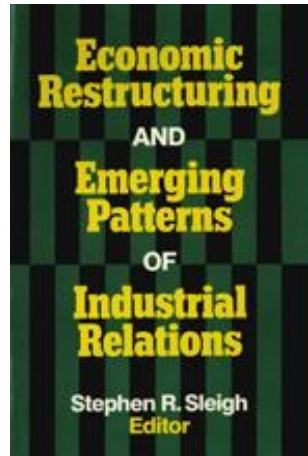

Upjohn Institute Press

Can the End of the Social Democratic Trade Unions be the Beginning of a New Kind of Social Democratic Politics?

Charles F. Sabel
Massachusetts Institute of Technology



Chapter 9 (pp. 137-166) in:
Restructuring and Emerging Patterns of Industrial Relations
Stephen R. Sleigh, ed.
Kalamazoo, MI: W.E. Upjohn Institute for Employment Research, 1993
DOI: 10.17848/9780880995566.ch9

9

Can the End of the Social Democratic Trade Unions be the Beginning of a New Kind of Social Democratic Politics?

Charles F. Sabel

Massachusetts Institute of Technology

The title of this essay is a provocation directed at the smaller and smaller group of people in the advanced capitalist democracies who are viscerally disturbed by the trade unions' self-evident disorientation and loss of influence on macroeconomic decisions and the reorganization of firms. We know who we are. Despite our differences, we believe that persons who cannot exercise their autonomy in choosing their work and how to do it are diminished in an essential aspect of their personhood; and we believe that autonomy in these things can rarely be achieved by individuals acting in isolation. Because our ideas about how good society can be are bound up with these beliefs, we are always looking for signs that the strongest trade unions—those in the social democracies of Northern Europe—are successfully adjusting to the new conditions of international competition, and that their renewal can serve as a model and guide to the reconstruction of more embattled labor movements.

The first half of the provocation, hinted at in the title and spelled out in the body of the essay, is that this hope is unwarranted. I will not belabor the end of the industrial proletariat and its consequences for traditional forms of trade unionism.¹ I argue instead that social democratic unions suppose in their organizational foundations a certain concept of corporations, of relations among them, of careers within them, and of the boundary between them, "private" life, and the public sector. As actual conditions diverge more and more from this concept, the social democratic unions have more and more trouble addressing the difficulties that employees face in their workday lives, and less and less

ability to make effective use of their powers to regulate production. The first part of the essay gives a compressed analysis of the way the corporations' successful adjustment to the crisis changes their organization in the relevant dimensions. The second part argues that social democratic unions will very likely, but not necessarily, encourage these transformations, yet are just as likely to be victims of these successes.

The other half of the provocation in the title and the essay is the idea that to the extent social democratic unions do adjust to the new environment, they perform activities associated more with political entities such as parties and social movements than with trade unions, although neither political parties nor social movements today define themselves as performing these particular tasks. The argument is a bit devious here, so it is only fair to tip my hand. Thus, the third part of the essay looks at effects of corporate reorganization on career patterns and the conception of work as a distinct sphere of activity; the fourth part innocently deduces the features of a labor movement which can take account of these effects. The concluding section asks much less innocently whether an organization with those features is a trade union in any reasonable understanding of that term at all. It contends that it is not a trade union but rather a new form of political activity. The reader is left wondering whether, if true, this finding is a good or a bad thing. So we end the excursion all in the same boat.

The Reorganization of the Firm

There is widespread agreement that firms respond to the current economic environment in one of two very general ways. The first is by cutting the production costs of standard goods. This can be done through automation of traditional production lines, subcontracting to low-wage producers, or some combination of both. Firms pursuing this strategy are always at the mercy of new low-cost entrants. Hence, they are permanently tempted to cut costs by reducing pay, worsening working conditions, introducing machines that can be operated by cheaper or less labor, or shifting production to low-wage areas. This is or soon becomes a *sweating strategy*, whether pursued by large firms or small. It is hard watching, among other things, the current massive

layoffs of middle managers in U.S. firms that did for a time pursue this strategy, to see how anyone given a choice could prefer it in the long run to the alternative.

The second response is a *strategy of permanent innovation*. The aim is to respond to and stimulate demand for products or services that correspond to consumers' wants more exactly than mass-produced goods. All products are regarded in this strategy as if they were capital goods, and valued according to the relation between their price and their ability to satisfy particular wants (the more favorable the price/performance ratio the better), rather than according to their absolute price (the cheaper the better).²

This second strategy depends on the reintegration of conception and execution in production. Marketing, design, and manufacturing must proceed concurrently, with those responsible for building the product helping to define what it will be in the first place and *vice versa*. Only in this way is it possible to cut development times in the measure required to get products to market when they are still in demand, and to reduce development costs to amounts that can be recovered through sale of short runs of affordably priced goods.

The reintegration of conception and execution has among its many other consequences three closely related effects which are of immediate significance for the organization of trade unions. The first is to raise the general level of skill required in production. Skill is the ability to perform complex tasks guided only by indicative instructions. The more superiors at all levels in the firm are pressed by constraints of time and money to instruct their subordinates to "use their judgment," "do their best," or simply "solve the problem," the more the subordinates are called on to exercise their skills. It is impossible to apply instructions where there are none, and the further a firm progresses down the track of permanent innovation, the less likely it is that the production of any particular product will be codified in rules. Notice I am not claiming that all employees in firms following this strategy are always acquiring and using all the skills for which they might potentially have a use. The claim is simply that whereas in the sweating strategy model the tendency is toward de-skilling, the tendency here is towards skill acquisition.³

The second consequence is to change the relation between firms, particularly large firms, and their subcontractors from one of domina-

tion to one of collaboration.⁴ Just as the reintegration of conception and execution within firms leads to increased cooperation among different departments and across grades of hierarchy, so too it requires increased cooperation among the firms jointly producing a single final product. Subcontractors were, in effect, treated like semiskilled workers in the mass-production system: they executed a set of detailed blueprints provided by the customer, and secured orders by entering the lowest bid for a particular job. In a system of permanent innovation, where even the largest firms cannot master (because they cannot reliably anticipate) all the key technologies necessary to define and build rapidly changing products, subcontractors increasingly collaborate in the specification of the design and manufacturing setup. Asked to build a particular component or subassembly, for example, a subcontractor may propose modifications that reduce its cost of manufacture or improve its performance; asked to contribute expertise in the formulation of a plastic compound for an automobile company, for another example, a chemical firm may install and oversee the operation in the customer's plant of the machinery which shapes the new compound. This is not to claim that there are not disparities of power in relations between large firms and subcontractors in this system. Again the contrast is with the organization of mass production, particularly as it is denatured through sweating. In mass production, subcontractors were permanently, but not necessarily increasingly, subservient to their large customers. In sweating, a bad situation gets worse. In a system of permanent innovation, the tendency is for it to get better, though plainly not for all subcontractors all at once.

