage on the way to sidelining unions. Unions may cooperate with management's agenda for a wide range of reasons; at one extreme because they see greater long term benefit for their members from such a relationship, and at the other extreme, because they are weak and judge cooperation to be means of survival. Much of the recent commentary on British unions has tended to assume the latter (White, 2005). When unions are closely aligned with

employers, as for example in the case of Japanese- style company unions, this can lead to compliance and tokenism, rather than mutual gains (Danford, 1999). Whatever unions' motives, a crucial point is whether their cooperation with management delivers gains for employees. If it does not, cooperation has to be regarded as a form of marginalization.

**UPSURGE OF NEO-UNITARISM AND STRATEGIC HUMAN RESOURCE MANAGEMENT:** Whereas humanistic and power sharing arguments were dominant in the 1960s and 1970s, organizational efficiency has provided the strongest base for promotion of employee participation since the 1980s (Markey, 2001). The importance of organizational efficiency as a motivation for employee participation has been confirmed by its association with strategic Human Resource Management. According to Markey (2001), the purpose of strategic HRM practices, which have spread so widely throughout the world in recent years, has been to enhance productivity at the workplace level by attempting to link employment policies and practice more specifically to corporate strategy. Some of the major components of these changes have included increased responsibility of line managers for employment policies, flexible employment practices, broadening job structures, performance appraisal, increased training, performance related pay schemes, direct communication with employees, policies designed to build employee commitment to the firm, and decentralization of collective bargaining over wages and employment conditions towards the enterprise level. The growing incidence of these management practices has been widely documented internationally, and classified by a number of authors as part of a new generic typology of strategic HRM, which is philosophically located in a neo- unitarist frame of reference of industrial relations (Kramer, 1998; Morehead, et al. 1997; Kochan and Piore, 1995). Neo- unitarism builds on existing unitary concepts but it is more sophisticated in the ways it is articulated and applied within enterprises (Fajana, 2000). Its main aim seems to integrate employees, as individuals, into the companies in which they work. Its orientation is distinctly market centred, managerialist and individualist. The emphasis of neo- unitary approaches to industrial relations or what some of its protagonists describe as "employee relations"- is that committed, motivated and well trained people are the key to corporate success. Neo- unitary approach has been adopted in response to competitive product market pressures, weakened unions and increased employer and managerial confidence in the workplace and the labour market.(Fajana, 2000). Strategic HRM contrasts with the pluralist typology of industrial relations. This typology is characterized by an assumption that conflict is inherent in the employment relationship, regulated by clearly delineated employment contracts through collective bargaining, national standards, customs and practice, employee management by specialist industrial relations or human resource managers, division of labour, and a major role for trade unions in bargaining and communication between management and employees (Kramer, 1998; Looise and Van Riemsdijk, 1998; Storey, 1995; Legge, 1995). According to Wood, et al. (2005), strategic HRM issues such as direct communication and information-sharing are hallmarks of the 'transformed' industrial relations proclaimed by Kochan et al. (1986). In the USA such innovations in industrial relations have long been seen as a potential substitute for union- based systems (Foulkes, 1980). In a similar vein in the UK direct communication, which is a component of strategic HRM is part of the vision of the end of labour institutions that Purcell (1995) portrayed in the early 1990s. In Nigeria, strategic human resource management based on a neo- unitarist philosophy has also become very popular among enterprises in the middle 1990s (Fajana, 2000). In such scenarios, management rather than the state or unions is the pivotal actor in the creation of industrial relations systems. Moreover, management has used this enhanced power to develop a new style of HRM- high commitment management- in which direct communication with the workers has a central role. For many others this requires a fundamental reorientation of the subject of industrial relations so that non- union methods come to the fore (Kaufman, 2001).

