

# LONG-RUN TRENDS IN STRIKE ACTIVITY IN COMPARATIVE PERSPECTIVE

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### Contents

Sections	<u>Page</u>
Twentieth Century Trends in Aggregate Strike Activity	6
Explanations of Patterns in Industrial Conflict	19
The Political System and the Locus of Distributional Conflict	26
Distributional Conflict in the Welfare State	36
References	47
Appendix: Strike and Labor Force Data	52

## LONG-RUN TRENDS IN STRIKE ACTIVITY IN COMPARATIVE PERSPECTIVE \*

Outbursts of strike activity in many industrial societies during the late 1960s and early 1970s focused great attention on the state of labor-capital relations in advanced capitalist systems and lad to many inquiries into the sources of the "new" labor militancy. The events of May-June 1968 in France, the "hot autumn" of 1969 in Italy, and the nation-wide strikes of the coal miners in 1972 and 1974 in the United Kingdom (the first since the great general strike of 1926) are the most dramatic examples, but sharp upturns in strike activity in Canada (1969,1972), Finland (1971), the United States (1970) and smaller strike waves in other nations also contributed to the surge of interest in labor discontent.

Recent attempts to reavaluate the potential of advanced industrial socieities to generate severe social conflicts are perhaps a useful corrective to the dominant theoretical perspective of postwar social science which stressed the "Integration" of the working class into the socioeconomic fabric of modern capitalist nations. Sociologists wrote embourgeoisement of blue-collar workers; polltical scientists and political sociologists argued about, but in the main, I think,

<sup>\*</sup> This is one of a series of papers from my project on Industrial conflict in advanced industrial societies supported by the National Science Foundation. I am grateful to Nicholas Vasilatos and Marilyn Shapleigh for able research assistance on all phases of the project.

subscribed to the idea of "the end of ideology"; and, among industrial relations specialists, the thesis of the "withering away of the strike" (most prominently associated with the important, comparative study of Ross and Hartman) was widely accepted. (1)

One of the aims of this monograph is to show that when industrial conflict is analyzed over the long-run -- l.e. is viewed in nistorical perspective -- the thesis of a <u>general</u> withering away of the strike is at odds with the empircal evidence, and that the emphasis on a new labor militancy is to a great extent misplaced. The first part of the monograph introduces a three-dimensional characterization of strike activity and analyzes trends in the overall magnitude of industrial conflict in twelve nations since the turn of the century. The following section reviews some traditional explanations of variations in strike activity and concludes they are of limited value in accounting for cross-national patterns in the long-run evolution of industrial conflict. The third part of the study presents my own theory long-run trends in strike activity. It is argued that trends industrial conflict have been shaped primarily by political developments rather than cultural, sociological, or economic factors. (2) The core of the argument is that major changes the volume of industrial conflict during the twentieth century

<sup>(1)</sup> Ross and Hartman, 1960.

<sup>(2)</sup> Economic variables do, of course, have an important influence on short-run fluctuations in strike activity. See Hibbs, 1976 and the studies cited therein.

are largely explained by the effectiveness of social democratic and labor parties in shifting the locus of the distribution of national income away from the private sector (the economic marketplace) to the public sector (the political marketplace). The final section of the monograph reviews recent economic and political developments in the highly developed welfare states of Scandinavia, and speculates about the implications of trends in the public sector share of national income for political and industrial conflict over distributional issues.

# Imentieth Century Inends in Aggregate Strike Activity

Important comparative, quantitative most Perhaps the investigation of strike activity is Ross and Hartman's <u>Changing</u> Patterns of Industrial Conflict. One of the principal conclusions of this influential empirical study was industrial conflict had "withered away" in the industrialized world during the twentieth century. Although Ross and Hartman acknowledged that the decline in strike activity was most pronounced in the Northern European countries --Denmark. Netherlands, United Kingdom, Germany, Norway and Sweden -- they believed they had identifed a general trend which by the 1950s was apparent in virtually all capitalist, democracies. The analyses presented below will show that this conclusion is simply erroneous. It is true, of course, that the bloody, violent clashes between labor and capital which characterized the early union recognition strikes are now rare and, in this sense, strikes have become more "civilized". When viewed over the long-run, however, it is also clear that the gross magnitude strike activity exhibits no <u>general</u> secular decline: activity has increased in some nations, oscillated about or less constant average level (stationary mean) in a few countries, and declined by varying degrees in others. Ross and Hartman's work has been influential enough to speculate about the source of their "withering away of the strike" thesis.

Ross and In the course of their investigation, Hartman constructed a half dozen or more strike indicators; but in developing the "withering away of the strike" argument they relied heavily on the analysis of only two measures: lost in strike activity per union member ("Membership Loss Ratio") and man-days lost in strike activity per worker involved (average "Buration"). As I have argued elsewhere (1) the Membership Loss Ratio is a poor index on which to base general inferences about sacular strike trends. This is partially because union membership data are very unreliable for some countries, but also because the meaning of unionization differs greatly across nations. (2) International comparison of union membership rations are therefore problematic. Average strike duration is a perfectly sensible indicator of an important dimension of strike activity, which indeed exhibits a long-run decline in many industrial societies. However, this measure is much too narrow in scope to support sweeping conclusions about trends in the overall magnitude of labor militancy. (3)

<sup>(1)</sup> Hibbs, 1976.

<sup>(2)</sup> Contrast, for example, the conception of union membership in Canada and the United States -- where "members" include all workers covered by contract who merely pay dues, typically via an automatic chack-off (payroll deduction) method -- with union membership in the largest unions in France and Italy -- where "members" are usually militant activists. (Although in recent years the French CGT and the Italian CGIL have tried to become mass organizations.) The strength of French and Italian unions are probably judged better by the number of workers that they can mobilize for an activity rather than by the number of their official members.

<sup>(3)</sup> For example, in many nations declining strike duration is accompanied by rising strike frequency. I think that this tells

Therefore, perhaps the withering away thesis represents an optical illusion that stems from placing too heavy an emphasis on faulty and/or limited indicators.

This cannot be the whole story, however, for in the Introduction to <u>Changing Patterns of Industrial Conflict</u>, Ross and Hartman claimed that even gross man-days lost in strike activity had everywhere declined:

"There has been a pronounced decline in strike activity throughout the world. Man-days of idleness in the late 1950's are fewer than in the late 1940's or the late 1930's, despite the increases in population and union membership." (1)

Apparently Ross and Hartman, along with many others, took the momentary, cyclical downturn in strike activity experienced by many countries in the 1950's -- for example, Canada, France, Italy, United Kingdom and the United States -- to be an enduring feature of postwar labor relations in capitalist industrial systems. When viewed in relation to the strike explosions which occured in most nations toward the end or just after the second World War, the short-lived labor quiescence of the middle and late 1950s undoubtedly gave the impression that a withering away of the strike was at hand.

In reviewing the Ross and Hartman thesis I have referred at a number of points to observable trends and fluctuations in

us more about rational labor adaptation to a changing environment than it does about trends in labor aggressiveness or labor militancy. A subsequent monograph will treat this issue extensively.

<sup>(1)</sup> Ross and Hartman, 1960, pp. 4-5.

twentleth century strike activity. Before looking at the emprical data in detall, however, It is necessary to present explicit scheme for strike measurement. The International Labor Office compiles and publishes data on three basic components industrial conflict that are supplied by the national labor the number of strikes, ministries: the number of involved (strikers) and the number of man-days lost in strike activity. Annual data on these components are reported for economy-wide totals and for nine separate sectors of activity. Since this monograph is concerned with national. economy-wide trends, only the aggregate data are used in the analyses reported here.

Following the earlier, seminal work of Forchelmer, Knowles, and Goetz-Girey and the more recent work of Shorter and Tilly, (1) the basic industrial conflict variables are used in conjunction with data on nonagricultural civilian wage and salary employment (2) to form three theoretically distinct dimensions of strike

<sup>(1)</sup> Forcheimer, 1948; Knowles, 1952; Goetz-Girey, 1963; and Shorter and Tilly, 1971.

<sup>(2)</sup> Since strikes rarely occur in the agricultural sector (and those that do are not recorded with great accuracy), excluded agricultural workers from the labor force data of all except Italy, a country in which there has been substantial strike activity by farm laborers during most twentleth century. The military as well proprietors, as small entrepreneurs, <u>rentiers</u>, and other self-employed persons have excluded from the labor force also been data because contribute little to aggregate strike activity but comprise a significant fraction of the work force in many nations and periods. International and Intertemporal comparisons industrial conflict are therefore facilitated by using the number of nonagricultural civilian wage and salary workers to adjust the strike statistics for differences in labor force size.

activity: the average <u>size</u> of strikes, i.e. the number of workers involved per strike; the average <u>duration</u> of strikes, i.e. man-days lost per worker involved; and a size-adjusted measure of strike <u>frequency</u>, i.e. the number of strikes per 1000 nonagricultural civilian wage and salary workers.

Size: workers involved (strikers)/strikes

<u>Quration</u>: man-days lost/strikers (1)

Frequency: strikes/civilian wage and salary workers in 1000s.

Each of these dimensions (defined per unit of time) is suitable for time-series and cross-national analysis. It is advantageous, however, to array them into a three-dimensional solid or cube depicting the typical profile or "shape" of strike activity in a particular nation during a particular time period. Figure 1

Duration = 
$$\frac{M}{W} = \frac{m_1 + m_2 + \dots + m_n}{w_1 + w_2 + \dots + w_n} = \frac{d_1 w_1 + d_2 w_2 + \dots + d_n w_n}{w_1 + w_2 + \dots + w_n}$$
,

where the weights are the number of workers involved in each dispute. The practical significance of this is that the duration measure is heavily influenced by large-scale strikes.

<sup>(1)</sup> Notice that strike duration is calculated from the available aggregate data by dividing total man-days lost by the total number of strikers, which yields a "weighted" average duration (as opposed to a simple arithmetical average computed from individual disputes) — the weights being proportionate to the number of workers involved in the strike. For example, if  $w_1$ ,  $w_2$ , ...  $w_n$ , are the number of workers involved in strikes  $w_1$ ,  $w_2$ , and if  $w_1$ ,  $w_2$ , ...  $w_n$ , are the number of workers involved in strikes  $w_1$ ,  $w_2$ , ...  $w_n$ , and if  $w_1$ ,  $w_2$ , ...  $w_n$  are the corresponding durations of these strikes (in days), the number of man-days lost  $w_1$ ,  $w_2$ , ...  $w_n$   $w_1$   $w_2$ , ...  $w_n$   $w_1$  The Total number of man-days lost is  $w_1$   $w_2$   $w_2$ , ...  $w_n$  and the total number of workers involved is  $w_1$   $w_2$   $w_1$   $w_2$   $w_3$   $w_4$   $w_4$   $w_4$   $w_4$   $w_4$   $w_5$  The weighted average duration defined in the text is therefore

displays two distinctive, hypothetical strike shapes.