The third consequence is the regionalization of production, by which I mean the geographic clustering of firms providing similar or complementary products or services to the same or related markets.⁵ This third effect follows in large measure from the first two. Thus, the shorter the product life cycles, the riskier it is to hold inventories at any stage of the production process—hence the need for just-in-time logistics, in which parts are produced and delivered as needed. Often (but by no means always) this means establishing production facilities in close proximity to the customer; and once established, these facilities attract other customers of the same sort. The shorter the product life cycle, moreover, the more likely it is that indispensable knowledge about production will become local knowledge—embedded in the

half-articulated practices of persons who are in daily contact and who alone are in a position to grasp the implications of what they say and do. The more knowledge is commonly known to be of this type, the more firms will want to locate in the locale where it circulates. Finally, the more specialized firms or operating units of firms become, the more they are likely to depend for some of the services they need on the public or cooperative institutions of their locale. Training, quality control testing, and industrial medicine geared to the needs of a particular branch or sector are all examples of services that firms may want to have provided collectively; and, once again, the provision of such services by municipal authorities or a cooperative of firms or some combination of both attracts other firms in the same line of business. Thus, just as the integration of conception and execution blurs the hierarchical boundaries within firms and the frontiers among them, so too it blurs the distinction between the public and private sectors.

This does not suggest that there has been or will be a night-to-day transformation. Because firms will want to cluster some of their key activities does not mean that all will be clustered. It may often be more advantageous to purchase subassemblies or even services from an established supplier than to invest in creating a local supplier. But the expectation is that the established subcontractor owes its success in part to its location in a prospering regional economy specialized in its business. Thus regionalization of production can go hand-in-hand with internationalization in the sense that firms reinforce their own core locales by linking them to similarly organized production systems elsewhere.

To sidestep several debates that are, I think, out of place here, consider two general qualifications regarding the model of the flexible, high-wage economy as a whole. First, the permanent-innovation economy is not necessarily an economy of small firms, although it is, compared to the world of mass production, an economy of small production units or establishments. The model supposes that economies of scale—the bigger the plant, the cheaper the product—are less and less important. Otherwise the specialized product would be prohibitively more expensive than the standard ware. Hence the size of establishments should be (and according to much evidence is) constant or falling, always with respect to the size distribution of plants in particular industries in the period of mass production.⁶ But firms can also

grow through exploiting economies of scope: the more diverse the current production, the lower the incremental cost of a new product. By providing financial, marketing, or research and development services to establishments in different but related lines of work, a corporation can expand by enabling its constituent parts to specialize and diversify. There is, however, no reason to think that these services must be provided by a corporation with a controlling interest in the operating units, as opposed to a bank, a trading company, or a federation of the (independently owned) operating units themselves. Even if it is a corporation which does the coordinating, furthermore, the control it exercises will be radically different from the centralized, bureaucratic control typically exercised by the headquarters of an American corporation in the past. Economies of scale are achieved through specialization of resources: ever more dedicated or specialized machines, ever more narrowly (semi) skilled workers, and ever more centralized structures. Economies of scope are achieved by "generalizing" resources or turning them to more and more diverse uses. This means more and more flexible equipment, more skilled and autonomous workers, and more supple organizations. As a glance at the management literature will reveal, managers themselves are extremely worried that the decentralized organizations they are building will fly fissionably apart.⁷ People in the labor movement are obviously and rightly concerned with the distribution of power in firms. But these days the size of a corporation is a less and less informative indicator of how authority is distributed within it.

The second qualification has been anticipated by the repeated observation that the shift to a flexible economy is not an all-or-nothing proposition. The permanently innovative, flexibly specialized, high-wage, high-skill economy is a limiting case. Some markets or parts of markets remain stable; some technologies, however plastic by historical standards, are more refractory than others. It is risky to try to shift from mass production to permanent innovation in a single leap, partly because it is unclear what the new model corporation really is (the point made just above), partly because building it, whatever it is, requires resources such as skilled labor which cannot be conjured into existence where they do not exist, and partly because firms cannot be sure that the unstable environment to which they are adjusting will not unexpectedly stabilize in a way that is more hospitable to a variant of

mass-production techniques. For all these reasons, firms hedge their bets on rationalization, preferring hybrid strategies that combine elements of mass and flexible production in a fashion that allows the firms to move in the direction of whichever pole is more attractive. In an unstable world, all irreversible decisions are dangerous traps, including the decision to abandon the ability to respond efficiently to stability. The consequence of these hedging strategies is that almost every firm and every group of firms deviates from the limiting case of permanent innovation. But for present purposes, that is less consequential than the fact that they deviate as well from the traditional models of firm organization upon which the modern labor movement in both Western Europe and North America is premised. Corporate reorganization has a long way to go before the typical firm resembles the ideal type sketched here. But it has already demonstrated its competitive virtues with such clarity that it is necessary to rethink how the labor movement can encourage such benefit from these changes.

Some of the Things We Don't Know About How the Labor Movement Can Encourage and Benefit from Corporate Reorganization

Inconclusive as the model of the fully flexible corporation is, it is still more substantial than our knowledge of how such firms are or can be created in a particular economy, or of how labor can help create them and benefit from its efforts. There is little in the current debate on the future of the labor movement to challenge this assertion directly; but there is a great deal which presumes knowledge of these matters that I do not think is in hand. The purpose of this section, therefore, is to look critically at the two major and related arguments that connect the idea of labor's participation in economic restructuring to the reorganization of the labor movement. Being clear(er) about what we don't know strikes me at the least as a good way to avoid a comforting, semi-conscious reliance on familiar models and tropes in rethinking the tasks and structure of the labor movement. At the most, a clear view of the inappropriateness of new variants of old models to current conditions focuses attention more precisely on what is truly novel in the cur-

rent situation. For what it is worth, I have at one time or another argued both of the positions I criticize, and I am therefore at least as discomfited as anyone else by the criticism.

The first explanation of why some national economies, and collaterally some national labor movements, move more quickly and successfully in the direction of permanent innovation is simply that even as they industrialized, some economies never went very far down the path of mass production.⁸ Smaller, more differentiated markets and craft traditions of production reinforced each other so that, despite appearances to the contrary, the key elements of a flexible economy—skilled labor, flexible equipment, and the managerial know-how to constantly recombine them—were constantly reproduced. Conversely, these same traditions put barriers in the way of a forced-draft extension of mass-production models. When the new conditions of competition put a premium on flexibility, the West German, Austrian, Italian, Japanese, and Swedish economies did what came naturally: because the strategy of permanent innovation had many affinities with past practice whereas the sweating model looked like a radical break with tradition, they “chose” the former as the safer proposition. Where, as in the United States and Great Britain, less of the craft tradition had survived, the balance of potential costs and benefits was reversed, and the firms moved the other way, at least initially. The lesson for labor in this view is simply to revive and adjust to current conditions in craft traditions of organization wherever they have not survived and adjusted automatically.

