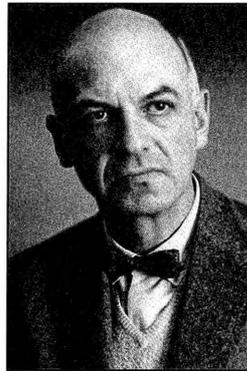


The authors of the essays in this volume clarify the past and glimpse the future of their discipline.



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Maurice F. Neufeld

INTRODUCTION

THE ESSAYS ASSEMBLED IN THIS VOLUME FOCUS UPON the state of the art of industrial relations at the dawn of the new millennium. The authors of these essays are members of the faculty of the School of Industrial and Labor Relations at Cornell University, or were formerly closely associated with the school. They have found, to their delight, that in creating the essays presented here, they released an enchantment of scholarly memory that illuminates the past and present states of the scholarly disciplines they cultivate and encourages speculation about the future of these disciplines.

Milton Konvitz, in his essay “The Development of American Ideals: Three Bills of Rights,” analyzes the decisions by the Supreme Court between 1945 and 1995 that have expanded the rights of individuals and thereby transformed the civic setting for the developments examined by his fellow essayists. Konvitz states early on: “At no time in American history has constitutional law been so unstable—so innovative—so creative as in the last half of the twentieth century.” He then indicates that “the selective incorporation of most of the first eight amendments of the Constitution into the Fourteenth Amendment . . . [made] them effective against the states as they are against the federal government” and “has meant the virtual nationalization of the Bill of Rights, a result that may well be called a *second Bill of Rights*.” Konvitz then presents his concept of develop-

ments that may be considered a third Bill of Rights: certain rights and liberties recognized by the Court “not at all mentioned in the first eight amendments, that are so fundamental that they must be given a constitutional status as guarantees as if they had been enumerated in the Bill of Rights . . . a third Bill of Rights.” It is these two developments that Konvitz then discusses as well as “the theories and jurisprudential philosophies that are the underpinnings of these developments and that have generated the most significant constitutional debate in American history.” Thus, Konvitz’s determinant essay provides the foundation in law for the events that the essays in this volume explore.

In the realm of organizational behavior, Paul S. Goodman and David A. Whetten’s essay, “Fifty Years of Organizational Behavior from Multiple Perspectives,” reveals not only their meticulously crafted research design, but also their constant awareness of the need for historical perspective. The writing of their essay called, first, for the analysis of one issue each year of the *Journal of Applied Psychology* and *Administrative Science Quarterly* from 1950 to 1990. That procedure enabled Goodman and Whetten “to examine the broad outlines of long-term trends . . . as reflected in shifts in the characteristics of authors and articles, the targets of research, the types of methodologies used, and the variables studied.” They then supplemented “this empirical analysis” by viewing “each of the

preceding four decades from the perspective of a representative of the cohorts entering the field during each of those eras.” They based this decision “on the supposition that graduate students and young scholars form especially vivid impressions of the goings-on in their field . . . [and] that interviews capturing their recollections and portrayals would provide a more textured account of the major trends and events showing up in our journal tallies, as well as shed light on the intellectual and situational forces underlying those trends.” They continue: “Examining the evolution of our field through the experiences and impressions of these very observant and thoughtful colleagues has been an insight-provoking experience for us—one that we are excited to share with our readers.”

Chris Argyris has published articles since 1974 that have urged social scientists in the Academy to engage in research that results in actionable knowledge. The title of his essay in this book reflects that long-standing concern that has become uniquely his own: “Organizational Behavior: Production of Knowledge for Action in the World of Practice.”

Argyris uses two models to present his pattern of thought. Model I “claims to capture the theories of action that people use (hence their theories-in-use) as compared with those that they espouse.” He found that “most human beings are unaware of the discrepancy between their theory-in-use and their espoused theory.” Model I “is essentially a limited learning model. It requires the recipients to be submissive and dependent.” In contrast, the governing values of Model II “are valid information, informed choice, and internal commitment to monitoring the effectiveness of one’s actions.”

