What Do We Mean by ‘Industrial Relations’?
The study of industrial relations, as we understand it today, dates back more than a century, with the work of the Webbs in Britain and Commons in the USA. The field of study which they pioneered, with its focus on the rules which govern the employment relationship, the institutions involved in this process, and the power dynamics among the main agents of regulation, evolved over the decades in an ad hoc fashion, responding to the pragmatic requirements of governments and managements rather than to any underlying intellectual rationale. The field acquired the label ‘industrial relations’ more or less as an historical accident, following the appointment by the US Congress in 1912 of a ‘Commission on Industrial Relations’. In many respects the title is a misnomer: for the focus of research and analysis normally covers all employment (not just ‘industry’) and not all ‘relations’ (only those regulated by specific institutional arrangements).

At the heart of the study of industrial relations is a complex interaction between theory and practice. The term denotes at one and the same time an area
of socio-economic activity and the scholarly analysis of this empirical reality. This analysis has in turn involved an uneasy mix of explanation and prescription. The early scholars aimed to understand the world of work primarily in order to shape public policy: both the Webbs and Commons were influential advisers of governments. In later years the aim of research and teaching was often to advise managements in the handling of industrial relations issues within the company. A consequence was that the empirical content of industrial relations scholarship often fluctuated with the changing focus of short-term policy concerns, encompassing an eclectic combination of themes and issues. The pragmatic foundations of academic industrial relations also ensured that intellectual perspectives were shaped by the nationally specific definitions of the key problems of the employment relationship prevailing at any point of time: even among the Anglophone countries there has been only limited agreement on the nature of the field.

What is the theoretical status of the study of industrial relations? Pragmatism has entailed that for most Anglophone writers, issues of theory are deemed irrelevant or at best of secondary importance – a fact deplored by Dunlop (1958) in his classic study half a century ago. Dunlop initiated an effort – to my mind (Hyman 2005) rather futile – to establish a self-contained ‘industrial relations theory’ which would confirm the status of the subject as a distinct discipline. This search remains unresolved. So does the very question whether industrial relations is, or should aspire to be, a discipline in its own right: while some scholars, particularly in the USA, adopt this view, for others industrial relations is an inter-disciplinary approach to a distinctive field, for yet others an area where alternative disciplinary approaches can legitimately be applied in parallel.

Because the study of industrial relations emerged without clear theoretical foundations, conflicting understandings of its core premises and subject-matter inevitably exist. There can be no consensual definition of what industrial relations means, or ought to mean; at the end of the day, we can only indicate what most scholars have chosen to study under the rubric of industrial relations. Their central concern has typically been the collective and institutional regulation – or, as has recently been suggested (Edwards 2005; Sisson 2007), governance – of work and employment. The focus, it should be added, has not been on ‘working life’ in the Scandinavian sense: this has typically been left to organisational psychologists and industrial sociologists.

In both Britain and the USA, such regulation has always been established against the odds. The system of common law, with its emphasis on individual freedom of contract and its difficulties in admitting the idea of collective actors (except, interestingly, for the capitalist corporation) created a built-in bias against institutional regulation of the labour market (except, again, by the
capitalist corporation as employer). In the USA in particular, employers insisted strongly on the protection of this privileged status. In both countries, employer prerogative was reinforced by a system of company law which made managements accountable exclusively to share-holders; other 'stake-holders' possessed no analogous rights. Despite these obstacles, for several decades after 1940 the institutional regulation of employment relations through collective bargaining seemed solidly entrenched. This was reflected in the growth of university teaching of industrial relations, the establishment of professional associations (the IRRA, now LERA, in the USA in 1947, BUIRA in Britain in 1950), and the launch of specialist journals (*Industrial and Labor Relations Review* in 1947, *British Journal of Industrial Relations* in 1963). But in the last quarter-century there has been a ‘transformation’ of the real world of industrial relations (Kochan et al., 1986) in the Anglophone countries, with a sharp fall in both union membership and collective bargaining coverage.