FIGURE 1 ABOUT HERE

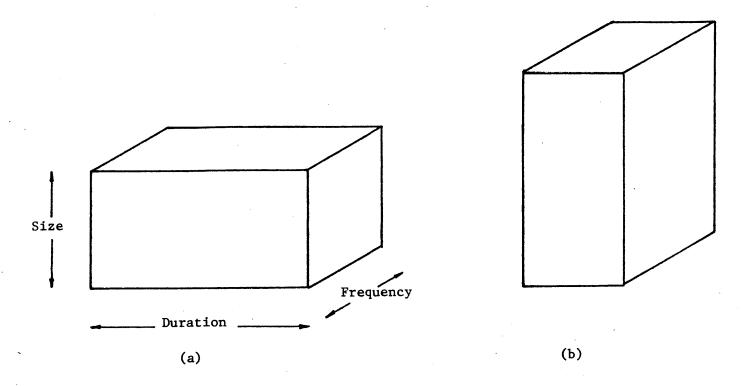
Although a great deal can be learned from the comparative, historical analysis of strike profiles and individual strike dimensions, (1) what is needed for the purposes of this study is a single indicator of one overall magnitude of industrial conflict. The most suitable index of of overall strike activity is a quantity akin to the physical concept of volume, which of course is simply the product of the three dimensions depicted in Figure 1:

Strike Volume =	Frequency	X	Duration	X	Size
man-days lost per 1000 = nonagricultural civilian employees	strikes nonagricultural civilian employees in 1000s	X	man-days workers involved	X	workers, <u>involved</u> strikes

Man-days lost from strikes per 1000 nonagricultural civilian employees has both theoretical justification (being the volume of a three-dimensional profile that characterizes strike activity at any time or place) and obvious intuitive appeal as a comprehensive index of industrial conflict. Indeed, most specialists have proposed man-days lost adjusted for labor force size as the best single indicator of gross strike activity on a priori grounds. Since it is built up from a nation's overall

<sup>(1)</sup> See, for example, Shorter and Tilly, 1971.

Figure 1: Hypothetical Strike Profiles



Frequency: # of strikes per 1000 wage and salary workers

Duration: Mandays lost per striker in strikes

Size: # of strikers per strike

Strike Volume = Mandays lost per = Frequency X Duration X Size 1000 wage and salary workers

strike profile, it allows inferences about long-run trends in strike activity that are not confounded by changes in a single conflict dimension. (1)

Individual "sides" of the profile or cube give Important, secondary indices of aggregate strike activity. It might be plausibly argued, for example, that strike duration tells us more about the relative power of the contestants in labor struggles -low duration signifying that either labor or management relatively weak and therefore concedes quickly when put to test of a strike -- than it does about worker militancy labor's propensity to strike. Therefore, the product o f Frequency and Size alone may be of particular interest. quantity yields the number of workers involved in strikes (strikers) per 1000 nonagricultural civilian wage and salary workers, which might be designated as the (nonagricultural) strike <u>participation</u> rate. Barring involvement in more than one strike by the same worker in a given year, the strike participation variable gives the fraction of the labor force on strike at some time during the year.

Figure 2 reports time-series plots of strike volumes (man-days lost in strike activity per 1000 nonagriculturical civilian

<sup>(1)</sup> Notice, for example, the reduction in strike duration but not in strike volume between Figures 1(a) and 1(b). By using the composite measure strike volume, one avoids making spurious conclusions about trends in the gross magnitude of industrial conflict that can arise by focusing exclusively on one strike dimension and mistaking changes in it for changes in overall strike activity.

employees) and strike participation rates (workers involved in strikes per 1000 nonagricultural civilian employees) during the twentleth century in 12 countries: Beigium, Canada, Denmark. Finland, France, Italy, Japan, Netherlands, Norway, United Kingdom and the United States. (1) The sample of nations includes all major industrial societies except Germany. (2) The exact time range of the strike series vary by country according to the availability of the data; in some nations data on components of strike activity were not collected systematically until the second quarter of the century; countries occupied by the Germans during the second World War have gaps for the late 1930s and early 1940s; and for Japan and Italy there are long gaps corresponding to the period of Fascist repression of organized labor.

#### FIGURE 2 ABOUT HERE

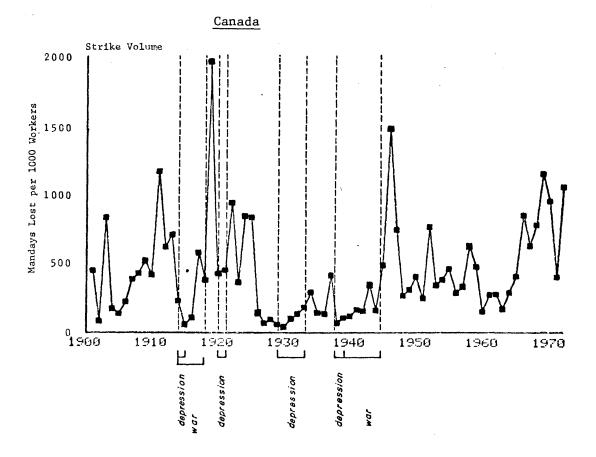
It is clear from the plots that in most countries strike activity exhibits great year-to-year fluctuation. Strike action normally fell sharply during major business contractions, and increased during periods of economic recovery. (Major depressions are

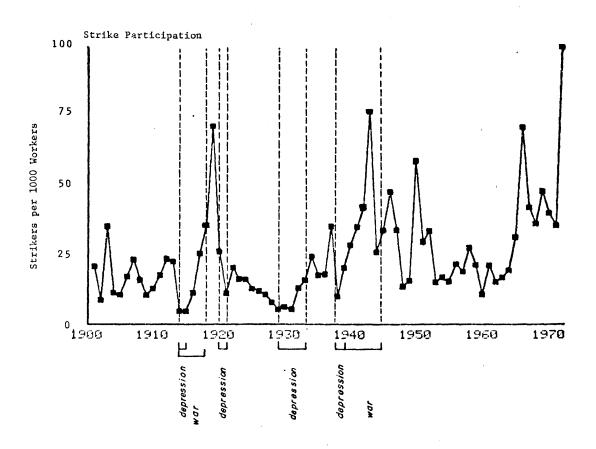
<sup>(1)</sup> Small differences in definitions and methods of collection of the strike data affect somewhat the accuracy of intertemporal and international comparisons. However, they are not important enough to impair analyses of major changes through time and major differences across countries in aggregate strike activity. See the discussions in Fisher, 1973; Eldridge, 1968; and Ross and Hartman, 1968, appendix.

<sup>(2)</sup> Germany was excluded from the sample of Industrial societies from the outset of this project because the partitioning of the country makes long-run time-series analyses problematic.

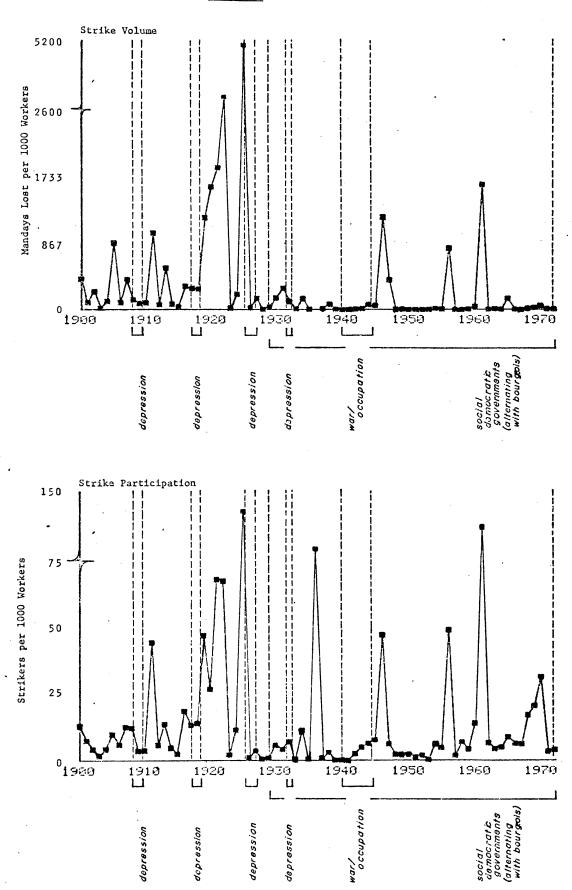
Figure 2: Strike Volume and Strike Participation during the Twentieth Century in Twelve Nations Belgium Strike Volume Mandays Lost per 1000 Workers U L depression depression Strike Participation Strikers per 1000 Workers U L\_\_\_\_J war/ occupation depression depression