Although the research of Chris Argyris does not turn to historical analysis as an ally of research, his concluding comments deal with “one of the most persistent reactions” to the argument of his essay: “it disregards the fact that human beings in private, public, and vol-

unteer organizations are political animals.” He states that there is no evidence that this proclivity cannot be changed. Indeed, he suggests that time may alter one of the most persistent aspects of human beings: their propensity for political behavior. He adds that “research results are just beginning to appear indicating that political proclivity is alterable.”

Lee Dyer and Walton E. Burdick’s essay, “Personnel and Human Resource Management,” explores the field of personnel and human resource management from its origins in the early 1900s to the end of the century. Dyer and Burdick describe and analyze five periods of development. By explicating the salient features of each period, they endow their essay with a long perspective seldom found in the research of a discipline unburdened by historical acumen. Because the depth of their approach grants stimulating insights about the past and present states of their discipline, their view of future trends commands close attention.

Dyer and Burdick discuss the probability of survival among current large-scale bureaucracies and smaller enterprises that have less formal structures. They predict that in the immediate future federalized structures will prevail: configurations of small, independent enterprises closely located “near or with customers, suppliers, or partners around the world, and centered upon even smaller and flatter corporate cores, with the various locations being linked via software and fiber optics as necessary.” For the longer run, they foresee the prevalence of “virtual organizations, temporary marriages of convenience between two or more independent companies (possibly even competitors) designed to mix and match core competencies to exploit specific business opportunities and then dissolve as quickly as they were formed. . . . It is in these federalized and virtual organizations that much of tomorrow’s human resource work will be performed.”

Alice H. Cook and Lamont E. Stallworth observe in their essay, “Challenges in Managing the New Diverse Labor Force,” that today’s labor force in the United States continues to grow more and more ethnically diverse. This and other changes in the labor market “create

challenges for human resources professionals and unions, but also require the courts and arbitrators to reconsider what are the appropriate norms or standards in determining acceptable behavior and fairness in workplace matters.” The authors examine the status of groups that previously experienced high levels of employment discrimination (particularly women and African-Americans) in light of the concept of “transmission of law”—“how and in what respects statutes and legal judgments modify or enhance the effectiveness of the written law” and influence “the socioeconomic behavior of institutions and individuals.”

Cook and Stallworth point out that more than thirty years after the passage of Title VII of the Civil Rights Act in 1964, despite substantial gains, women and people of color are still to some degree deprived of fully equal opportunity and participation in the labor market. Both Title VII and the Equal Pay Act of 1963 “define equality for women and minorities on norms established primarily by and for the white male.” Yet “tradition has powerfully insisted that the work of maintaining a family belongs to women, even when they enter the labor market.” One result is that under this “double burden” women often settle for part-time work, with its lower wages and lack of benefits.

The authors examine various proposals for better achieving equality, including alternative work schedules (flextime, job sharing, work at home), and also discuss child care, particularly “its most baffling and neglected aspect”—arrangements when a worker’s child is sick. So far, they find, “although a certain number of employers have introduced programs that positively affect problems raised here, the list is still short. Nor is it growing rapidly.”

The essay by George Boyer and Robert Smith, “Labor Economics,” brims with excitement and humor. It traces the long controversy between the institutional economists, who, Boyer and Smith explain, tend to be inductive and factual in approach, and the neoclassical economists, who tend to be theoretical and ahistorical in outlook. The essay then examines the circumstances that have led to the convergence of these two extremes as the theorists began to realize that they would have to share the concerns of the institution-

alists if they hoped to affect public policy. Indeed, Boyer and Smith demonstrate that “the greater involvement of analytical labor economists with public policy issues forced three major changes in their research.” First, a thorough grasp of issues of public policy became impossible without recourse to institutional detail. The knowledge required, for example, to comprehend how premiums for unemployment or workers’ compensation insurance are determined has to be very precise: such decisions greatly influence the layoff and safety policies of employers and so affect not only the livelihood of workers, but their very lives as well. Second, as scholars participated more frequently in the formation of public policy, they had to assume “greater responsibility for the accuracy and credibility of empirical results. . . . The quality of one’s data and statistical methods began to really matter when the answers started to affect lives instead of ‘dry bones’ abstractions,” as, for example, when it became necessary to determine the structure of a Black Lung benefits tax. Third, as policy-oriented labor economists began to attract public notice, they had to abandon the jargon of their trade in favor of plain English in order to communicate with educated and intelligent Americans who are unschooled in the jargon of labor economics.