As a description of what makes for competitive success and failure, this type of account is unbeatable. But as an explanation, it is circular to the point of vacuity. Suppose we call all the rules and routines that regulate the distribution of authority in production economic institutions. Then this view explains the existence in a particular economy of institutions favoring flexibility as the result of the historical presence in that society of institutions encouraging flexibility (or at least encouraging the creation of institutions that encourage flexibility). If you think you can explain the sedative effects of opiates by noting their formative powers, you will find this kind of account satisfying; otherwise not.

To see the practical limits of this kind of tautologous formulation, it is only necessary to look a little more closely at the suggestion to

revive craft principles in the organization of labor. Surely the craft idea of defining union jurisdiction according to the materials worked in each task—pipes to the pipe-fitters, bricks to the bricklayers—is an invitation to permanent jurisdictional disputes in an age when the constant introduction of new materials makes it hazardous to guess what will be made of what. But the craft tradition of hiring halls, labor exchanges, and chambers of labor, where unions take substantial responsibility for training and allocating skilled labor, can arguably be seen as an intimation or (exceptionally, as in the case of Sweden) even a precursor of the kind of labor market institutions appropriate to a flexible economy. If firms increasingly subcontract design and production of key subassemblies, why can't labor become a systems supplier of skilled labor? If the tendency is toward more collaborative relations between workers and managers within firms and between firms and their subcontractors, why is collaboration between the firm and the union as organizer of the local labor market less probable?

The point here is that to elaborate the case against "craft" jurisdiction over jobs and for "craft" organization of the labor market is to specify which of the structuring principles of the craft economy might efficiently structure the emergent flexible system and why. To do *that*, however, is to begin to replace the flexibility-begets-flexibility argument with a model or proto-model of a flexible economy that shows just how specific institutions prove to be adapted to the current environment.

This is just what the second argument promises to do. I will call this the model of resurgent social democracy, because many of the institutional features it identifies as favoring the transition to a flexible economy and reinforcing the labor movement through that transition are characteristic of the Northern European social democracies, particularly those in countries such as Germany, Austria, and Sweden. Indeed, the model is appealing in no small measure because it suggests that institutions indigenous not just to the West but to the left in the West could unexpectedly prove a politically palatable alternative to wholesale initiation of Japanese practices, which otherwise seems the humiliating price required to maintain economic competitiveness.

Like the more general institutional view, the model of resurgent social democracy identifies costs and benefits which move firms' choices away from sweating in the direction of the permanent-innova-

tion strategy.⁹ The emphasis is on the costs imposed and benefits provided by the system of industrial relations broadly understood. The most important cost regards layoffs: a combination of legal and political constraints obliges firms to negotiate expensive severance arrangements whenever they seek to reduce the workforce. This makes management think twice and twice again before rationalizing, relocating, and subcontracting production work as prescribed in the sweating model. Labor, the familiar argument goes, is increasingly viewed as a fixed cost; and firms must consider carefully how to make efficient use of an asset of which they cannot dispose.

Here is where four key benefits of social democratic industrial relations come in. First, there is a system of plant-level dispute resolution based on considerations of equity and substance rather than precedent and procedure. Outcomes, in theory, are supposed to secure the firm's competitiveness while respecting the interests of employees, not to determine which employees are entitled to what given the language of the collective bargaining agreement and the common law of the plant. It would be easy to overstate the difference: workers in the social democratic systems have plenty of legal and customary rights, and bargaining in, say, the Anglo-American system is influenced by complex and encompassing ideas of equity.

But in the Anglo-American system, at least as it existed in the early 1980s, the definition of rights was tied to the definition of jobs and seniority in ways that made reorganization at work a constant threat to established patterns of entitlement.¹⁰ To accept changes in the definition and scope of one's job was to accept greater vulnerability to managerial discretion. In the social democratic system, standards are established to govern treatment of whole classes of employees—those above a certain age, the skilled, those with families, those requiring training—and so long as there are good prospects of satisfying these standards by any combination of, say, job transfers, compensatory training, and indemnifications, individuals do not have rights to particular places in the production system. Hence reorganization is not held hostage to adjudication of such rights.

The remaining features of the social democratic system as portrayed in this argument regulate relations between labor and capital outside the plant. The first and in many ways most important is simply labor's right to participate in the definition of administration of training pro-

grams.¹¹ As demand for skill increases, labor's place in the institutional order becomes more central, the argument goes, because labor already occupies a central place in the training system; and this is true regardless of whether unions come to manage local labor markets on the hiring hall model or in some other, unspecified way.

The second and third supra-plant features of the social democratic system are industrywide collective bargaining and the elaboration of framework labor regulations. Industrywide collective bargaining obviously establishes minimum wages and working conditions and guarantees that flexibility at the plant and company level does not lead to company unionism in which workers and managers in each production unit try to advance their own (collective) interest, regardless of its consequence for others in a similar situation. It also allows for experimentation, industry-by-industry, with new ways of collectively establishing a fair distribution of the burdens of reorganization and adjusting the standards of equity applied at plant level to the new forms of work organization resulting from rationalization. Framework legislation, finally, coordinates public provision of training and social insurance with needs of firms and industries; it also protects and extends labor's right to gain, through some form of participation in managerial decisionmaking, the kind of information and veto powers necessary to make substantive regulation of industrial reorganization workable. Without the knowledge to judge what can reasonably be expected of a firm in a particular situation, and without the power to effectively obstruct solutions that violate its sense of equity, labor would have to seek protection through imposition of a much finer mesh of plant-level rules.

The net effect of the social democratic model is to make a choice of the sweating strategy of prohibiting expenses and the strategy of permanent innovation affordable and remunerative, if not painless. Moreover, the more rapidly the new strategy spreads, the better for the unions. The demand for skill draws unions more and more into the process of reorganization itself, reinforcing their position with respect to the firms at the same time it refurbishes their appeal to their members. Indeed, if the process goes far enough, the unions will eventually come to exercise *de facto* rights of determination that they have not been able to obtain directly through legislation. Hence the resurgence of social democracy, and particularly social democratic industrial relations,

which seemed threatened by the breakdown in the new world economy of tripartite or neocorporatist systems of wage bargaining that helped these countries reduce both inflation and unemployment in the 1970s and early 1980s. The lesson for economies that do not already have social democratic industrial relations systems as depicted in this model is clearly to build them, starting with the creation of training systems in which labor plays a central part.

This view certainly has more bite than the generic institutional explanation. The problem with it is not, I think, that it is vacuous but that, taken at face value, it is wrong. First, a strong labor movement in the sense of resurgent social democracy is neither a necessary nor a sufficient condition to encourage restructuring along the lines of the permanent-innovation strategy. Moreover, there is good evidence that trade unions and the labor movement more generally are unexpectedly being weakened by the very changes that they are directly and indirectly encouraging, including the changes that favor use of more highly skilled labor.