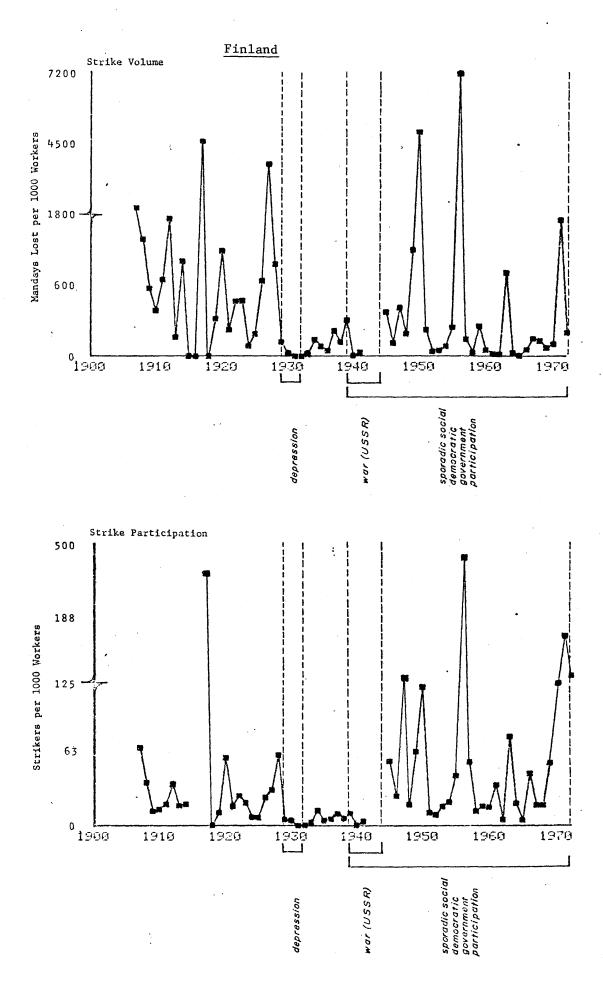
Sources: see appendix

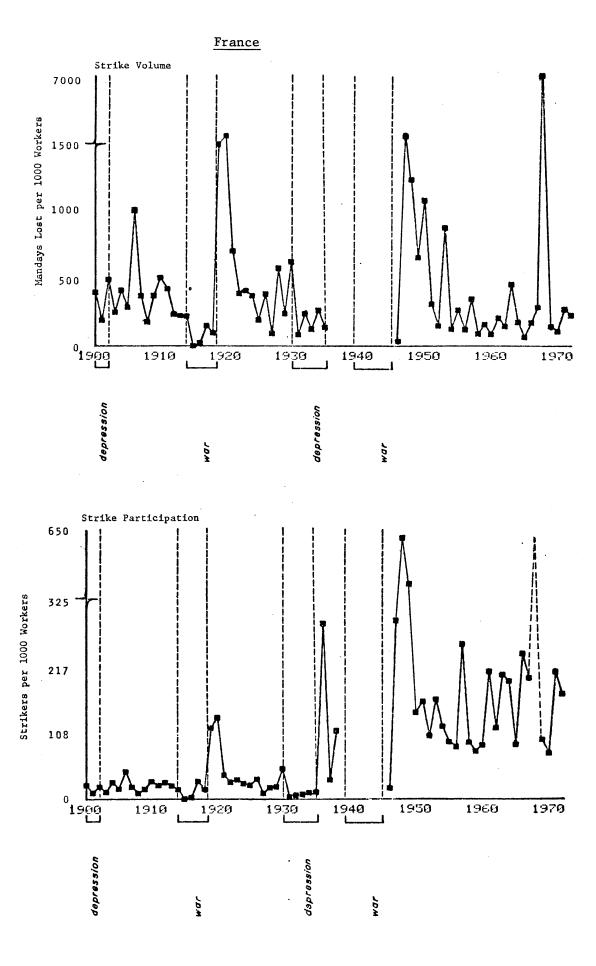


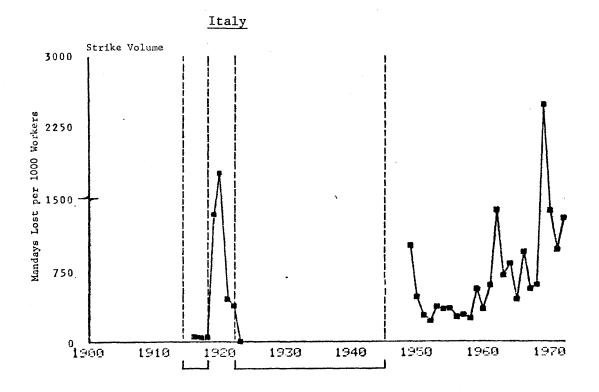


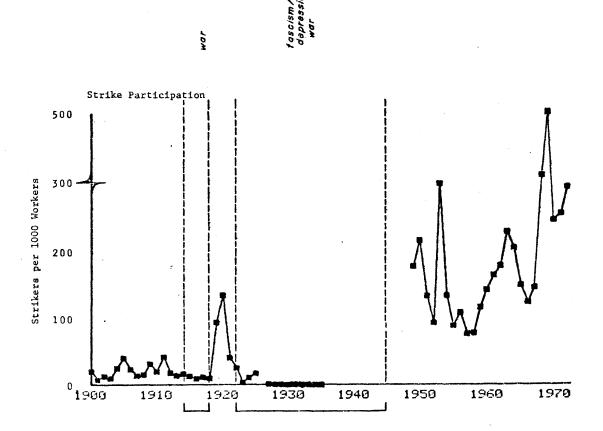




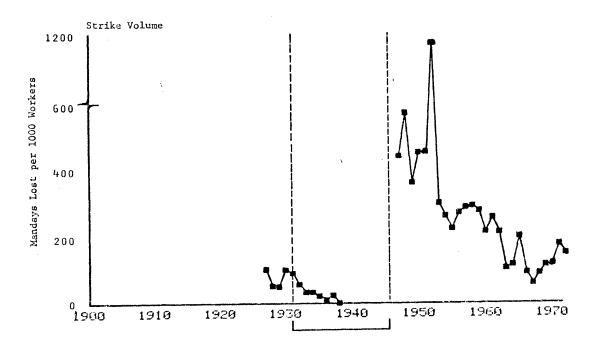




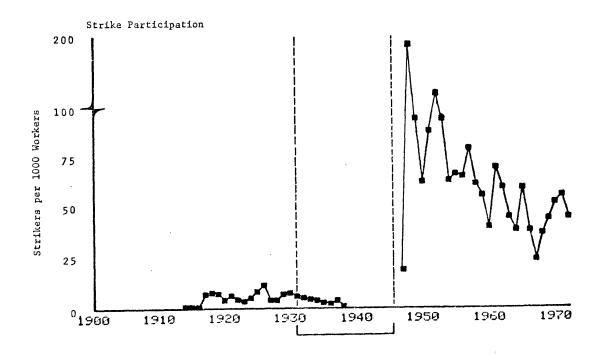


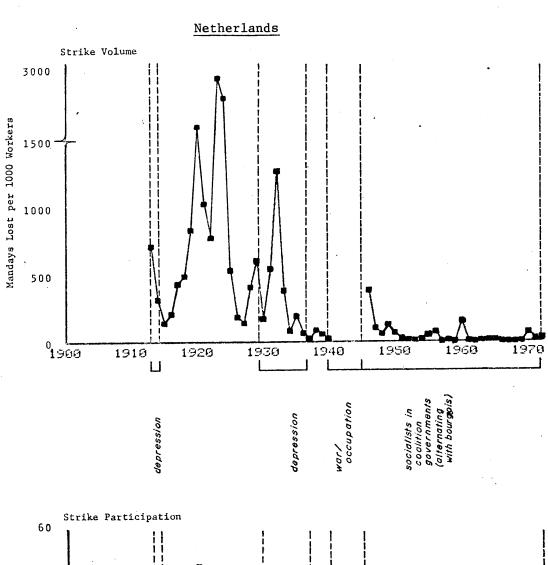


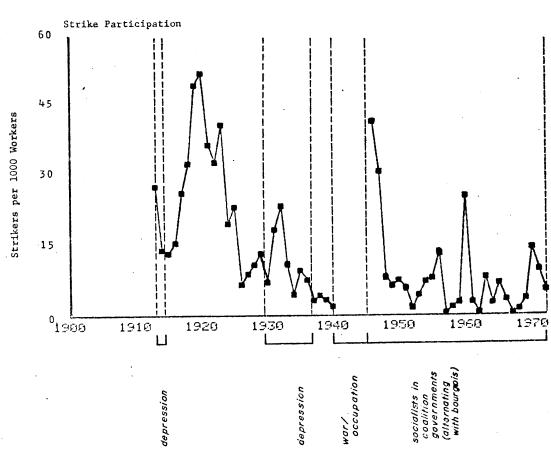


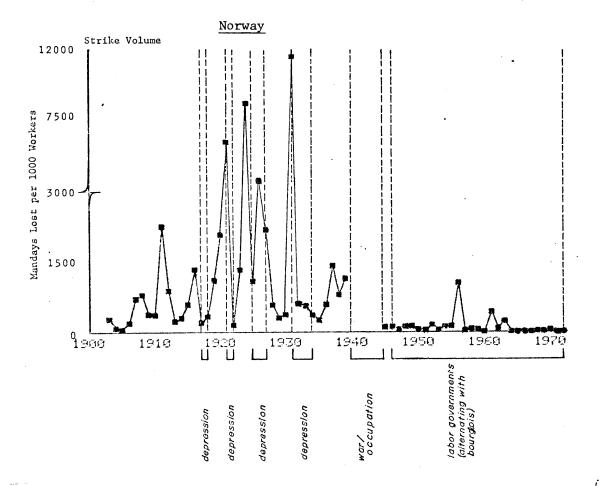


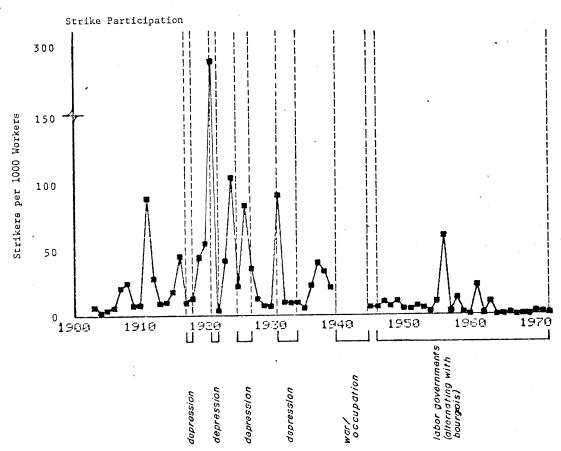
war war

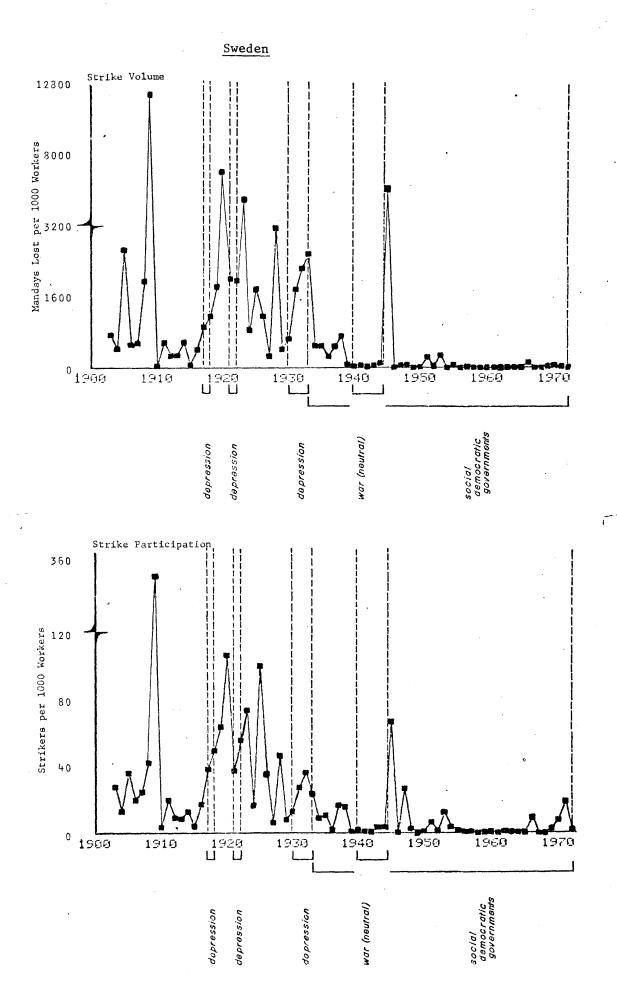


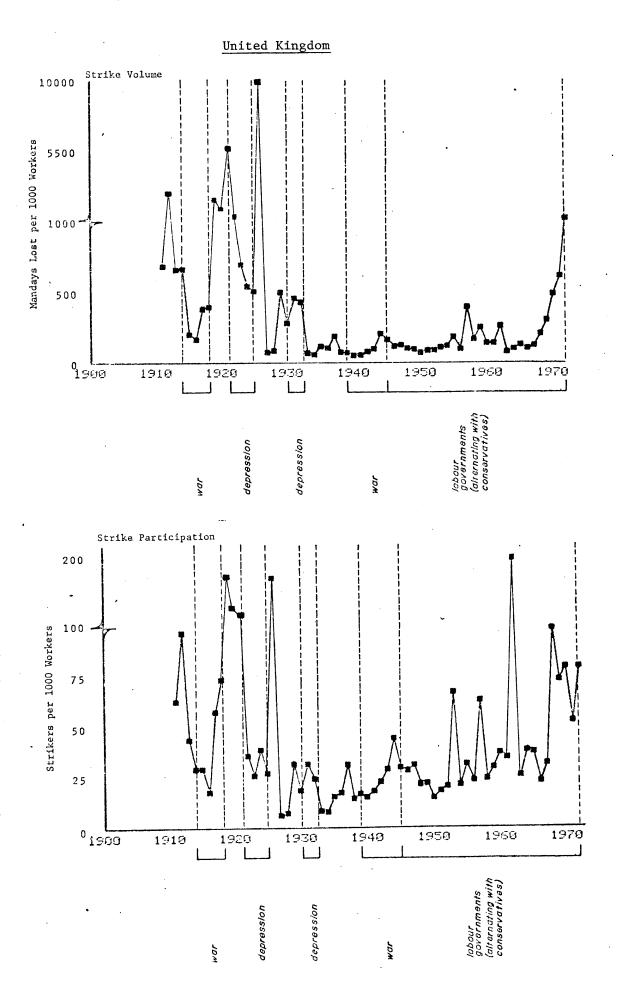


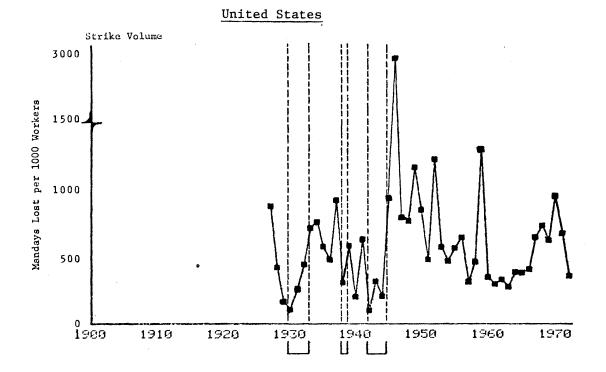


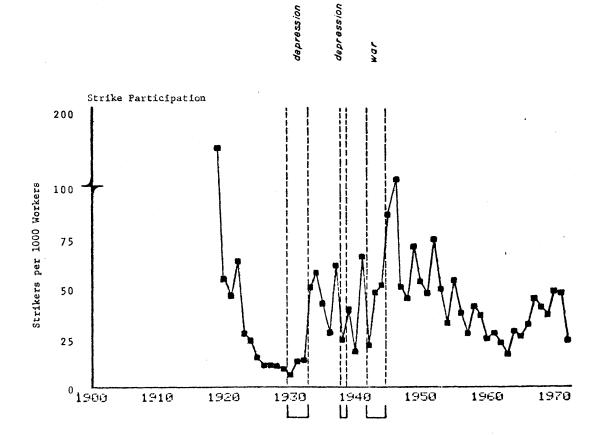












depression depression war

Although there are identified on the plots in Figure 2.) (1) some exceptions to the pattern, widespread unemployment typically demoralized workers and their leaders, and led to great declines The strikes that were called during In union membership. depressions were usually desperate actions by unions in response to wage cuts and as often as not were provoked by management to weaken labor organizations. Industrial conflict also markedly in combatant nations during the first and second Figure 2.) In part this was due to legal Wars. (cf. prohibitions against war-time strikes, but more important was the voluntary commitment of unions in virtually all combatant (and some neutral) countries to give maximum support to the effort. (Such pledges usually were accompanied by government protection against attacks by capital on established labor War-time strikes in countries organizations.) most were sporadic, usually unauthorized by trade-union leaders, and very short-lived. Most nations experienced strike explosions toward the end or just after the end of the world wars as labor its war-time organizational gains. resolve the defend o f shop-floor grievances accumulated over the long period preserve real wages in the face o f \*discipline\*, and war-generated upward movements in prices.

<sup>(1)</sup> Depressions are defined as periods in which unemployment increased and Gross National Product and industrial production decreased for two years in succession. The primary source used to identify depression periods was Mitchell, 1975.

A detailed analysis of these short-run movements in industrial conflict will be presented in another paper; here attention is focused on gross, long-run trends. Table 1 reports regression estimates of the average percentage change per year in strike volume and strike participation in each of the twelve countries. A variety of schemes for estimating the long-run strike trends were explored (including the conventional least-squares linear trend model and the Box-Jenkins ARMA trend model), but the most satisfactory proved to be the simple log trend (exponential) model.

$$Y_t = Y_0 (1+g)^t$$
  
 $\log Y_t = \log Y_0 + t \log (1+g)$ 

annual percentage rate of change (reported in Table 1).

The trend estimates in Table 1 merely summarize what is apparent from visual inspection of the time-series plots of strike volumes and strike participation rates in Figure 2.

where Y denotes the strike variable and where g denotes the average

#### TABLE 1 ABOUT HERE

There simply is no evidence of a general decline or withering away of strike activity in industrial societies during the twentieth century. In six of the twelve countries -- Canada, States --Finland, France, Italy, Japan, and the United strike activity has either increased or fluctuated (often markedly) about a constant mean or equilibrium level. Industrial has declined significantly in Belgium and the United Kingdom, but has decreased to truly negligible levels only in Denmark. The Netherlands, Norway and Sweden. Hence, the withering away of the

Table 1: Twentieth Century Trends in Strike Volume and Strike Participation in Twelve Countries (all nonagricultural sectors of economic activity)

## Average Percentage Change Per Year

	Strike Volume (man-days lost per 1000 nonagricultural civilian employees)	Strike Participation (strikers per 1000 nonagricultural civilian employees)
Belgium (1927-40 1945-72)	-3.50	-2.74