Boyer and Smith use the language of orthodox economics with wit to ask at the end of their essay: “Can this new ‘creeping institutionalism’ be explained solely as the response of autonomous maximizers to the economic incentives offered by government consultancies or the psychic utility of influencing public policy?” They think not. They conclude: “If the new interests of modern labor economics are in fact driven by the imperatives of science, then the institutionalist and neoclassical approaches may well synthesize—and the debates between the two that characterized the past half century may well seem incomprehensible in much of the next.”

Nick Salvatore's keen essay, "American Labor History," explores the vicissitudes of working class life with the lucidity that only capacious knowledge can elicit.

Salvatore first examines the origin of the discipline of labor history at the turn of the nineteenth century within the institutional school of economic thought that John R. Commons and his pioneering and prolific associates initiated at the University of Wisconsin. He finds that their limited perspective and methodology narrowed their view of the past when compared with the arching range of latter-day labor historians, who have drawn new and more varied elements into their field of vision: women, immigrants, African-American workers, family structure, and ethnic identity, as well as the numerous multiclass fraternal organizations, industrial sports leagues, and veterans' organizations. Salvatore, no stranger to the uses of irony, does not spare the new labor historians even while applauding their scholarly virtues: "Yet it is astounding that at best a handful from the legion of new labor historians have ever studied . . . [the religious] aspect of working people's lives; and even fewer have not reduced religion to a function of economic or psychological exploitation."

Salvatore also discusses three currents of thought that were prevalent among the new labor historians. First, regarding E. P. Thompson's *The Making of the English Working Class*, published in 1963, he notes that Thompson's work and the politics of the 1960s provided a unifying theme for American scholars who were restive not only with the Commons legacy and devout Marxism, but also with the assertions of the consensus historians who minimized conflict in their version of the American past. The second current emphasized the social and cultural forces that enriched the lives of workers. The third and most recent current—neo-institutionalism or historical institutionalism—seeks to preserve the critical insights of Commons and his associates by remaining alert to the persistent

and all-encompassing power of entrenched economic and political interests while also assimilating compelling aspects of the insights provided by newer approaches.

Salvatore doubts the usefulness of the concept of class adopted by late twentieth-century labor historians as a central organizing principle. He calls attention in his concluding paragraphs to Thompson's suggestion that "'class' was perhaps overworked in the 1960s and 1970s, and it has become merely boring. It is a concept long past its sell-by date."

Salvatore concludes his essay by referring to the "precipitous modern decline" of the American labor movement and comments: "Nor are the sources for a dramatic revival evident."

Richard W. Hurd, as clear-eyed as Salvatore, presents a more sanguine appraisal of the prospects for organized workers in his essay, "Contesting the Dinosaur Image: The Labor Movement's Search for a Future." The title of his essay derives from the book by Thomas Geoghegan, a friend of labor, *Which Side Are You On?*. It depicts the popular image of the labor movement as "a dumb, stupid mastodon of a thing, crawling off to Bal Harbour to die."

Hurd challenges that judgment by focusing his transit upon the sunnier side of the street. Before doing so, however, he notes two hidden liabilities that impeded unions—in addition to an unfavorable worldwide economy, increased employer opposition, and adverse public policy—as they faced the 1980s: First, local and national unions had come to regard collective bargaining and the grievance-arbitration system as their primary concern. That preoccupation resulted in rigid, rule-based contracts during the very time when firms needed more flexibility to adapt more rapidly to economic change. A second disadvantage arose from the call upon unions to provide trained service staffs to aid members in surmounting the intricacies that proliferated under the collective bargaining and grievance-arbitration systems. This development led to the neglect of the ever-important function of organizing non-union workers.

In the section "The Strategic Response to Crisis in the Kirkland Era," Hurd explains why an adequate antidote to the servicing model

was difficult to apply. Leaders had to be elected periodically and therefore sought to satisfy their members. Since union leaders and staff had attained prominence under the guidance of that model, they did not understand its limitations. They justified present policies by their success in the past and ascribed failures to external forces.