Developments in countries as diverse as Switzerland, Japan, and France show that a social democratic labor movement is not a necessary condition for flexible adjustments. All these countries have adopted flexible adjustment strategies, although the shift in this direction is more recent and less comprehensive in France. Swiss national unions are nonentities by almost any imaginable standard; there is debate about whether Japanese unions are company unions in the sense defined a moment ago or rather in the perjorative U.S. sense of yellow-dog organizations which betray their members to do the bidding of their masters in management. But there is no doubt that they are company unions in one sense or another. In France, less than 9 percent of the workforce is organized in unions. The question publicly posed for debate in that country is whether there can be unions without members.¹²

It is, to be sure, possible to explain how firms in each of the countries were moved, at least partly because of the particularities of their relation to labor, to decide in favor of the flexible strategy. Japanese firms have practices of granting long-term job security to their core workforce dating back to the 1920s. French unions have by law the right to participate in the decisionmaking of a great number of public entities with responsibility for monitoring and shaping the labor mar-

ket. Swiss firms have long traditions of flexible production, and correspondingly developed complex formal and informal systems of dispute resolution consistent with that strategy.¹³ But the more complex and particular each of these explanations becomes, the closer it gets to the generic institutional argument in which flexibility begets flexibility. If you nodded in approval as that argument was dismissed a moment ago, you cannot use it as a makeweight to save the resurgent democratic model. The strength of that model is its parsimony; and elaborating it in response to counterexamples only weakens its foundation.

The same difficulties arise in the defense of the claim that the social democratic model of industrial relations is a sufficient condition for extension of the flexible economy. The argument suggests that the stronger the unions in the social democratic sense, the more likely that firms will perceive the costs of the sweating strategy as prohibitively high and the costs of flexible reorganization as attractively low.¹⁴ But all change, even change ultimately for the better for almost everyone, imposes short-term costs. Suppose the unions become so strong that they can successfully not only oppose a switch to sweating, but also pursue a variant of the high-skill strategy in which the costs of transition are fairly shared. The result, as illustrated in the bankruptcy of the Austrian state-owned steel and metalworking firms that are the traditional fortress of the country's trade unions, is first stalemate, then catastrophe.¹⁵ However much one is inclined to favor the expansion of union influence, this is, at best, too much of a good thing.

Here too, of course, it is possible to patch the argument by specifying that it holds only within a particular range: when labor has sufficient power to block sweating but not enough to be tempted to believe it is invulnerable to changes in the environment, and is able to defend the status quo indefinitely. But insofar as the specification looks forward to the outcomes it aims to include and exclude, it again arouses suspicion of circularity. Just as troubling, the notion that more trade union power is not necessarily better undercuts the (to me) politically attractive suggestion that the model of resurgent social democracy offers an alternative to democratization of the workplace through legislation. Surely employers will tend to suspect that there is a point at which an increase in union influence on decisionmaking begins to impede flexibility rather than encourage it. If advocates of the model of resurgent social democracy concede that such a point exists without

being able to locate it precisely, managers will voice those suspicions sooner rather than later.

Labor, indeed, may not merely reap fewer benefits from restructuring than the model suggests. It may find its organizational integrity undermined by the very process of economic reorganization it encourages and from which members benefit as individuals. Whether this happens or not depends on the influence of reorganization on background conditions that the model, in its appealingly parsimonious forms, ignores.

Take as an example the organizational consequences for German unions of increasing demand for skill and the resulting extension of training programs.¹⁶ Traditionally, youths went to work full time upon completion of their apprenticeships and were assimilated into the overlapping worlds of the shop floor and the union in the years that followed. Many would subsequently continue their educations by attending classes. But even when they left the shop floor to become technicians or engineers, often with highly responsible jobs, they remained attached to the values which had formed them, and tolerant of if not loyal to the unions. In any case they defined themselves as distinct from university-trained managers, for whom the idea of a career was associated with the idea of progression up a formal hierarchy rather than with growing technical prowess.

Today this pattern and the distinctions on which it is based are disintegrating. Young people spend a shorter and shorter time on the shop floor between completing their apprenticeships and continuing their educations. For the most ambitious and talented, more and more of the time spent on the shop floor at any stage in their careers is spent in special project groups where teams of engineers, managers, technicians, and skilled workers perfect new products or install new production systems. The union is simply not a constitutive element of the training system on the shop floor as these new cohorts of skilled workers experience it. They are, to all appearances, not antiunion, but quite indifferent to its existence. Because the most active trade unionists and the bulk of union officials have, in Germany as elsewhere, been recruited from among the skilled workers, this indifference threatens the organization's ability to renew itself, and is clearly perceived by union leaders as doing so.

A second German example concerns the effects of subcontracting and the blurring of the boundaries among corporations more generally. As subcontractors take more and more responsibility for design and production work once done in-house, the plant or firm-level institutions that defend employee interests are less and less able to even monitor, let alone control, developments. The problems are aggravated when, as is frequently the case, the work is subcontracted to firms in industries other than the client's, and hence organized by different unions: unionized seamstresses upholstering seats in an automobile firm are members of the metalworkers union in Germany, but members of the textile and garment workers union if employed by a seat-making firm supplying the auto plant just-in-time from an adjacent facility. The engineers and skilled workers designing the microprocessor used in an advanced fuel-injection system are likely to be working for an electronics firm that is not organized by any union at all. Given that the social democratic model of substantive dispute resolution presumes the possibility of making a comprehensive assessment of the costs and benefits of various possible compromises, the fragmentation of control over the process of restructuring endangers the capacity to formulate and assess just the kinds of comprehensive bargains upon which the success of the substantive system depends.

A third example concerns the effects of changes in the boundaries and operation of the public sector. The reorganization of the economy on flexible lines changes the division of labor between the public and private sectors. The earlier discussion of the regionalization of production and the increased public provision of services to industry indicated one aspect of this change. Another regards the growing barrier against the entry of the unskilled into the flexible economy. So long as much of the skill needed for work could be learned on the job, the state could provide unemployment insurance and other forms of social assistance independent of systematic job training and placement. The state assured citizens of a subsistence income, and the economy eventually provided jobs which allowed those who wanted to work their way into economic and social security the chance to do so. The more necessary it is to possess substantial generic skills to get *any* job, however, the more important it becomes to integrate the provision of social services and training into a package customized according to the needs of particular clients or client groups.

But this recombination and customization of services often requires a profound reorganization of social welfare bureaucracies, including decentralization of authority to the local level and devolution of the responsibility for providing many services to community or other non-profit groups with the kind of local knowledge on which the effectiveness of the program depends. These pressures for reorganizing the bureaucracy and opening it to the outside world are further increased by the ambition—often inspired by the experience and model of the large firms and their reconstitution—to break monopolies in the provision of services ranging from medical care to garbage collection both as a spur to efficiency and as a protection against administrative arrogance.¹⁷

The cumulative effect is that the fluidity of production relations, as indicated particularly by an increase in subcontracting, is becoming as typical of the public sector as it is of private industry. And as in private industry, the consequence for unions is an increase in jurisdictional disputes whose occurrence is a sign of an increasingly poor fit between the organizational boundaries of the labor movement and the boundaries of the relevant units of economic and social welfare activity. Sweden is the most clamorous example of disruption which can result when public- and private-sector unions fight each other over the right to represent employees or classes of work which have passed in one form or another from public to private control. In Sweden, as elsewhere, these conflicts resonate with and thus amplify the jurisdictional disputes provoked by reorganization within the private sector.¹⁸

The aim in criticizing the model of resurgent social democracy is no more to suggest that labor's role in organizing the training system of shaping corporate decisions is irrelevant to its future than criticism of the generic institutional model is meant to demonstrate that economic adjustment is not influenced by institutional patterns.