Canada (1901-72)	negligible	+1.35
Denmark (1900-72)	-4.88	negligible
Finland (1907-41, 1945-72)	negligible	negligible
France (Vol.:1900-35, 1946-72; Part.: 1900-38, 1946-72)	negligible	+4.46
Italy <sup>a</sup> (Vol: 1916-23, 1949-72 Part: 1900-35, 1945-72	+6.87	+5.31
Japan (Vol.: 1927-37, 1947-72 Part: 1914-38, 1947-72)	negligible (curvilinear)	+7.81
Netherlands (1913-40 1946-72)	-10.15	-4.56
Norway (1903-39, 1945-72)	-6.88	-5.00
Sweden (1903-72)	-9.65	-6.99
United Kingdom (1911-72)	-2.66	negligible
United States (Vol: 1927-72 Part: 1919-72)	negligible	negligible  a includes agricultural workers

strike is a rather limited phenomenon confined largely to the smaller democracies of Northern Europe. Moreover, to the extent that strike data are relevant in making judgements about the state of class relations, the long-run trend results cast considerable doubt on macrosociological arguments about the integration of the working class into the social structure of advanced capitalist nations.

At the same time. however. historical trends in strike activity lead one to guestion the usefulness of the "new" labor militancy orientation currently popular in many social science treatments of contemporary industrial relations. Most strike outbursts of the late 1960s and early 1970s simply do not represent significant departures from long- standing patterns in industrial conflict. The events of May-June 1968 in France must of stand as an exception to this generalization. The 1968 strike wave was unquestionably the most severe in recorded French labor history (1) (the strike volume of that year is nearly three times larger than that of the great general strike of 1920) 1† surely merits the hundreds of studies devoted to I† should be recognized, however, that France has a long history of periodic strike explosions -- for example, 1906, 1919-20, 1936,

<sup>(1)</sup> Actually, the strike wave of 1968 in France was not recorded in the usual way at all; the man-days lost figure shown in the French volume plot—was derived from the careful unofficial calculations of C. Durand.

<sup>(2)</sup> An excellent source for references on the events of May-June 1968 is Wylle, et al., 1973.

and 1947-48 -- of which 1968 is the most dramatic example. (1)

Recent upturns in strike activity in other nations are just not exceptional when viewed from the perspective of the record of labor relations. In Italy, the "hot autumn" represents the peak of that nations postwar industrial conflict. but Italian strike activity has fluctuated about a distinct upward trend since the early 1950s. The volume of strikes not the strike participation rate) increased steadily over the I WIII Show In 1966-72 period in the United Kingdom, but as another paper this departure from the modest level of postwar British industrial conflict is adequately explained by a fixed coefficients econometric model that accounts for most variation in strike activity since the 1930s. (2) The upward trend, therefore, does not require a special appeal to the militancy. It is obvious from the idea of a new labor plots the remaining countries that recent time-series for movements in strike volume and strike participation are auite consistent with past patterns in strike activity, and thus do not

<sup>(1)</sup> See Shorter and Tilly, 1974, Chapter 5.

<sup>(2)</sup> My model for short-run fluctuations (see Hibbs, 1976) ln British strike activity suggests that TWO factors were responsible for the 1966-72 trend: (I) the rate of growth o f real wages systematically lagged behind the rate o f of growth industrial sector; productivity in the and (11)the of the British trade union establishment to the reaction conservative government's Industrial Relations Act o f 1971 (repealed by the subsequent labour government), which stimulated the normally moderate Trades Union Congress (the peak union organization) to join the shop stewards in pressing the milltant position. The latter factor of course only influenced the post 1970 strike rate.

require a search for unusual factors or the development of special explanations.