Hurd notes that although unions have been slow to reform, they have nonetheless adopted promising approaches to change. These moves include not only new interest in organizing, but also improvements in administrative structure and the delivery of services, more reliance on political action, new bargaining strategies such as accepting reorganization of work sponsored by employers, and new sources of power like the tactic during an organizing campaign of applying pressures upon lenders, investors, customers, suppliers, stockholders, and directors of the company who might be induced to intervene.

In illustrating the basis for optimism about the future of the labor movement, Hurd takes heart from notable successful organizing drives. He cites the response of the Service Employees International Union to the replacement of striking permanent employees with janitorial contractors. The union initiated a campaign, Justice for Janitors, that used demonstrations, sit-ins, clean-ins, and pressure upon business associates of the struck companies to convince their owners to retain unionized employees, to contract only with unionized janitorial firms, and to recognize the union voluntarily. He also notes that the International Ladies' Garment Workers' Union did not try to organize sweatshops in New York City, Philadelphia, Los Angeles, and San Francisco directly only to see employers close their operations and relocate. Instead, the union opened Workers' Centers in those cities to help workers with English classes or immigration problems. The Immigrant Workers Association of the California AFL-CIO used that approach in the 1992 Recognition Strike by 4,000 drywallers in southern California that eventuated in a contract between the United Brotherhood of Carpenters and fifty-two drywall contractors. In 1995 the carpenters union began a drive to unionize Latino framing carpenters in the area.

Hurd's sanguinity about organized labor's future also springs from successes in higher education, in manufacturing plants in the South, in poultry and packing plants there, in the labor-management partnership programs between the Amalgamated Clothing and Textile Workers Industrial Union and Levi-Strauss, and in a similar program between the Communications Workers of America and NYNEX.

Harry C. Katz and David B. Lipsky, in "The Collective Bargaining System in the United States: The Legacy and the Lessons," find Richard Hurd's sunnier side of the street cast in deep shadow: "the labor movement has become more of a paper tiger than either its friends or its foes thought possible. Switching metaphors, Humpty Dumpty has fallen off the wall, and it is unlikely he can ever be put together again."

Katz and Lipsky reach this dour judgment after first contemplating the pattern of industrial relations that emerged after the end of World War II in 1945. Next, they examine the pattern of collective bargaining, termed by them the New Deal collective bargaining system, that endured for more than twenty-five years until the 1980s and featured the right to strike, confrontation of unresolved grievances through arbitration, and decentralized collective bargaining. They then scrutinize developments during the 1980s and 1990s that witnessed the end of the New Deal system "because of the stress of the changing economic and political environment—and in particular because of growing international competition, economic stagnation, corporate restructuring, and deregulation." Finally, they call attention to the genius of American collective bargaining in grappling with "micro issues and the limited attention paid to macro concerns."

The conclusion tendered by Katz and Lipsky sidesteps the enthusiasm of Congress at the verge of the new millennium for reducing

the size and power of the federal government. They consider it critical while “our country is in the midst of a struggle to develop and then diffuse a new industrial relations system” during a time of increasing blur “between shop floor and economy-wide problems” “that both macroeconomic and microeconomic problems be managed.” They grant: “The challenges are daunting, but we can draw much strength from the depth of our historical legacy.”

Harry T. Edwards and Virginia A. Seitz state the theme of their essay, “From Labor Law to Employment Law: What Next?”: “To paraphrase Winston Churchill, we believe that collective bargaining is the worst form of government for the workplace except for all others.” Although they recognize “the limitations inherent in any system of collective bargaining and rue the occasional abuses that have been associated with the union movement,” they nevertheless deplore the decline of organized labor and collective bargaining. Their regret has two chief sources: first, the close relationship between strong unions and progressive employee relations in the United States, and, second, the essential presence of a strong labor movement and vigorous collective bargaining, at their best, for the fullest development of a democratic society and national economic progress.

To clarify “the necessary role that labor law reform might play in any revitalization of the labor movement,” Edwards and Seitz present evidence early in their essay to demonstrate that organized labor’s influence has declined. Then they advance reasons for that decline, “including the significant role played by federal labor law.” They reject, however, “the notion that employment laws . . . have contributed significantly to organized labor’s decline or that they can fully replace organized labor as the protector of employees’ interests.” In the section “What Next?,” they build their case for change upon the proposition that “the modern American employee is prototypically a low-wage, low-skill employee in a traditional service industry, or a

high-wage, high-skill employee in a knowledge- or information-based industry.” They therefore maintain that unions, if they expect to advance beyond mere survival, must offer more than their customary services. Unions must “operate in fora beyond the traditional ‘appropriate units’ for collective bargaining, and must speak on behalf of *all* workers (whether or not represented in traditional collective bargaining), or be replaced by associations that can meet the urgent representational needs of modern workers.”