Historical barriers to the extension of mass production and historical dispositions for flexible economic organization, including especially those associated with the social democratic system of industrial relations, help stack the deck against pursuit of the sweating strategy and for a program of permanent innovation. The difficulty with both the general and the particular institutional arguments is that in identifying important continuities between the emergent flexible economy and its antecedents, the former is assimilated into the latter in a way that

obscures vital differences between them: differences, indeed, which affect the role in the new economy of just those institutions such as training that appeared to warrant the assimilation of new to old in the first place.

In the next two sections, I reverse the procedure. Rather than searching for even a crude blueprint for the future in the past, I look only for those old building materials that can be used to erect the new system. Instead of treating the flexible economy as a distinctive elaboration of certain historical traditions in new circumstances, I try to outline a plan of construction by reflection on the novelty of the current situation as it has emerged in the preceding discussion.

The Localization of the Labor Market

Firms, we saw, are opening themselves to one another (through the transformation and extension of subcontracting relations) and to the society in which they are more and more embedded (through increasing reliance on public or at least collective provision of training and other services as well as new forms of social insurance). This double opening is leading, I argued earlier, to the regionalization of production: at the limit the fundamental unit of production is not the firm, but an ensemble of firms and public or community institutions in a particular locale.

Regionalization has two closely related effects on the organization of labor markets and hence on the boundary conditions that any labor movement operating in such markets would need to respect. First, the blurring of boundaries among firms that follows from the reintegration of conception and execution means that even as the demand for skill increases, individual jobs become less and less secure. When even the largest firms expect to turn to system suppliers to provide crucial expertise, but cannot predict when and for what sort of know-how they will do so, who at what level of the firm can be sure of his or her job? Where is the stable core of the economy? When high-flying employees can expect to be rotated from autonomous division to autonomous division or project group to project group to develop a sense of loyalty to the corporation as a whole, but the corporation cannot define itself

as a unified entity except by pointing to the common experience of the high flyers, what sort of loyalty will the latter develop? Under these circumstances, to pursue a career does not mean to progress rung by rung up the bureaucratic ladder as envisaged in the concept of the closed labor markets central to the social democratic system of industrial relations: many rungs are gone and the very structure on which the ladder rests may disappear. Nor does it mean, as in craft labor markets, to master a well-defined body of knowledge by moving from firm to firm in a predictable pattern: the definition of what knowledge is relevant is constantly changing. Rather it means to assess constantly which of all the current or potentially acquired skills ought to be developed in the light of changing market conditions and one's unfolding self-conception.

Second, the blurring of the boundary between the firm and society is paralleled for the individual in the blurring of the boundary between work and other crucial spheres of experience. The devolution of authority within organizations and the growing need for skill and teamwork require employees even in large corporations to exercise on the job the kind of autonomy and responsibility for the use of resources that in capitalist democracies have typically been regarded as the prerogative of groups such as homeowners or the self-employed: those whose control over some form of capital entitled them to a corresponding kind of economic sovereignty. "Private" or even "family" values such as self-reliance in complex situations are highly valued, perhaps even indispensable at work. Conversely, however, the less secure jobs become and the less meaningful the traditional ideas of a career, the more employees must rely on extra-firm associations established through the family, professional groups, churches, political parties, hobby groups, or social movements to learn what kinds of jobs are imperiled, what kinds expanding, and where to acquire the skills necessary to compete for them. By definition, an information network that followed the contours of the firm would be of no help in these regards precisely because the information of value concerns possibilities beyond the corporate boundaries—the disintegration of which creates the insecurity in the first place. The more the social and the economic become fused through regionalization, the more the home invades the workplace and *vice versa*. Changes in gender relations, related but not reducible to changes in the organization of work, further mute the dis-

tion between the two by formalizing the division of labor in the household (if only by making it a matter for family discussion), and making family needs as the job prospects of each partner in the more and more numerous two-earner households a constraint on job choices.¹⁹

Social democratic unions are coming to grief because they are not adjusting to these effects of reorganization, although they are in many ways the best positioned of all contemporary labor movements to make such adjustments. The unions (perhaps with the exception of those in Sweden) are losing their formative influence on the skilled workers because they are extraneous to the complex systems of post-apprenticeship training that define new kinds of careers and loyalties. Because their basic units of organization are the plant, the firm, and the branch, unions cannot regulate the increasing movement of work and workers across these boundaries. Because they presume a stable division of labor between the public and private sectors, and treat the public sector as if it were a firm in the traditional sense, unions are bewildered by efforts to redistribute responsibility between the state and civil society, efforts which often entail reorganization of the state itself.

Towards a New Model Union

To do better these unions will, in a sense, have to follow the lead of the firms: push responsibility for decisionmaking down to the local, operative level, and open the local unions and plant-level institutions in each area to one another and to the whole range of economically relevant local actors from municipal authorities to environmental and social movements, and even political parties with whom they may have little or only hostile contact.²⁰ By inserting themselves into the regional economy at the points where the firms connect with one another and where they as a group join the local society, the unions can make themselves indispensable to management as systems suppliers of skilled labor and indispensable to their members as guides and advisors in their passages from job to job and home to work and back. Continuing education for the skilled, extensive training for the semiskilled, extensive job counseling that bundles general social services and train-

ing of both sorts in packages individuals and families can use are the first, indispensable steps to this end. If the social democratic unions can learn to do that much locally, it will be almost child's play to redefine the advisory and tutelary role of the national union.

Unions in the United States seem to have an incomparable harder row to hoe.²¹ Social democratic unions are victimized by the success of a broad movement towards flexible reorganization that they encourage. In the United States, the respective costs and benefits of the two adjustment strategies are often indeterminate, and firms frequently oscillate between them. But whichever course firms choose, and perhaps most directly by their wavering, they do the unions harm.²² If the unions oppose cost-cutting strategies they are defending their members' privileges; if they condone them, they are protecting their organizations at the members' expense. If they block attempts to increase flexibility, they are dinosaurs, unable to understand the motivations of the modern workforce and the exigencies of competition in world markets; but if they cooperate with strategies aimed at increasing productive flexibility, they make themselves and their members hostage to management's half-hearted and vacillating dedication to this course of action. Even the fear of a reversion to cost-cutting strategies—provoked perhaps by high-level corporate struggles far beyond the influence of plant-level or division management—is enough to reveal that labor's gradual abandonment of its traditional forms of self-defense make it vulnerable to incalculable risks. U.S. unions would, I suspect, love to have the problems of their social democratic counterparts; and that is perhaps one of the reasons they tend to discount the gravity of those difficulties if they take notice of them at all.