#### Explanations of Patterns in Industrial Conflict

The log trend analyses discussed in the previous section, and reported in Table 1, do not yield a very satisfactory characterization of long-run trends in industrial conflict. Although the trend coefficients are significant by conventional satistical criteria, the log trend equations "explain" very little of the variation in strike volume and participation. (R's are not reported in Table 1, but they ranged in the neighborhood of .20.) The reasons are apparent from the time-series plots. First, strike activity fluctuates greatly about estimated trends or, in the trendless cases, equilibrium (mean) lavels. Second, and for the purposes of this study more important, in nations where industrial conflict has decreased substantially, the decline occured discontinuously in the late 1930s -- or just after the second World War -- rather than gradually by so many percent per year as the trend coefficients imply. For example, in Sweden, strike volume does not drop-off more or less continuously by nine or ten percent per annum from the early 1903s as the trend estimate in Table 1 suggests, on the contrary, the withering away of the strike in Sweden is apparent only by the late 1930s, and is particularly marked during the postwar era. (1) Long-run changes in aggregate levels of industrial conflict are therefore probably better

<sup>(1)</sup> Figure 2 shows that the dramatic decline in strike activity in Sweden, as in other countries, took place when the social democrats assumed political power. I return to this important point in the next section.

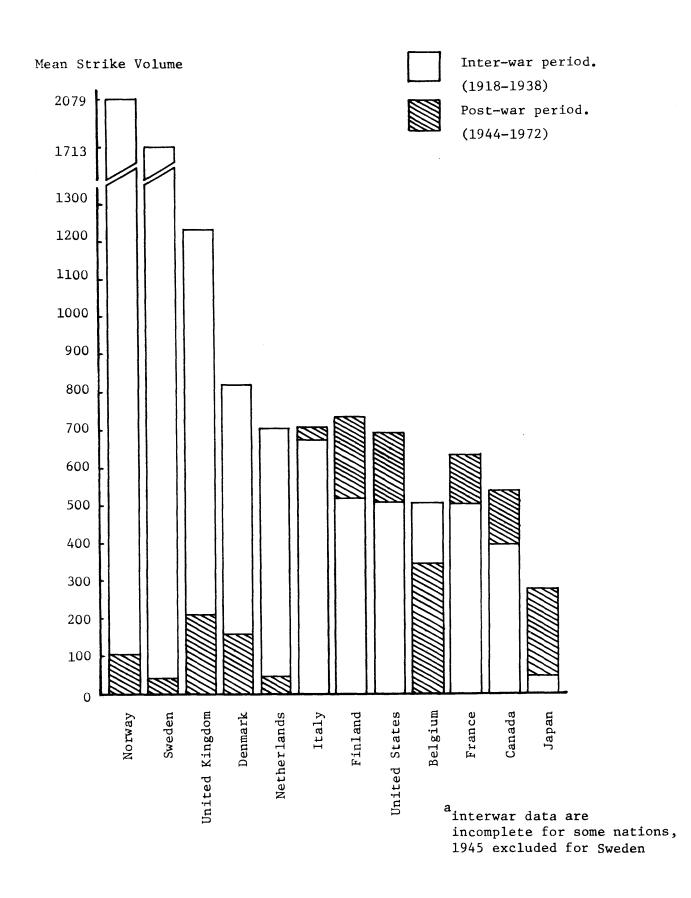
summarized by contrasting pre- and post- World War II means. Figure 3 shows a histogram of interwar (1918-38) and postwar (1944-72) average strike volumes (man-days lost per 1000 nonagricultural, civilian employees) for the twelve countries. The strike level means are given by the heights of the bars on the vertical scale. For example, Norwáy's interwar mean strike Volume was over 2,000, whereas its postwar mean was only about 100. Japan's interwar mean Volume was about 50; it's postwar mean was nearly 300. The mean strike Volumes of other countries are read-off the histogram in the same manner.

### FIGURE 3 ABOUT HERE

The histogram merely provides a graphic illustration of patterns Identified in the previous discussion of the time-series data. In the period between the world wars, Norway, Sweden, the United Kingdom, Denmark, and the Netherlands had the highest levels industrial conflict in the western world. By the end of second world war, however, strike activity had declined dramatically in these nations -- in most cases to negligible levels. This contrasts sharply with the record for most o f other countries. Elsewhere industrial conflict has oscillated about the same average level for approximately three-quarters of a century, or has actually increased somewhat during the postwar era.

What explains these patterns in the evolution of aggregate strike activity during the twentieth century? The sociological and

Figure 3: Average Strike Volumes, Interwar and Postwar Periods



industrial relations literature suggests many reasons why we should observe declining levels of industrial conflict, but stable or increasing magnitudes of strike activity are largely unexplained. One school of thinking proposes that the roots of labor conflict lie in the disruptive changes brought on by the process of industrialization. Industrial conflict is viewed as one expression of the class antagonisms associated with the formation of large, discrete social groupings during the early phase of industrial development. Once society passes through the period of basic industrialization into the "postindustrial" phase differentiated o f complex and status and occupational hierarchies, class conflict is replaced by class collaboration and social Integration. Wilbert Moore, for example, has written:

The broad changes in the occupational structure in the process of industrialization suggest that industrial conflict. in its traditional sence, primarily fits a particular "stage" In Industrial development. That stage may be represented by the shift from primary to secondary production. prior to make the line between elaborate specialization that tends to management and labor blurred and shifting and prior to the extensive development of tertiary production. (1)

Although Moore has called attention to important stages in the evolution of industrial societies and his work presaged much of the later "postindustrial" society literature, a "stages of development" hypothesis does not account very well for the long-run patterns in strike activity identified earlier. Virtually every nation treated in this study passed through the stage of basic industrialization long ago (Italy is perhaps an

<sup>(1)</sup> Moore, 1954, p. 238.

the exception) and is rapidly developing all attributes associated with a postindustrial social structure; yet as the showed strike activity has declined previous analyses significantly in only a limited number of countries. Indeed, the two countries with the most advanced tertiary sectors -- Sweden and the United States -- stand at opposite poles with respect patterns of industrial conflict. Since the period of basic Industrialization, Sweden's strike volume has decreased by several orders of magnitude and is currently among the lowest in the world. By comparison, in the United States, where tertiary production and occupational specialization is probably more advanced than in any other society, the postwar average strike volume exceeds the prewar average and is among the righest in the capitalist world.

Other arguments have pointed to the persistence of full employment, the enormous improvement in standards of living and the <u>embourgeoisement</u> of the working class as important factors in reducing class antagonisms and strikes. (1) The research of Goldthorpe and his colleagues, among others, suggests that the embourgeoisement thesis is greatly exaggerated, if not altogether More Important, It Is clear without substance. (2) time-series strike data presented earlier that there is no simple, mechanical connection between the long-run evolution of industrial conflict and changes in working class affluence

<sup>(1)</sup> These arguments are summarized in Ross and Hartman, 1960.

<sup>(2)</sup> Goldthorpe et al. 1968.

life styles. Living standards have changed for the better virtually everywhere -- security of employment is greater, real incomes have increased, hours of work have decreased, and working conditions have improved -- but strike activity has withered away In only a few countries. Cross-nationally, Me comparatively high levels of industrial conflict In low-to-modest wage countries (e.g. Italy) and high wage countries (e.g. the United States). Conversely, relatively low strike rates are found among nations with very high wages and standards Sweden) as well as among nations of living (e.g. moderate-to-low wages and living standards (e.g. the United Kingdom). (1) Nor is there any evidence that strike activity is any higher among lower paid workers than among workers in sectors of economic activity with relatively favorable work conditions; indeed, just the reverse has typically been the case. (2)

Ross and Hartman have Identified changes in the state's role in Industrial relations as one of the most critical influences on trends in industrial conflict. In their chapter on the "Withering Away of the Strike", they contend that an important reason "for the general decline in labor-management conflict is the heightened activity on the part of the state as operator of

<sup>(1)</sup> This is not to say that there is no relationship between movements in real wages and short-run strike fluctuations, only that long-run changes and international differences in labor militancy bear no systematic association to income and related variables.

<sup>(2)</sup> The data on this point will be presented in another paper on intersectoral comparisons. See the seminal study by Kerr and Siegel, 1954.

public enterprise, economic planner, protector of labor and supervisor of industrial disputes". (1) I will argue below that developments in the political system do Indeed provide the principal explanation for long-run trends in industrial conflict, however, the specific factors noted by Ross and Hartman me to be somewhat wide of the mark. Concerning government ownership of the means of production, there simply is no evidence that labor is any less militant or more conciliatory toward public management ("state capitalists") than toward private sector management. It is of course true that in North America public ownership is negligible and both Canadian and American strike rates stand at comparatively high levels, and historically have not exhibited a downward trend. Contrary to widespread conceptions, however, government ownership is also of little consequence in Sweden strike where activity has been Insignificant during the postwar perlod. By contrast. ownership of productive enterprises is more extensive in France and Italy than in virtually all other non-Communist countries; vet strike activity shows no signs of declining in either (indeed, in Italy It has increased steadily during most of postwar period).

general attempts by the state to suppress collective labor action or to legitimate the status of trade unions, has obviously had great influence on unions, ability to mobilize workers and pursue

<sup>(1)</sup> Ross and Hartman, 1960, p. 50.

aggressively disputes with management. However, there is little evidence that state involvement as "planner, protector, an d supervisor" of economic activity and industrial relations has contributed significantly to a general decline in industrial conflict. State intervention in the economy has politicized the strike. In the sense that milltant union action can pose a serious challenge to government coordinated "Incomes policies". and to more modest government efforts to check the rate of inflation. (1) In systems where the state participates directly in setting wages (or wage floors) and conditions of work (e.g. the France, Italy, and in recent years the United Kingdom), strike is often used as a form of political pressure on the government either to grant concessions to labor unilaterally to coerce a favorable settlement from recalcitrant employers. (2) In general, then, state involvement in industrial relations has contributed to the <u>politicization</u> of strike activity -- but not to its decline as an instrument of collective working class action.

<sup>(1)</sup> This point is pursued more fully in my forthcoming paper "Labor Militancy and Wage Inflation: A Comparative Analysis."