These needs emerge from the Edwards-Seitz vision of the future: “The hallmarks of new, high-technology companies are their small size, their often short lives, and the skill and flexibility required of the workforce.” (These hallmarks closely resemble the characteristics of future companies as projected by Dyer and Burdick.) Edwards and Seitz continue: “High-wage, high-skill employees need access to comprehensive, updated information about the external job market and about educational and training opportunities. There is no reason that unions—perhaps unions that evolve from professional standards organizations—should not fulfill these needs.”

Edwards and Seitz then present their recommendations for change, including revisions of the National Labor Relations Act, which “is overly rigid in its prescriptions, unnecessarily cumbersome in its scheme of enforcement, and patently unfair in the balance that it strikes on certain issues. Worst of all, the act tends to promote harsh confrontation, not consultation or deliberation, between management and labor.” They also state that “unions should be permitted to organize in units that actually reflect workers’ interests and that correspond to relevant divisions within the economy.” This revision would sanction “bargaining units ‘geographically along loose occupational lines,’ and also more multiemployer units organized either by industry, occupation, or skill level.” Edwards and Seitz also urge that the NLRB and the courts be prohibited from dealing with issues involving good faith bargaining or permissible subjects of bargaining. They disagree, moreover, with the interpretation of the act that allows employers to replace strikers permanently. In conclusion, they urge “a consensus among government, business, and labor that a

major overhaul of our national economic policy is required, and that a critical component of any such overhaul is the full and effective participation of representatives of the workforce.”

That aspect of the consensus urged by Edwards and Seitz—the phase that emphasizes constructive employer-employee relations—becomes the primary focus of William Foote Whyte and Jennie Farley in “Union-Management Cooperation.” Although they concentrate upon the period between the late 1940s and the 1990s, the “Precursors” section of their essay recalls events during World War I and the 1930s. They describe there the character of the union-management cooperation experienced by the International Ladies’ Garment Workers’ Union, the Baltimore and Ohio Railroad, and the Tennessee Valley Authority. They characterize the Scanlon Plan—innovated in 1937 by Joseph Scanlon of the United Steelworkers Union—as anticipatory of systems that “fit into a pattern of *mutual gains bargaining*, also called *win-win* or *interest bargaining*, which is becoming increasingly popular with some unions and some managements in the 1990s.”

Whyte and Farley discern three stages of development in union-management cooperation during the latter half of the twentieth century.

In the first stage, from the 1940s into the 1960s, the concept of union-management cooperation and its early applications found few adherents outside the Academy until the National Planning Association’s case studies of industrial peace, reinforced by the publication of its final report and conclusions in 1953, highlighted the benefits derived from union-management cooperation. Partisans of organized labor, however, viewed these studies as devices to strengthen management by draining off the militancy of workers.

In the 1970s came the second stage, during which the Quality of Work Life (QWL) movement arose after the surveys in *Work in America*—published in 1973 and sponsored by the Secretary of Health, Education, and Welfare in the Richard Nixon administration—revealed that many employees were dissatisfied with the nature of their tasks at work. This turn of events clearly indicated that

QWL could no longer be dismissed as the errant misconceptions of radicals and scholars in ivory towers. Important firms like the Jervis Corporation and General Motors established high-level labor-management committees to foster and guide QWL programs. Later, the UAW and Ford negotiated similar arrangements for participatory programs that have been termed Employee Involvement (EI).