## **CONCLUSION**

This paper has successfully identified four emergent issues (diminishing value for collective bargaining, declining rate of union density, trade unions serving as mere puppets, and upsurge of neo- unitarism and strategic human resource management) that presently underscore both developing and developed industrial relations systems. While we acknowledge that there are some caveats to the specific issues raised in this paper, however, we would provide explanations for these caveats. First and foremost, based on the nature of the paper which presents comparative industrial relations in contemporary times, it would be extremely difficult to put together and analyze in a single paper all industrial relations systems in today's world economies; and so we are presently using the situation in few countries to make some general extrapolations. The reason for down playing the caveat forms the central theme of this paper, and this will be explained in the latter part of this concluding section. Secondly, even though we have identified only

four emergent issues in this academic field of study, there are other issues which are coming to the fore in recent discourses in industrial relations, for example the issue of the widening gap in gender inequality occasioned by globalization is often featured in recent research in industrial relations (Tongo, 2005). This phenomenon cuts across both developing and developed nations of the world. However, the gender issue transcends the boundaries of industrial relations, and is often a topical issue in other academic fields like sociology, theology, psychology, law e.t.c. Consequently, any issue that is not only unique to or peripherally related to industrial relations, has been left out of this present article. The third caveat which is the main thrust of this paper rests on the fact that even though we have assumed that these key issues have penetrated the industrial relations systems of both developed and developing countries, yet there are countries in the world in which these issues are uncommon. For example, despite economic globalization, union density in the trade unions in the metal sector in the Nordic countries (Denmark, Norway, Sweden, and Finland) remains exceptionally high compared to any other European region. The coverage of collective bargaining has also remained intact by European standards (Anderson, 2006). Such cases that deviate from our generalization that both developing and developed countries are experiencing the four emergent issues are not to be unexpected. As it is believed that the levels of integration of different economies into the economic globalization process should mirror the degree to which these four issues are experienced in world economies. It can therefore be hypothesized that the diminishing value for collective bargaining, declining rate of union density, trade unions serving as mere puppets, and the upsurge in neo-unitarism and strategic human resource management are variables that correlate with the economic choice of supranational organizations (IMF, World Bank, and WTO). This economic choice involves the pursuance of a market rather than a people based model of economic development. In then follows that those economies which adhere strictly to this economic choice would reflect these emergent issues in their industrial relations systems. Contrarily, those economies that are loosely attached to this economic choice would depict a departure from these emergent issues in terms of their industrial relations systems. For instance, the sharp contrast between the metal sector in Nordic countries and their counterparts in other European countries with regards to these four issues can be explained by the above line of argument. It was found out that Nordic metal unions are not actively engaged in global, and especially European- level policy making, including the coordination of bargaining processes for fear that European regulation may undermine their national bargaining autonomy and the problem of winning the support of their members for European and global activities (Andersen, 2006). Since European regulation is mainly based on the economic choice of supranational organizations, It can therefore be said that the weak attachment of the Nordic metal sector to the economic choice of supranational organizations is responsible for their high union density and collective bargaining. Therefore the down playing of the problem in using very few countries to make general statements on the state of industrial relations in contemporary times is justifiable, given the fact that differences in industrial relations across the globe only reflect differences in the extent to which the various economies of the world have integrated themselves into the economic choice of supranational organizations. By this argument, the divergence theory to industrial relations becomes irrelevant because it holds that national level institutions have the capacity to mediate and refract common economic pressures. These national level institutions include different levels of development, unique political and economic frameworks, different cultural values e.t.c. This theory becomes unpopular especially when we consider a Marxian perspective to analyzing contemporary industrial relations. Karl Marx in his dialectical materialism thesis maintained that the infrastructures of industrial society shape their superstructures. The infrastructures being the economic sub systems and the superstructures are the other sub systems (which includes the industrial relations sub system dealing with all the gamut of issues that pertain to employment relationships) of industrial society. Going by his view if the economies of the world, including those of developed and developing countries converge to embrace the economic choice of supranational organizations, they would apply similar economic policies in running their affairs and this would ultimately mould their industrial relations sub systems into one unique form. It is on this basis that the convergence theory has taken a rightful place in the present scheme of things in industrial relations. But the question that now arises is; what are the industrial relations systems converging to? Based on the four emergent issues raised in this paper there is little gain saying that these issues point to a future in which the world trade unions (both those of developed and developing economies) if they exist at all would lack the power to forge the interests of their members. Consequently, contemporary industrial relations systems are converging towards one unique type that is characterized by trade union weakening or extinction; and this results to the exposure of individual employees to the exploitative tendencies of the employers. There are actually two options left for trade unions. It is either they maintain the status of being mere puppets in the future as the world economies get increasingly globalised or come together to resist the economic choice of supranational organizations in order for them to regain their power. The strategies

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to be employed to put up such a resistance is a subject of another paper. But the ball is actually in their courts.

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