But it is easy to overlook the vulnerabilities of the strong and the strength of the vulnerability. The social democratic unions' position in the largest plants, the continuing allegiance of the middle-aged workforce, and the unions' political influence make it easy for them to downplay the dangers of delayed adjustment, hard for the national center to see why it should cede power to the local periphery, and harder still for any one powerful union to see why it should abandon its jurisdictional claims to the benefits of a rival. Conversely, the confusing fluidity of the American corporations and the debility of American labor mean that local unions may enjoy more freedom than their more closely regulated social democratic counterparts to establish them-

selves as an indispensable component of an emergent regional economy should the occasion present itself for them to do so.

Such possibilities are, I think, much less remote than a simple survey of the disorganized and dispirited state of national—or, as their Canadian affiliations entitle them to say—international unions in the United States would suggest. At the plant level, many unions have become engaged during the last decade in various forms of worker participation or employee involvement. In the many successful but scattered programs of this type, blue- and white-collar workers take an active role in assessing the competitiveness of the plant and determining ways to improve it.²³ To do this they and the unions who represent them must have access to virtually all the information that management considers in making its decisions. The result in the best cases is a system of substantive dispute resolution and *de facto* labor-management codetermination which approximates the social democratic systems. But whereas the latter presumes rigid plant boundaries, many of the emergent plant-level systems in the United States grow out of cooperative efforts by managers and employees to establish which products the operating unit can, after the requisite reorganization, profitably make, and which must be abandoned to other makers. Thus cooperation in this setting is from the first directed toward limiting the risks of an organizational vulnerability which, given the impossibility of fixing firm boundaries with any reliability, is broadly seen as a constituent fact of corporate life. For the moment, these open-ended success stories remain isolated: plants in the same corporation or region can have wildly different experiences in this regard, depending on the accidents of personality and timing; and national unions are either ignorant of local successes or too threatened by the popularity of the leaders they create to even debate their significance. But if one of the building blocks of a new labor movement is a local union rooted in the firm's decisionmaking yet not barricaded behind its formal boundaries, construction materials of this kind are being produced in the United States.

Similar considerations apply to training programs and the creation of subcontracting networks, although unions have been reticent to participate in either of these foundational elements of the new regional economies. Here too local initiatives are indispensable. The pattern in training is for a group of firms, varying in size according to the nature

of the local economy, to join with a community college or vocational training center to create a new kind of apprenticeship which blends traditional forms of vocational education with the relevant components of an undergraduate-level technical curriculum.²⁴ New degree programs transform traditional machinery and other trades into paraprofessions. Often the project is initially funded with the help of state or federal monies. In this case too the fluidity of the situation is a potential advantage. If apprenticeship were recreated in the United States now, and if the unions participated in its formation, it could be done in a way that gives labor a central place in a system of life-long training—a system that does not draw the line between initiation into a trade and continuing education that vexes much of the social democratic labor movement. But for the moment, U.S. unions are so absorbed with their day-to-day problems and the defense of the interests of their current members that they are less likely to embrace these efforts to regenerate skill than to ignore or even to oppose them in favor of programs to *retrain* older, displaced workers.

The growing efforts to create subcontracting networks of diverse kinds also involve consortia of large and small firms, public—typically state—agencies, and educational institutions. Sometimes the initiative comes from large corporations, sometimes from trade associations, sometimes from *ad hoc* groups of small firms, sometimes from the public sector. Again the results are mixed. There are plenty of reliable successes strewn among the tales of disaster. But win or lose, the effects seldom succeed in overcoming the unions' preoccupation with other matters or fear that they lack the competence to participate knowledgeably in decisions for which they may later be held accountable. Yet again it is clear that if the unions could vanquish their reticence, they could be rebuilding themselves by building a structure indispensable to the local economy—and difficult to construct with the organizational tools of social democracy.

If your imagination stretches easily to comprehend these separate possibilities, then it will take only a slight additional effort to comprehend the possibility of a strategy that makes realization of each easier by connecting it to the others. Take the common case of a local union fighting for the innovation strategy in alliance with one faction of plant management against the rear-guard, cost-cutting methods of a second. Suppose next that the union and its allies participate in a training con-

sortium that, among other things, undertakes to remedy the spot skill shortages that clouded the prospects of the permanent-innovation strategy and provided a convenient argument to oppose it. Suppose further that the union and its allies in management simultaneously participated in a consortium of large and small firms dedicated to improving subcontracting relations, and thus removing yet another potential obstacle to the flexible alternative. Suppose, finally, that a state government provides funds and advice to help the local union pursue all these tasks at once, and—welcome to America—you will have imagined just the program which the State of Michigan and a local of the United Automobile Workers in the auto parts sector pursued until the governor who supported the plan was unexpectedly defeated for reasons unrelated to his economic initiatives.²⁵ Had this plan succeeded, or if any of the many, less formal ones that survive it prospers, one result would be to create local constituencies (other firms, educational institutions, public officials) who will take the union's side in its struggle against the cost-cutting strategy. If successes multiply, a second result would force unions to reverse the firms' strategy of using labor's concessions at one plant as justification for demands for give-backs at another. Instead, unions favoring the permanent-innovation strategy could begin whip-sawing recalcitrant management, using the examples of managers elsewhere who participated to their benefit in cooperative strategies as a means of convincing their recalcitrant local interlocutors to do the same.

**Does It Matter Whether
There Are New Model Unions?
Whether There Are Unions At All?**

To us, the us addressed at the beginning of this essay, the answer to both these questions is self-evidently yes. People who are not much interested in labor these days are so sure that unions have no future that they seldom can be troubled to read essays alleging they might; those who believe unions do have a future or should are so desperate for some conformation of their hopes that they take the mere fact that essays appear on the topic as a sign that labor is more vigorous than it

appears. But this essay about the future of the unions had indirectly raised the question whether we—and I am still talking about us—should care about the fate of the new model union, and indeed whether that organization is reasonably regarded as a union at all.

The answer to the first question is clearly connected to the unions' role in economic adjustment. If (almost) everyone should reasonably prefer the innovation strategy to the sweating strategy in the long run, and strong unions in the social democratic or new model sense encourage diffusion of the innovation strategy, then (almost) everyone should support either social democratic or new model unions.

But in the light of the foregoing discussion it is hard to extract much of a defense of new model unions from this kind of shaky syllogism. First, the argument supposes that unions play a critical role in determining the choice between strategies as though most of what managers did was decided by what unions did or how industrial relations are organized. Those things count—a lot. But we saw, first, that a social democratic industrial relations system is neither a necessary nor a sufficient condition for the choice of the innovation strategy, and, second, that social democratic unions do not automatically become new model unions. On the contrary, they are more likely to be victims of the reorganization they encourage.