The third stage occurred in the 1980s and 1990s. The limitations of EI began to surface when labor and management encountered difficulties at the shop level that could not be resolved by good intentions, but required changes in collective bargaining procedures as well as concessions by management over its prerogatives. Whyte and Farley associate this third stage of development with the merger of EI and collective bargaining. They cite as its best example the unusually productive relationship between the Xerox Corporation and the Amalgamated Clothing and Textile Workers Union. Later, they observe: “It seems to us that the 1980s and early 1990s have been marked by pragmatic searches to solve mutual problems in ways that radically change the traditional roles of management and the union.” Although they found many cases to support their position, they analyze two cases in detail: (1) the plant of Shell Canada Limited at Sarnia, Ontario, in Canada and the Energy and Chemical Workers Union, Local 800; and (2) the partnership between General Motors and the United Automobile Workers Union in the manufacture of the high-quality and high-priced Saturn car.

Whyte and Farley find that while the view among union leaders toward union-management cooperation has become more accommodating during the 1990s, management’s position and policies, generally unchanged, occupy three categories: (1) firms like Xerox, Ford, General Motors, and Chrysler that are still committed to cooperation with their unions; (2) companies with both unionized plants, where management allows the formation of cooperative

programs, and unorganized plants where management fights such efforts; and (3) companies that unions have never organized, or where management has been able to eradicate its unions.

In the section “Employee Ownership and Union-Management Relations,” Whyte and Farley depict the origins in the optimistic 1970s of Employee Stock Ownership Plans when workers tried to save their jobs through buying plants that owners abandoned. They state: “Some of us saw employee buyouts as a major means of saving jobs and fostering economic development. By now less optimistic visions prevail. We recognize that saving jobs through an employee buyout is an uphill struggle and that probably more such efforts fail within a few years than succeed.” The section ends with the reminder that there have been several successful buyouts, most notably that of Weirton Steel and its Independent Steel Workers Union.

In “Convergence and Diversity in International and Comparative Industrial Relations,” Lowell Turner and John P. Windmuller “aim . . . to lay out the contours of both convergence and diversity,” guided by their conviction that “the decades-old controversy about which of the two is primary has exhausted its utility in a post-Cold War world of uncertainty and disarray.” They stress, instead, the need “to specify what is converging cross-nationally and what is diverging—empirical questions—and most importantly, why.” They continue: “Explanation requires the development and testing of specific hypotheses, for which comparative analysis is particularly well suited.” Next, they deftly concede that the terms—“convergence” and “divergence”—are both elusive concepts, especially when used “to illuminate complex developments affecting a number of countries that exhibit a remarkable range of contrasts and similarities in their industrial relations systems.” Turner and Windmuller conclude this section of their

essay by observing: “Ferner and Hyman’s equivocation sums it up well: ‘There has been convergence of systems in some respects, but increased diversity in others.’”

Before attempting to theorize about the forces and circumstances that drive toward convergence and diversity, Turner and Windmuller find that trends toward convergence “become particularly noticeable when one examines the role of law and government, the position of trade unions in society, and certain key attributes of collective bargaining.” Diversity, they argue, emerges as a result of “at least two critical sources of variation in industrial relations: (1) the persistence of contrasting national models of economic and political organization . . . that are products of long histories and therefore are resistant to change,” and “(2) a widespread decentralization of bargaining and related flowering of local diversity” due to “changing world markets and employer-led production reorganization.”

Turner and Windmuller aptly named the concluding section of their essay—“Toward a Theory of Change”—since they do not present a theory, but ponder instead the possible ingredients of a theory. They offer these components of a theory in paired arrangements. The first set involves (1) the role of multinational agencies like the European Union in fostering convergence through the institution of rules that govern their members, and (2) the effect of market factors like the ever-active pursuit of more effective methods of organizing work and production in sparking diversity. The second set concerns (1) the encouragement of convergence by labor organizations through their support of values like unity and equality, and (2) the role of employers, in their search for more flexibility and efficiency, in supporting policies that favor divergence.

Turner and Windmuller also offer two unpaired individual hypotheses: (1) the subjection of the forces of convergence and diversity—when national governments and political entities seek to respond to both forces—to the national interest, and (2) the role of the centralization of the structures and decision-making processes of industrial relations in leading to convergence, while the decentralization of these structures and processes probably encourages diversity.

Turner and Windmuller conclude: “Although international and comparative research is demanding, cross-national investigations of convergence and diversity continue to offer great promise, both for vast possibilities of data collection and comparison and for theoretical contributions. This is especially true in the current period of economic and political turbulence and theoretical uncertainty and openness.” ■