Notwithstanding the larger political visions (2) o f many left-wing union leaders, most workers are probably mobilized for strike activity not by slogans about worker selzure of political power but by the narrower economic incentives usually associated with American "business unionism." As Lorwin put It in his study of French labor relations "When they received wage adjustments, unlon members. showed little workers. including most determination to press for the institutional content agreements about which their leaders talked." (1966, p. 215) Even the massive strikes of May-June 1968 in France (which were viewed spontaneous "political" events in popular many largely as accounts) centered in the overwhelming majority of cases traditional demands for wage increases and came to an end in wake of sizeable wage concessions from the government employers. See Durand, 1973 and Ross, 1973.

## The Political System and the Locus of Distributional Conflict

The principal theoretical weakness of the literature reviewed earlier, and the main reason it does not yield a satisfactory explanation of secular trends and international differences in industrial conflict, is that it fails to identify the function and purposes of strike activity in capitalist, industrial societies. Strikes are viewed largely as reactive phenomena rather than purposive, collective actions and, consequently, analysis focuses on determining mechanical connections between Industrial conflict and exogenous changes in the occupational structure, working class affluence and life-styles. conceived institutional arrangements, and the like. Moreover, as Korpi has recently pointed out, (1) much of the traditional literature adopts Dahrendorf's view of the inherent tendency toward institutional separation of industrial and political conflict in advanced capitalist nations. As a result, what I believe are critical linkages between conflict in the industrial and political arenas tend to be obscured.

The argument developed here is that at the macro-theoretical level strikes should be viewed as instruments of collective working class action and that <u>strike activity is one manifestation of an ongoing struggle for power between social classes over the distribution of resources, principally</u>

<sup>(1)</sup> Korpl, 1975.

(though not exclusively) national income. (1) The main thesis of the study is that <u>long-run changes</u> in the <u>volume</u> of industrial conflict are largely explained by changes in the locus of Strike activity distributional struggle. has dramatically in nations where Social Democratic or Labor parties assumed power in the 1930s -- or just after the second Horid Har -- and created the modern "welfare state". In these countries an enormous fraction of the national income now passes through the public sector and is allocated by the political process. Political conflict between left-and right-wing parties in the electoral arena (i.e., the political marketplace) has replaced industrial conflict between labor and capital in the private sector (i.e., the economic marketplace) as the ultimate mechanism for the distribution of national income. By comparison, in countries governed more or less continuously by bourgeois parties of the center and right, the private sector continues to dominate the <u>allocation</u> as well as the <u>production</u> of resources. economic marketplace remains the primary locus of distributional conflict in these nations, and, consequently, the average level been relatively constant for o f strike activity has three-quarters of a century or more.

The evidence in favor of this interpretation of long-run changes in the overall volume of industrial conflict is. I think

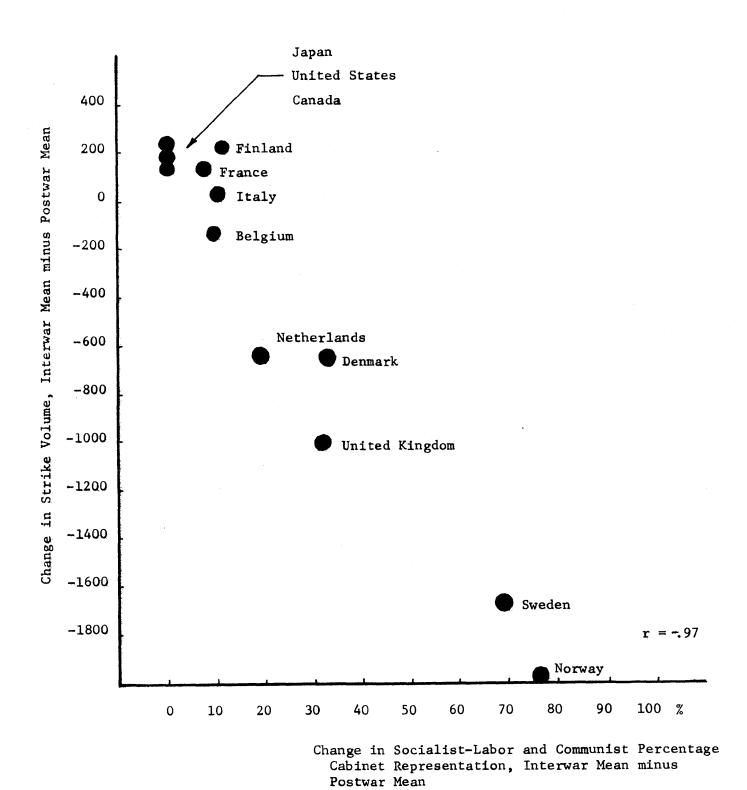
<sup>(1)</sup> cf. Shorter and Filly 1974, especially Chapters 1 and 13, Snyder and Tilly, 1972, and especially Korpl, 1975. Although I read Korpi's unpublished paper after this section was drafted, the theory sketched here is in broad agreement with his analysis of the evolution of Swedish industrial relations.

compelling. It is clear from the data presented in Figures 2 and 3 that nations experiencing a sustained decline or withering away of strike activity during the postwar era are largely those where working class-based, union supported Social Democratic and Labor mobilized power (having successfully mass parties assumed political support in the electoral arena) and engineered the welfare state. This historical development in the political economy of some capitalist, industrial societies represented a massive shift of political power away from business interests and their middle class allies to what Samuel Beer has called the "organized working class." Some idea of the close association between the evolution of strike activity and the shift political power between the social classes is given by Figure which shows a scatterplot of the interwar-to-postwar change In average strike volume and the Interwar-to-postwar change in the average percentage of cabinet (executive) posts held by Socialist, Labor, and Communist parties. (The years in which Socialist/Labor parties were continuously in power or alternated regularly in power with bourgeois parties are identified on strike volume and participation plots in Figure 2.)

#### FIGURE 4 ABOUT HERE

The variables in Figure 4 clearly exhibit a strong linear association (the correlation is -.97); at one extreme of the figure lie the countries where center and rightist governments have ruled almost continuously throughout the twentieth century (Japan, Canada, U.S., etc.); at the other extreme lie the nations

Figure 4: Change in Average Strike Volume and Average Socialist-Labor and
Communist Percentage Cabinet Representation, Interwar to Postwar
Period<sup>a</sup>



aSources: Strike data - see appendix
Cabinet data - Statesman's Yearbook, various issues

where Social Democratic and Labor parties have dominated postwar governments (Norway and Sweden). (1) Countries in which leftist parties have shared or alternated in power with bourgeois parties during the postwar period fall in an intermediate position with respect to the decline in strike volume.

for explaining long-run trends in What is crucial strike activity, however, is not the assumption of political power by Social Democratic parties per se, but rather the change the locus of the distribution of the national income produced by the welfare state policies of Social Democratic regimes. Ву and distribution (though socializing the consumption not necessarily the production) of an enormous fraction of the Gross National Product. Social Democratic and Labor Governments engineered a massive circumvention of the economic marketplace. The principal locus of distribution of the national product was shifted from the private sector (where property and capital to Inherent advantage with respect Interests enloy an distributional outcomes) to the public sector (where the political resources of the organized working class are telling.)

<sup>(1)</sup> A discussion of the reasons underlying International electoral success and executive political differences in the power of Socialist, Labor, and Communist partles is beyond the scope of this paper. It should be noted, that however, the "politicization" of the strike is most pronounced in France is Italy, where, as I pointed out earlier, the state heavily involved in establishing wages and conditions of work In the private sector, and, also, where Leftist parties have commanded a sizeable share of the vote for thirty years or more but have been largely frozen out of positions of executive power.

Although the public sector share of the GNP has increased virtually all countries during the postwar period, and early welfare state measures were in some cases introduced by the right to retard development of labor movement parties (e.g. the social insurance legislation initiated by Bismark and Lloyd George), the most dramatic increases in public sector expenditure Mere primarily the result of Social Democratic and Labor Government policies. (1) Consider the historical experience of the two cases that lie near the opposite ends of the range of variation in the political power of the working class and the public sector allocation of the national income -- Sweden and the United States. Between 1938 and 1972, the fraction of the GNP passing through the public sector (exclusive of expenditures for defense and nationalized industries) in Sweden. which has been governed almost continuously by the Social Democrats since early 1930s, grew from less than 1/5 to almost 1/2; i.e. tripled. In contrast, from 1938 to 1972 nondefense general government expenditure increased from just under 1/5 of the GNP to only about 1/4 of the GNP in the United States, course has never experienced socialist or labor party rule. The

See the analysis in the Economist, February 21, 1976.

<sup>(1)</sup> In the United Kingdom, for example, the public sector share of the GNP (exclusive of defence) expanded in three waves:

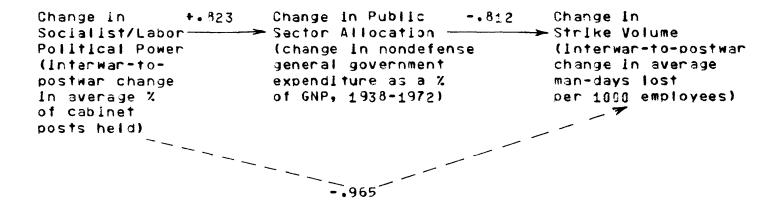
<sup>1) 1944-48,</sup> from less than 20% to 35% as a result of the first postwar Labour government's creation of the welfare state and nationalization;

<sup>2) 1964-68,</sup> from 35% to 45%, during the second postwar Labour government; and (although it is beyond the time frame of this study)

<sup>3) 1973-75,</sup> from 45% to 55%, as the third Labour government tried to deliver on its side of the social contract.

experience of other nations falls at various points within the bounds set by these polar cases. Some empirical support for the historical model sketched here for long-run changes in the volume of strike activity is given in Figure 5, which displays simple correlations between the growth of Social Democratic and Labor political power (percentage cabinet representation), the change in the locus of the distribution of national income (growth of the public sector share of the GNP), and change in strike volume (man-days lost per 1966 nonagricultural civilian employees) from the interwar to postwar period in ten countries. (1)

### Figure 5



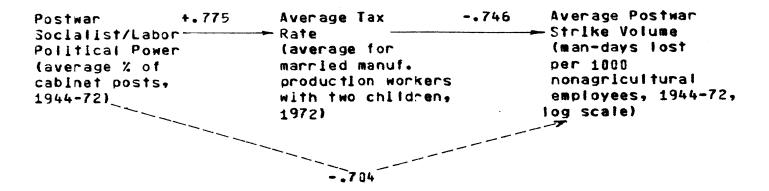
<sup>(1)</sup> I was unable to find data on pre-Morid War ΙI general and government expenditure in Belgium Italy and SO correlations in Figure 5 are based on ten rather than twelve countries. Sources of the government expenditure data were: circa 1938: Statistical Office of the United Nations, 1950 and Oshima, 1957;

<sup>1972:</sup> O.E.C.D., 1974.

