

REPORTS AND CORRESPONDENCE

Defining Industrial Democracy: Work Relations in Twentieth-Century America

James Gilbert

University of Maryland

There is a contradiction in the title of the 1988 conference on Industrial Democracy and the Workplace, "Defining Industrial Democracy: Work Relations in Twentieth-Century America." The term, industrial democracy, does not necessarily describe work relations in modern America, and, as often as not, the words vaguely recall late nineteenth-century industrial utopianism. Work relations, either broadly or narrowly construed, normally do not invoke larger questions of social order but, more often, the simple day-to-day operation of the factory. So why, then, a conference on industrial democracy and work relations in modern America?

In part the answer is that both designations refer to aspects of problems at the heart of modern industrial relationships in the United States. And what proved fascinating about the conference, held 29–30 March at the Wilson Center in Washington, D.C., was the way in which the focus of the papers shifted with the perspective of time, from an early emphasis upon industrial democracy based upon local institutions and the emerging corporation, to questions about the survival of trade unionism itself in a contemporary world of mobile capital, cutthroat competition, and internationalism. From identifying the sources of industrial democracy, in papers by Howell Harris (Durham, England) and David Montgomery (Yale), to redefining the culture of contemporary capitalism and the workplace, in papers by Huw Beynon (Manchester, England) and labor author Michael Parker, the conference gradually lost sight of the possibility of industrial democracy. It descended from the optimism of late Victorian hopes for a new social order to the redefinition of work culture in the modern circumstance of the internationalization of production, competition, and consumption. The issue of democracy simply disappeared.

What industrial democracy meant to the early twentieth century was a distillation of sentiments, compounded out of the experience of working men and women and mixed with the optimistic hopes of reformers about the new potential uses of large economic organization and expanded state power. This suggested two things, improbably allied: democracy exercised in the workplace as well as city hall and, later, increasingly efficient and expert management regulated by contract and the state. As Montgomery noted, the years of World War I brought increased

International Labor and Working-Class History

No. 35, Spring 1989, pp. 81–91

© 1989 by the Board of Trustees of the University of Illinois

experience with state regulation and workshop organization at the same time as it intensified the problem of control. In this context, Samuel Gompers's declaration that unions themselves were models for democracy, represented a narrower vision than an earlier emphasis on mutualism, republicanism, and even socialism.

Underscoring this evaporation of the initial definitions of industrial democracy, Harris stressed the important (if temporary) middle-class support for experimental labor and management designs, from schemes to "constitutionalize" industry to variants of Taylorism. By the end of World War I, two constructions of industrial democracy existed—neither very useful. The first replaced industrial democracy with a scaled-down realism of collective bargaining. The second transformed more utopian schemes for worker participation in industrial management into welfare capitalism.

This ambiguous past was a threshold for the next phase of the conference, which centered on the New Deal system of industrial pluralism and evolution through World War II and the 1950s. In particular, participants explored the centrality of collective bargaining and the expectations, trade-offs, and disappointments of the labor movement that emerged from relying upon this practice. James Atleson (SUNY–Buffalo) and Nelson Lichtenstein (Catholic University) both argued that collective bargaining as defined before the war and practiced after 1945 tended to restrict as much as to empower the ability of unions to negotiate. Atleson, however, emphasized that the origins of legal interpretations of collective bargaining rights in the activities of Roosevelt's War Labor Board encouraged arbitration between unions and management, but, in legal opinions, came to mean that in accepting arbitration, labor had given up the right to strike. Lichtenstein, on the other hand, explored the automobile industry, particularly General Motors, where an elaborate system of grievance arbitration was set in motion after World War II. Contrary to expectations, this did not give rise to a "new and universally accepted set of workplace rights." Instead, in the routinized and stable period up to the mid-1960s, even such modest aims were compromised by the negotiation between unequal powers.

A paper by Ronald Schatz (Wesleyan) provided a transition to the third part of the conference: industrial democracy in the context of a new system of multinational capital and finance. Schatz argued that inherent in the thinking of such early experts as John R. Commons and his followers was an emergent theory of a corporatist state or a negotiated system of conflict resolution among management, unions, and the state. Much like the older industrial democracy model, this version held sway among industrial relations theorists (such as Clark Kerr and John Dunlop) from the mid-1930s to the 1950s. By the 1970s and 1980s, however, the relations that prevailed in the American workplace and between labor and management were anything but determined by the outlines of this vision of conflict resolution.