The upshot is that the preceding discussion provides reasons for supporting several types of unionism if you care strongly about the outcome of economic adjustment, but no reasons for supporting unions more than, say, programs to encourage training or build subcontracting networks. Presumably more of all these things is better than less, and doing them concurrently or at least in a coordinated way is better than doing them disjointedly. But the model of resurgent social democracy is too ramshackle a theory of economic adjustment to suggest how scarce resources should be allocated even among this limited group of tasks.

The one strong conclusion which discussion of the model of resurgent social democracy *does* allow is, paradoxically, that whatever robust labor organizations emerge from and take root in the process of economic reorganization will not be trade unions in any traditional sense. Trade unions in the sense of social democracy or of American industrial unionism are concerned with the interests of employees at work, where work typically means a long-term association with a par-

ticular occupation in a single firm. But if the foregoing analysis of the effects of reorganization is correct, the new model labor organizations will have to be concerned with addressing problems that cross the boundaries among firms and between work and other vital life activities. A labor organization that tries to distinguish its members' interests at work from their general interests in well-being could not, in this view, effectively represent their interests at all.²⁶

But why call an organization that represents some aspects of members' general interests in well-being a trade union, or even a labor organization? I can think of little reason especially if that organization operates in association with social service agencies, schools, churches, and political parties. I say little reason rather than none at all because I imagine this organization might play a distinctive role in wage determination. But the more wages are set through individual negotiations between employees and firms on the one hand and more and more encompassing minimum wage or minimum social income legislation on the other, the less distinguishing a mark this will be.²⁷

No, the more natural but troubling way to think about organizations that represent their members' general interests in well-being is to regard them as engaged in politics. The characterization is natural because to defend its members' general interests in well-being an organization must articulate and advance a vision of life, including ideals of justice, views about the proper distribution of control over economic activity, and so on. If an organization that does these things is not a political organization, what other kind of reorganization might it be? But because the same kinds of everyday definitions that make it reasonable to say that the new model union is not a union but a political organization obstruct efforts to say what kind of political organization it might be. Plainly unions are not parties in any traditional sense, because parties, we just saw, traditionally leave concerns about work to unions. More precisely, concern with work exhausts itself in concern for "the economy," which typically means macroeconomic decision-making, except insofar as such decisionmaking is in the hands of virtually self-governing institutions (as is often the case with, for example, central banks). Nor are these new model political organizations easily assimilated to social movements. Either these movements are concerned with the situation of particular groups, in which case they aim to regulate workplace conditions only insofar as those conditions

threaten their constituents' interests: for example, feminist groups fight sexism on the job and seniors' associations fight ageism. Or the social movements are concerned with what they regard as public interests such as a healthy environment or safe consumer products. In that case they aim to regulate production insofar as it is necessary to eliminate threats to these public interests: for example, by legislating reductions in pollution or creating incentives to or improving the safety of products by making firms strictly liable for harm caused by their wares. Thus social movements are not trying to regulate the relation between the economy and other spheres of life in general.²⁸ On the contrary, it would be more accurate to say that the proliferation of these movements is a response to the failure of the existing division of labor between parties and unions to define a form of regulation adapted to current circumstances; and that this response presumably makes the task of finding a general solution harder by creating more and more precise divisions among groups and interests that will eventually need to be reconciled both on and off the job through complex compromises.

New model political organizations cannot, therefore, be social movements. If they are doing their jobs, they will be reducing the need for social movements, or rather the need for social movements to do some of the things they currently do in the way they do them. Certainly this will require collaboration between the new model entities and the social movements; but this does not suggest that one will absorb or come to approximate the other, any more than cooperation with political parties suggests analogous outcomes.

Hence the disturbing provisioned conclusion: there is nothing in the logic of the current reorganization that warrants the assumption that we will have trade unions in the future. And if we have them they will be filling a political function that we can specify only in the sketchiest outline. But then it may well be that reflection on the void that would exist if these almost indefinable political entities did not take the place of trade unions is the beginning of another and more robust kind of argument for creating them.

NOTES

This essay builds on a program of research and writing on corporate reorganization and its implications for trade unionism that I am conducting with Horst Kern of the University of Göttingen. See our "Trade Unions and Decentralized Production: A Sketch of Strategic Problems in the West German Labor Movement." *Politics and Society* 19, no. 4 (1991), 373-402, for a detailed discussion of the German case. Neither Kern, nor my colleague Michael J. Piore, with whom I also continually discuss the issues raised here, are responsible for my excesses.

1. For arguments along this line, see Colin Crouch, "The Future Prospects for Trade Unions in Western Europe." *Political Quarterly* 1 (1986): 5-8; Walter Müller-Jentsch, "Industrial Relations Theory and Trade Union Strategy." *International Journal of Comparative Law and Industrial Relations* 4, 3 (1988): 177-190; and Jelle Visser, "In Search of Inclusive Unionism?" *Bulletin of Comparative Labor Relations* 18 (Special Issue 1990): 39-67.

2. For more details, see Michael J. Piore and Charles F. Sabel. *The Second Industrial Divide: Possibilities for Prosperity*. New York: Basic Books, 1984.

3. Horst Kern and Michael Schumann. *Das Ende der Arbeitsteilung?: Rationalisierung in der industriellen Produktion: Bestandsaufnahme, Trendbestimmung*. Munich: Beck, 1984, started this debate. The view does not go unchallenged. See Richard Hyman, "Flexible Specialization: Miracle or Myth?" In *New Technology and Industrial Relations*, eds. Richard Hyman and Wolfgang Streeck. Oxford: Basil Blackwell, 1988; and the discussion in Stephen Wood, "The Transformation of Work?" In *The Transformation of Work?*, London: Unwin Hyman, 1989.

4. See, for instance, Walter W. Powell, "Hybrid Organizational Arrangements: New Form or Transitional Developments." *California Management Review* (Fall 1987).

5. For more details, see Charles F. Sabel, "Flexible Specialization and the Re-emergence of Regional Economies." In *Reversing Industrial Decline? Industrial Structure and Policy in Britain and Her Competitors*, eds. Paul Hirst and Jonathan Zeitlin. Oxford: Berg, 1989, pp. 17-70.

6. Rainer Bartel, "Organisationsgrößenvor- und nachteile: Eine strukturierte Auswertung theoretischer und empirischer Literatur." *Jahrbuch für Sozialwissenschaft: Zeitschrift für Wirtschaftswissenschaften* 41, 2 (1990): 135-159 provides a good review of the literature on the size of production units.

7. See, for instance, the discussions in Christopher A. Bartlett and Sumantra Ghoshal. *Managing Across Borders: The Transnational Solution*. Boston: Harvard Business School Press, 1989; and Rosabeth Moss Kanter. *When Giants Learn to Dance*. New York: Simon and Schuster, 1989.