Sources of the data for the other variables are given in earlier notes.

Postwar <u>levels</u> of strike activity are also well explained by this highly abstracted model of the causal relations between working class political power, the importance of the public sector for the allocation of national income, and the volume of strike activity. Figure 6 reports the simple correlations among the relevant indicators, but here the 1972 average tax rate for a typical manufacturing production worker with two children is used to measure the importance of the public sector for distributional outcomes. (1)

# Flaure 6



Clearly, postwar levels as well as interwar-to-postwar changes in aggregate strike activity vary inversely with the extent to which national income is raised and distributed via the political process. In nations such as Denmark, Norway, the Netherlands,

<sup>(1)</sup> The average tax rate for manufacturing production workers is a good index of the relevance of the public sector for the blue-collar class. Analyses undertaken with alternative measures, e.g. the marginal tax rate and the precentage of the national income passing through the public sector, produced results very similar to those reported in Figure 6. The source of the tax rate data was O.E.C.D., 1975, Appendix, Table 6.

and Sweden, where the public sector share of the GNP is nearly 50%, the average tax rate for blue-collar workers is 30-35% range, and the marginal tax rate approaches 60%, political arena is the key locus of distributional outcomes and, therefore, industrial conflict stands at comparatively low levels. By contrast, in countries with relatively high strike volumes (for example, Canada, Italy, and the United States), the fraction of the GNP passing through the public sector is on the order of 25 to 30%, the average tax rate for manufacturing workers is 15% or less, and the marginal tax rate is in 23-28% range. The bulk of the national income is allocated in the private sector in these societies and, therefore, economic marketolace remains the most important arena of conflict over distributional outcomes.

The basic argument of this section is summarized from a slightly different perspective in Table 2, which shows how the loci of distributional conflict and the character of strike activity vary by the degree of state economic intervention and the market orientation of state politico-economic goals. In nations with comparatively low (passive) state intervention and market supporting (bourgeois) state goals, the private sector is the primary arena of conflict over distributional outcomes, "business unionism" is the dominant orientation of organized labor. and strike activity is relatively high and has shown no tendency to decline over the long-run. Canada and the United States examples of this pattern. Strike activity also stands

### State Intervention

Passive (Low)

# Table 2

late 1930s

postwar average strike volume: 103

average tax rate, 1972: 31.3% b

gov't revenue as % of GNP, 1972: 44.8%

State Political/ Economic Goals (Ideology)

	primary locus of distributional conflict: private sector with state intervention	<pre>primary locus of distributional conflict: private sector  Implications for strike activity: "business unionism", little or no decline in strike volume</pre>			
Market Supporting (Bourgeois)	<pre>implications for strike activity: "politicization" of the strike, little or no decline in strike volume</pre>				
	exemplars: France, Italy	exemplars: Canada, U.S.			
	long-run strike trend: negligible or upward	long-run strike trend: negligible or upward			
•	postwar average strike volume: 670	postwar average strike volume: 557			
ical/	gov't revenue as % of GNP, 1972: 33.0%	gov't revenue as % of GNP, 1972: 28.7%			
omic ls	average tax rate, 1972: 11% <sup>b</sup>	average tax rate, 1972: 15% b			
Market Modifying (Social Democratic)	primary locus of distributional conflict: public sector/political process implications for strike activity: 'withering away' of the strike; displacement of distributive conflict to political marketplace exemplars: Denmark, Norway, Sweden	Null Cell			
	long-run strike trend: downward from				

Active (High)

<sup>&</sup>lt;sup>a</sup>excluding defense and state productive enterprises

 $<sup>^{\</sup>rm b}$  mean for manufacturing production workers with two children

comparatively high levels and exhibits no signs of declining in countries where the state has intervened actively in the labor market on behalf of market supporting goals; i.e. has actively participated in private sector bargaining over wages, hours and conditions of work without socializing the consumption distribution of a very large fraction of the national income. The distinctive feature of industrial relations in societies falling in this category is the pollticization of the strike. The state is an important actor in the industrial relations system and, therefore, the strike is frequently used as a form of political action to exert pressure on the government. France and Italy are the exemplary cases. Only in societies where the state has actively (and successfully) pursued market modifying policies has there been a massive displacement of conflict distributional issues to the electoral arena and, as a result, the "withering away" of the strike in the economic marketplace. This historical configuration is of course best illustrated by the Scandinavian Social Democracles. (1)

<sup>(1)</sup> Headey has argued that a similar configuration of factors underlies trade union acceptance of incomes policies. See Headey, 1970.

### Distributional Conflict in the Welfare State

The core of the argument developed in the previous section is that the "withering away" of the strike in European social democracies is primarily a consequence of a shift in the locus of distributional outcomes from the private to the public sector. Although there is little evidence that government domination of the distributional process leads to increased class or group conflict as some theorists of the "postindustrial" society have argued, there can be little doubt that when the share of the national income allocated by the political system grows to fifty percent or more the arena of politics has, in Bell's words. "become more decisive." (1) Thus, a great deal more is at stake, at least potentially, even in routine electoral confrontations between bourgeois and socialist bloc parties in the welfare state societies of, for example, Denmark, Norway and Sweden, than in electoral contests between left-and right-leaning political partles in nations such as Canada and the United States where the economic marketplace remains the principal arena o f the distribution of resources. In recent years, however, the sharpest challenge to the system of public sector distribution in the Scandinavian welfare states has come not from the traditional, "old bourgeois" parties but rather from "new bourgeois" flash political movements.

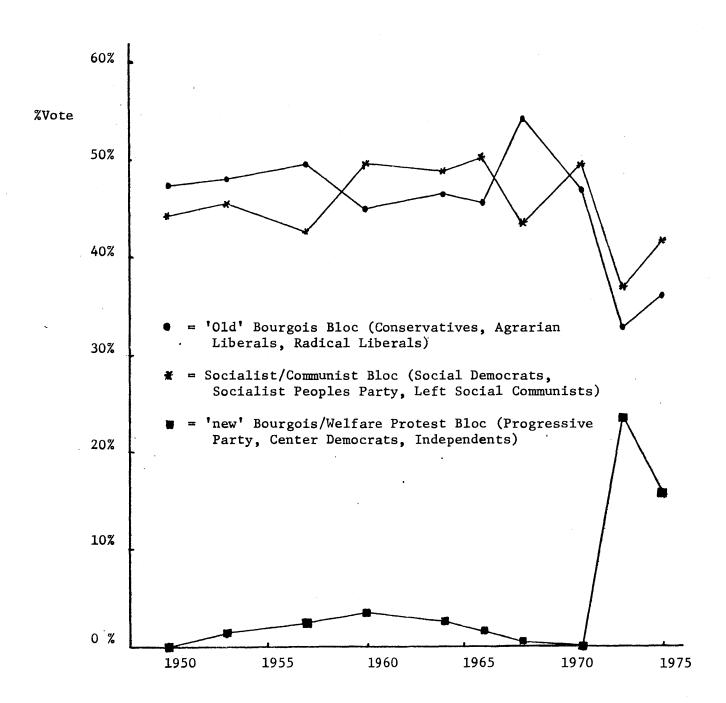
<sup>(1)</sup> Bell, 1973, p. 364.

The 1973 election outcome in Denmark is the most dramatic Until the 1973 election, postwar Danish politics example. dominated by two established political blocs: the "old bourgeios" bloc comprised of the Conservative, Agrarian Liberal, and Radical Liberal parties, and the socialist bloc composed of the Social Democrats, the Socialist People's party, the Left Socialists and the Communists. The aggregate vote share data reported in Figure 7 show that the established political blocs have been very competitive electorally and, until recently, monopolized more than 90 percent of the popular vote. The blocs have oscillated in political power, with the bourgeois parties governing in 1950-53, 1968-71, and 1973-75, and the Democrats heading governments during the remaining postwar years. in government control enloyed by the The advantage Democrats was largely due to support received in the late 1950s and early 1960s from the Radical Liberals -- a classic. nonsocialist "swing" party of the center.

#### FIGURE 7 ABOUT HERE

The traditional two-bloc Danish party system experienced a severe shock in the 1973 election when two new "protest" parties burst upon the political scene. (1) The election was triggered when Erhard Jacobsen, a well-known Social Democrat, defected from his party over the issue of increasing taxes on single-family houses and organized the new Center Democrat party. The most striking

<sup>(1)</sup> On the 1973 Danish election, see Barre, 1974 and Einhorn, 1975.



<sup>&</sup>lt;sup>a</sup>Sources: Borre, 1975 and Damgaard, 1974

political development, however, was the appearance of the new Progress party, formed by Mogens Glistrup, a tax lawyer fond of comparing tax dodgers to the Danish resistance fighters during the Nazi occupation, who publically boasted of having on blag taxes in 1972, despite a sizeable income and net worth. Glistrup exploited the enormous publicity surrounding his tax attack the Income tax, the bureaucracy, and the Incompetence the established parties, thereby mobilizing support for his Progress party. The Glistrup movement presented a fundamental political assault on the Danish system of collective consumption and distribution. Unlike Jakobsen's Center Democrats, which was launched in opposition to a particular tax policy (although Jakobsen's party undoubtedly symbolized and exploited mora wide-ranging discontent with the welfare the state). or Independent Party, which had stood in opposition to the growth of the welfare state since the early 1950s, Glistrup's party advocated a drastic roll-back in state bureaucracy. government expenditure, and social services to achieve a drastic reduction in taxes, particularly income taxes,

The anti-welfare state "protest" partles (the "new bourgeois" bloc) received a combined total of 23.7 percent of the vote in the December, 1973 election; the vote share of the established bourgeois and socialist blocs fell from 96.1 percent to a postwar low of 69.3 percent. (cf. Figure 7) Glistrup's party alone commanded 15.9 percent of the vote and 28 of the 175 parliamentary seats, making the Progress party the second largest

(behind the Social Democrats) In the Danish <u>folketing</u>. Although that of traditional political blocs recovered significantly in the subsequent election of January 1975 -- increasing from 69.3 to 77.1 percent -- and the vote share of the "new bourgeols," protest parties dropped off -- declining from 23.7 to 15.8 percent -- Glistrup's Progressives showed amazing staying-power for a party without long-standing electoral roots -- receiving 13.6 percent of the popular vote and 24 parliamentary seats.