Huw Beynon explored some of the reasons why such models of industrial democracy or even the lesser goals of unionization have become problematic in the

last decade or so. Describing a fluid, internationally based capital and finance market, Beynon questioned whether industrial democracy could be achieved in large-scale industries. Able to relocate easily, with dispersed, competing production units and no real national identity, large corporations such as Ford seem beyond the reach of local or national unions and, perhaps, even national states. This declining importance of place, upon which industrial democracy had been based, suggested a very tentative strategy: a new internationalism of organized labor.

If the model of international capital can be seen as initiating a third period (and subject) for the conference, then the driving force of changes in this world system of distribution, production, and competition has to be Japan. Several papers, by David Brody (University of California, Davis), Robert E. Cole (Michigan), and Sanford Jacoby (University of California, Los Angeles) used comparative analyses to explore the evolution of American work relations in comparison to prevailing practices in America's leading competitors such as Japan. Mike Parker explored how such Japanese ideas as the "team concept" have come to be imposed upon the workplace. The conference concluded with a clear sense that labor relations had evolved through three related but distinct phases in the twentieth century, starting with industrial democracy, passing through a stable midperiod of negotiated, contractual relationships, and into a new and highly volatile period as international capital rewrites the rules of production and distribution.

Perhaps the most compelling conclusion emerges from exploring the evolution of the context in which union-management negotiations have taken place during the twentieth century. Defined during what was essentially the last phase of large-scale local or centralized production, industrial democracy in the early twentieth century drew sustenance from an emerging corporate world that seemed to invite a partnership between capital and labor in a setting of newly established state power and responsibility. Drawing partly on utopian, socialist, and republican ideas, industrial democracy envisioned democratic, political institutions inside the workplace. This made for exhilarating talk, but it rarely fit the reality of disproportionate powers and aims of the participants. And by the 1920s, as a concept to unify organized labor and middle-class supporters, it receded.

This lost political context was not restored, even during the heyday of New Deal and World War II unionism. Rather than an institution upon which to base a democratic reconstruction of society, the union was defined, perhaps more realistically, as one negotiating representative in a world of unequal powers. Yet even such accomplishments as arbitration and collective bargaining seem diminished by the results and by the subsequent decline of union strength in recent decades. Thus the history of industrial democracy reveals a discouraging movement away from some of the larger, earlier goals of labor-oriented social reconstruction inside an atmosphere of narrowing political and, perhaps, economic choices.

Part of this tone at the conference may well reflect the almost singular emphasis upon the automobile industry. Once the centerpiece of the labor move-

ment and symbol of America's industrial success, auto makers and their workers have suffered severe setbacks as production, consumption, and competition on an international scale have displaced the U.S. monopoly on its own market. Given the circumstances, this industry may be less susceptible to meaningful union intervention than some others that retain strong local or national orientations.

Furthermore, the conference seemed to lose sight of the concept of democracy itself, substituting the issue of control in the factory for larger questions. Certainly unions have continued to discuss democracy, and it would have been useful to trade some of the changing meanings and political compromises involved in their activities. But finally, the conference, by anchoring itself in the optimistic notion of industrial democracy, may simply have underscored, as Robert Wiebe (Northwestern) noted in his closing comments, that organized labor's real power in twentieth-century America has been glorious, but short-lived.

Fifth Annual Latin American Labor History Conference

John D. French

Florida International University

The Fifth Annual Latin American Labor History Conference was held 22–23 April 1988 at Princeton University, with the generous support of the Wallace Fund and the Office of the Dean of Students, the Latin American Studies Program, the Woodrow Wilson School, and the Princeton Department of History. The conference focused on the difficult challenge of incorporating racial, ethnic, and community identities into a new and broader conception of social class.

In "Sabana City and Valley Town: The Democratic Societies of Bogotá and Cali, Columbia, 1847–1854," David Sowell (South Carolina) examined urban artisanal and middle-sector political participation in two very different regional contexts. Sowell argued that possession of the privilege of political participation made these groups significant political and social brokers in the postindependence era. Under the newly established republican system, he observed, elite competition created significant openings for previously unarticulated social and economic discontent. The popular interests that were expressed through the Democratic Societies varied in each city, as did their degree of success. Serious analysis of the activities and identities of these non-elite groups, Sowell concluded, can contribute to a rethinking of Latin American political culture in the early national period.

Michael Jiménez (Princeton) noted that Sowell's paper examined the learning curve of republican politics as former outsiders were incorporated into citizenship. To explain the diverging outcomes in Cali and Bogotá, Jiménez suggested,