8. This argument can be found in different places and under many different guises. A representative sample: Charles F. Sabel. *Work and Politics: The Division of Labor in Industry*. Cambridge: Cambridge University Press, 1982, pp. 220-31; Piore and Sabel. *The Second Industrial Divide*, pp. 115-62; James P. Womack, et al. *The Machine That Changed the World: The Story of Lean Production*. New York: Rawson Associates, 1990; and Peter Katzenstein, "Industry in a Changing Germany." In *Industry and Politics in West Germany: Toward the Third Republic*, ed. Peter Katzenstein. Ithaca, NY: Cornell University Press, 1989, pp. 13 ff.

9. The criticism about to be directed at this argument applies to much of my earlier work as well. See, for example: Anton Benya and Charles F. Sabel, eds. *Gewerkschaftsstrategie in den achtziger Jahren: Die Hauptreferate auf dem 10. ÖGB-Bundeskongress*. Vienna: Verlag der Österreichischen Gewerkschaftsbundes, 1983; Wolfgang Streeck, "On the Institutional Conditions of Diversified Quality Production." In *Beyond Keynesianism: The Socio-Economics of Production and Employment*, eds. Matzner Egon and Wolfgang Streeck. London: Edward Elgar, 1991; Lowell Turner. *Democracy at Work? Labor and the Politics of New Work Organization*. Ithaca, NY: Cornell University Press, 1991; and Kathleen A. Thelen. *Continuity in Crisis: Labor*

Politics and Industrial Adjustment in West Germany 1950-1987. Ithaca, NY: Cornell University Press, 1991.

10. See, for example, Katharine Van Wezel Stone. "The Post-War Paradigm in American Labor Law." *The Yale Law Journal* 90, 7 (1981): 1509-1580, and Katharine Van Wezel Stone. "Labor Relations on the Airlines: The Railway Labor Act in the Era of Deregulation." *Stanford Law Review* 42 (1990): 1485-1547.

11. See Wolfgang Streeck, et al. *The Role of the Social Partners in Vocational Training and Further Training in the Federal Republic of Germany*. Berlin: CEDEFOP, 1987.

12. Pierre Rosanvallon. *La Question Syndicale*. Paris: Calmann Lévy, 1988, addresses this question.

13. On Japan, see Ronald Dore. *Flexible Rigidities: Industrial Policy and Structural Adjustment in the Japanese Economy, 1970-80*. Stanford: Stanford University Press, 1986; Ronald Dore, Jean Bounine-Cabalé, and Jean Tapiola. *Japan at Work: Markets, Management and Flexibility*. Paris: OECD, 1989; and Masahiko Aoki. *Information, Incentives, and Bargaining in the Japanese Economy*. Cambridge: Cambridge University Press, 1988. On France, see Jean-Daniel Reynaud. *Les Syndicats en France*. Paris: Seuil, 1975; François Sellier. *Strategie de la Lutte Sociale: 1936-1960*. Paris: Les Editions Ouvrières, 1961; and Rosanvallon. *La Question Syndicale*. For Switzerland, see Beatrice Veyssarat. "Industrial Flexibility in Switzerland: The Social and Institutional Aspects of Degeneration and Revivals." In *Worlds of Possibility: Flexibility and Mass Production in Western Industrialization*, eds. Charles F. Sabel and Jonathan Zeitlin. New York: Cambridge University Press, forthcoming; and Mario Vuilleumier. *Horlogers de l'Anarchisme. Emergence d'un Mouvement: La Federation Jurassienne*. Lausanne: Payot, 1988.

14. See, among others, Lowell Turner. *Democracy in Overalls*.

15. See Franz Summer. *Das VOEST Debakel*. Vienna: Orac, 1987, for more details.

16. For more on this, see Horst Kern and Charles F. Sabel. "Trade Unions and Decentralized Production: A Sketch of Strategic Problems in the West German Labor Movement." *Politics and Society* 19, 4 (1991).

17. See for Germany, Helmut Wollmann. "Stadtpolitik-Erosion oder Erneuerung des Sozialstaats-von unten?" *Leviathan* special number 7 (1986); and for Sweden, Benny Hjern. "The Swedish Social Welfare Municipality." In *International Review of Comparative Public Policy*, eds. Nicholas Mercurio and Douglas E. Ashford. Greenwich, CT: JAI Press, 1990.

18. Horst Kern and Charles F. Sabel. "Trade Unions and Decentralized Production." See Nils Elvander. *Den Svenska Modellen: Loneforhandlingar och Inkomstpolitik 1982-1986*. Stockholm: Allmanna Forlaget/Publica, 1988; Kristina Ahlen. "Swedish Collective Bargaining Under Pressure." *British Journal of Industrial Relations* 27, 3 (1989) for more on Sweden.

19. See, for example, Jurgen Hoffmann et al. *Jenseits der Beschlußlage: Gewerkschaft als Zukunftswerkstatt*. Cologne: Bund, 1990, 45-57.

20. Michael J. Piore. "Administrative Failure: An Hypothesis About the Decline of the U.S. Union Movement." Department of Economics, MIT, September 1989 presents an example of such new union practices. Ironically, the "radical" French unions have, in an attempt to stop the dramatic membership decline, initiated a series of nonworkplace-related services, which moves them close to the type of open, multifunctional organization abstractly referred to in the text. See Michel Noblecourt. *Les Syndicats en Questions*. Paris: Les Editions Ouvrières, 1990.

21. For general discussions of the fate of American unions, see Richard B. Freeman and James L. Medoff. *What Do Unions Do?* New York: Basic Books, 1984; Seymour M. Lipset, ed. *Unions in Transition*. San Francisco: Institute for Contemporary Studies, 1986; Charles Heckscher. *The New Unionism*. New York: Basic Books, 1988; Michael Goldfield. *The Decline of Organized Labor in the U.S.* Chicago: University of Chicago Press, 1987; and Joel Rogers. "Divide and Con-

quer: Further 'Reflections on the Distinctive Character of American Labor Laws'." *Wisconsin Law Review* (January-February 1990): 1-147.

22. See Thomas A. Kochan, Harry C. Katz, and Robert B. McKersie. *The Transformation of American Industrial Relations*. New York: Basic Books, 1986.

23. Team concepts do not go unquestioned. For representative views, see Harry C. Katz. *Shifting Gears: Changing Labor Relations in the U.S. Automobile Industry*. Cambridge: MIT Press, 1985; and Mike Parker and Jane Slaughter. *Choosing Sides: Unions and the Team Concept*. Boston: South End Press, 1988.

24. For a case study, see "BRADD Program Aids Southern Kentucky Manufacturers." *Advanced Manufacturing* 4, 2 (1991): 1-2.

25. See chapter 7 in this volume.

26. See Jurgen Hoffmann et al. *Jenseits der Beschlußlage: Gewerkschaft als Zukunftswerkstatt*. Cologne: Bund, 1990, pp. 34-95 for a debate along these lines.

27. See Bob Hancké. "The Crisis of National Unions: Belgian Labor in Decline." *Politics and Society* 19, 4 (1991).

28. The seminal statement here is Jean L. Cohen. "Strategy or Identity: New Theoretical Paradigms and Contemporary Social Movements." *Social Research* 52, 4 (1985).