It is difficult to say why this massive outburst against Danish welfare state came in 1973 (1) -- after the Independents had provided a political outlet for the expression of such discontent for more than twenty years. Perhaps because a critical threshold had been reached in the public expenditure and the burden of taxation. The fact that Denmark was particularly hard hit by the world economic recession may have also played a role. What is clear from the extensive survey analysis of Rusk and Borre, however. is that the Issue base of the two new protest parties -- Glistrup's Progressives and Jakobsen's Center Democrats -- was dissatisfaction with the

<sup>(1)</sup> Apparently, the latent tensions underlying the 1973 election outcome went undetected by Scandinavian social scientists. late as 1969, for example, the Danish election specialist Pedersen wrote that Denmark was "...one of the most countries to deal with for an empirically oriented student voting behavior. Apparently the Danish political system lacks most of the characteristics that form the point of departure for many modern research workers, i.e. conflicts, cleavages, instabilities. Homogeneity characterizes the Danish electorate. No religious, ethnic, regional or other types of significant subcultures exist, which might threaten the maintenance of the political system or at least produce conflicts and tensions among the voters." Pedersen, 1969, p. 253.

performance and increasing financial burdens of the welfare state combined with a lack of confidence that the established partles were likely to provide relief. (1) It was of course entirely rational for voters disenchanted with the welfare state to look outside the established party system to the new bourgeois parties for effective opposition to the continued growth of the public the creature o f the Social The welfare state was sector. parties had Democrats, and governments of the "old bourgeois" little inclination to after the system appreciably. shown Indeed, taxes rose sharply during the 1968-71 period of bourgeois Whether the "new bourgeois," anti-welfare state political bloc, built around Glistrup's Progress party, persists In the long-run undoubtedly depends on whether the traditional Danish bourgeois parties are able (or willing) to establish credibility with those opposed to continued public sector domination of the distribution of resources. (2)

<sup>(1)</sup> Rusk and Borre, 1974.

<sup>(2)</sup> Prime Minister Poul Hartling's Agrarian-Liberal government made overtures in this direction in September 1974 and government income taxes when a 7 billion kroner cut in expenditure was passed in parilament with the support of Liberals, Conservatives, Center Democrats, Christian People's Party, Single Taxers, and some members of the Progress Party. am tempted to infer, without support from survey evidence, that the decline in "new bourgeois" electoral support election was associated with this significant policy change. any case, public sentiment continues to run strong against further extensions of the Danish welfare state: The New Times (September 28, 1975) reports polls taken in 1975 indicating that 63 percent of the public felt that the burden of taxation was excessive and that the welfare state had gone too far. minority Social Democratic government, which assumed office after the 1975 election, responded to the drift in public sentiment submitting a budget that further reduced welfare spending.

The most important recent developments in Norwegian electoral politics stem from the intense controversy over entry Into the European Economic Community. Although the proposal to join the EEC was solidly defeated in the September 1972 Referendum. the issue sharply divided the rank-and-file of parties across the political spectrum. The issue was particularly fragmenting for the Liberals and the (moderate socialist) Labor party. The pro-European Liberals split-off to form the New People's Party and the anti-EEC Laborites joined the Communists and the leftist Socialist People's Party to form the Socialist Electoral Alliance. As a result, both the Liberal and the Labor vote declined significantly in the 1973 storting election. (1)

Although the EEC controversy produced the most severe disturbance to the established Norwegian party system, a "new bourgeois" flash political party, akin to the Glistrup movement in Denmark, also appeared in Norway in 1973. The new anti-welfare state party was organized by Anders Lange -- a former activist in the old rightist movements of the 1930s -- around a platform calling for radical reductions in public expenditure and taxation. "Anders Lange's Party" (ALP) was at first greeted with derision by the traditional parties of the left and right, but the new protest movement was taken a great deal more seriously when it received 5 percent of the vote and 4 seats in the <u>storting</u> in the September 1973 election. However, the ALP vote share dropped to less than 2 percent in the subsequent election in 1975. Why the

<sup>(1)</sup> See Valen and Rokkan, 1974.

Anders Lange's Party showed less initial strength and less staying-power than the Glistrup Progressives in Denmark is not altogether clear. Lange's death in 1974 surely contributed to the ALP's decline in 1975, since the party had virtually organizational base and was built around the personality of founder. More fundamental factors were probably also at work. The political cleavage structure is more complex in Norway than elsewhere in Scandinavia -- geography and culture are important in addition to class -- and consequently left/right issues are not as dominant in electoral behavior. (1) Also, the Norwegian Conservative party (which anchors the right-wing pole of the class dimension of political cleavage) thas pursued a more reactionary political line than the Danish Conservatives. Therefore, despite the fact that the Conservatives participated In the 1965-71 center-right government, this established right-wing party in the Norwegian system is undoubtedly still viewed by a large fraction of the electorate as a viable outlet for opposition to the welfare state. Finally, growing optimism about Norway's oil resources may also have helped to anxiety about the burden of financing the public sector.

In contrast to the recent political experience of Denmark and Norway, the Swedish party system has exhibited considerable stability. The Swedish system, like the Danish, is largely defined by a single left-right dimension with two established political blocs: the (small) Communist party and the Social

<sup>(1)</sup> See Valen and Rokkan, in Rose, ed. 1974.

Democrats form the socialist bloc; the Center party, the People's party. and the Conservatives comprise the bourgeois bloc. Social Democrats have governed continously since the early 1930s, although there is no reason to expect the bourgeois parties to be permanently in opposition; the popular vote has been quite evenly split between the two blocs since the early 1950s. The most significant postwar development in the Swedish party system has been the dramatic growth of the Center party. which during the last dozen years has steadily absorbed former supporters of the Liberals and now stands as the largest party of the bourgeois. opposition bloc. (1)

The interesting question for our purposes is why Sweden experienced a "new bourgeois", anti-welfare state similar to the Glistrup phenomenon in Denmark or the smaller Anders Lange Party in Norway. I think the most plausible explanation is that Sweden is the only highly developed welfare in state in which the traditional bourgeois partles have been Responsibility for opposition for the entire postwar era. (2) public expenditure, and taxation, growth of the bureaucracy, therefore, rests wholly with the Social Democrats. Consequently, the old bourgeois bloc stands as a viable alternative to with the system o f welfare state, and popular discontent collective consumption and distribution has channeled been

<sup>(1)</sup> See Petersson, 1974; Särlvik, 1975; and Särlvik in Rose, ed. 1974.

<sup>(2)</sup> See, for example, the analyses of Valen and Rokkan, 1974 and Petersson, 1974.

through the established right-of-center parties.

Survey evidence reported by Särlvik suggests that such discontent is widespread, and has increased significantly in recent years. The survey results reproduced in Table 3 show that the proportion of the Swedish mass public advocating a reduction in social welfare benefits grew from 41 percent to 60 percent between 1968 and 1973. The growth of opposition to welfare policies is apparent among the supporters of all political parties, and is particularly pronounced among Social Democratic voters.

#### TABLE 3 ABOUT HERE

This "shift to the right" on the social welfare issue coincides with a gradual (albeit small) erosion of socialist bloc electoral strength which began in 1970, continued into the 1973 election and, if recent political preference surveys are any guide, (1) may well lead to the first bourgeois government in 44 years after the upcoming September 1976 election. (2)

<sup>(1)</sup> According to poll results published In <u>Dagens Nyheter</u>, June 5, 1976, less than 40 percent of the public considered the Social Democrats to be the "best" party in April and May, 1976 -- a decline of more than 10 percent from the May 1969 results.

<sup>(2)</sup> As readers undoubtedly are aware, the Social Democrats were defeated in the election and a Center Party - led bourgeols coalition is about to assume power. It was inevitable that the Social Democrats would eventually lose an election; it is not possible to say without survey data to what extent their defeat at this time was due to the "welfare state" issue. The expansion of nuclear power, a trade-union-Social Democratic plan to gradually "expropriate" large firms, and the fact that the Social Democrats simply have been in power for so long, were also issues in the campaign.

Table 3: Views on Welfare State Policies in Sweden 1968-1973

(interview question: "Social reforms have gone so far in this country that in the future the State should reduce rather than increase social benefits and support for the citizens.")<sup>a</sup>

Party Vote

<u>1968</u>	Communist	Social Democrat	Center	People's Party	Moderate Party	All Voters and Nonvoters
% Agree	13%	28%	56%	54%	71%	41%
% Disagree	77	65	38	39	23	52
<u>1973</u>						
% Agree	22%	47%	76%	68%	78%	60%
% Disagree	70	46	18	25	15	32

<sup>&</sup>lt;sup>a</sup>Ambiguous or 'don't know' responses omitted. Source: Sarlvik, 1975, Table 12.

The appearance of "new bourgeois" flash political movements In Denmark and Norway, and the erosion of social democratic support In Sweden, suggests that once the public sector share of the GNP approaches fifty percent or so, opposition to further extension of the welfare state may increase sharply. It is of course likely that inflation and economic stagnation, rather discontent with the welfare state per se, played at least some part in the remarkable success of the Glistrup movement Denmark, and surely are a major factor in the current attempt of the Labour government in Great Britain to reduce public expenditures and divert resources to the orivate sector. Nonetheless, if the "rational" model of political behavior has merit (and I believe that it does), once costs in the form of high levels of taxation begin to exceed benefits from state transfers and collective consumption for a sizeable fraction of the working class, serious resistance to the growth of the public sector is likely to arise -- even within the traditional political constituency of social democratic and labor parties. Perhaps It is not coincidental, then, that the most dramatic expression of popular opposition to public expenditure and taxation occured in Denmark, where the average tax rate manufacturing workers is the highest in the western industrial world, and disposable income (inclusive of transfers) percentage of gross earnings, is the lowest. (1)

<sup>(1)</sup> I base this statement on data for manufacturing production workers with average incomes reported in OECD, 1975, Appendix, Tables 2, 3, and 6.

I think it is likely, therefore, that developments in the political arenas of advanced welfare state societies will lead to a levelling-off of the share of the national income through the public sector (indeed, this trend is already visible in the Scandinavian social democracies as well as in Great Britain) and perhaps even to a significant increase in the share allocated in the private sector. In other words, the distributional impact of further growth of the public sector İs likely to be viewed (and correctly, given the trends in tax/benefit ratios) as disadvantageous by a significant fraction politically dominant "organized working class." of the private sector allocation of national income does increase appreciably in the welfare state societies, then we are likely to observe a renaissance of industrial conflict (which now stands at negligible levels) as the economic marketplace regains some of its former Importance as the tocus of distributional outcomes.

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Appendix: <u>Strike and Labor Force Data</u> (Available from Professor D. A. Hibbs, Jr. E53-432, MIT, Cambridge, Mass, 02139 upon request.)