This has caused disarray among academic analysts, particularly in the USA, where the challenges have been most severe: growing managerial unilateralism, a virtual collapse of union membership, the withdrawal or weakening of the limited pre-existing statutory supports for collective bargaining, the fashionable discourse of ‘human resource management’ (HRM), the rise of surrogate systems of ‘industrial relations’ without independent collective representation. If industrial relations is defined in terms of an autonomous sphere of job regulation through collective bargaining between trade unions and individual employers, it is not surprising that the subject has seemed of declining relevance in the Anglo-Saxon world. The vacuum was of course filled, as Kaufman (1993) has charted, by the advance of HRM as an academic field as well as its rise as managerial practice. The Anglophone debate has in the last two decades been dominated by a widespread diagnosis of the end of (collective) industrial relations, with the question frequently posed: is our field of study in its traditional sense now a marginal phenomenon? The idea of crisis is all-pervasive. Must academic industrial relations be radically redefined if it is to survive?

### The British Tradition

Though there were marked similarities in the rise and consolidation of academic industrial relations in the USA and Britain, it is important to insist that there are significant contrasts in developments in the two countries. These are of key relevance today: the extent to which the subject is in crisis differs considerably on the two sides of the Atlantic.

From the Webbs at the end of the nineteenth century to the Donovan Royal Commission of 1968 and beyond, academic analysis was closely related to public policy; in this respect, as indicated above, British experience mirrored that
in North America. But there were important distinctive features in terms of both industrial relations realities and academic approaches. By the early twentieth century, there was a broad consensus within British public policy that collective bargaining between unions and employers’ associations was the most desirable method of regulating employment conditions. Accordingly, institutionalised industrial relations became far more firmly embedded than in the USA. A simple numerical indicator is that at the height of British union membership at the end of the 1970s, density was over 50%, whereas in the USA at this time it was only 20%. And US collective bargaining coverage was little higher than union density (about 25%), whereas in Britain it was over 70% – even though multi-employer bargaining had by then largely disintegrated, except in the public sector. Partly for this very reason, British industrial relations scholarship displayed continued dynamism at a time when its American counterpart was stagnating (Strauss and Feuille, 1978).

The paths have diverged further in recent decades. The Thatcher government, elected in 1979, rejected much of the established industrial relations settlement in favour of ‘free market’ options. The traditional commitment to collective regulation was abandoned, in favour of an effort to cut back on trade union capacity through new legislative restraints and to strengthen management capacity for unilateral decision. The separate Employment Department (ministry), regarded as a covert ally of trade unionism within the machinery of government, was abolished, its functions divided among (and subordinated to) a number of other ministries. In parallel, industrial relations academics – the great majority of whom were closely associated with the Labour Party – were now largely excluded from the public policy arena. One interesting continuity, however, was the series of large-scale workplace industrial/employment relations surveys (WIRS/WERS), an academic-government collaboration conducted on roughly five-year intervals since 1980.

However, as Elvander (2002) noted, despite some obvious similarities in recent trends in Britain and the USA, the differences are also important. In Britain the collapse of collective industrial relations has been less radical: union density is still close to 30%, against only 12% in the USA, and bargaining coverage is 35% compared to 14%. The advance of HRM in Britain has been more superficial than in America, and has typically co-existed with union recognition rather than being used as a means of union exclusion. Latterly, indeed, there have been elements of a collective re-regulation of employment relations, primarily driven by the ‘social’ legislation of the EU. In key respects the practice of industrial relations in Britain has become partially Europeanised, giving a new vitality but also a new focus to industrial relations scholarship. (One may note, in passing, how the vocabulary of ‘social partnership’ has become embedded
in British discourse – though the institutional foundations and the diverse and contradictory meanings of the term in continental Europe are rarely appreciated.) And despite considerable ambivalence on the part of ’New Labour’ towards organised industrial relations, public policy since 1997 has become more sympathetic to collective representation.

Correspondingly, academic industrial relations has not been eclipsed – though to some extent it has been ’re-branded’ as HRM, and to some degree there has been a fragmentation into disconnected areas of teaching and research. Here it is important to note that in Britain, the subject has never been as closely linked to institutional economics as in the USA, so has been less affected by the current neoclassical hegemony within academic economics. British research is informed by a variety of theoretical traditions and has become increasingly inter-disciplinary in character. One may note that academics have been brought back into the policy community under the Labour government – an important instance being their role as members of the Low Pay Commission, established with the introduction of a statutory minimum wage. As Edwards (2005) has concluded, industrial relations in Britain has a ’promising future’.

**Varieties of Continental European Approaches**

It is difficult, and perhaps presumptuous, to generalise about European approaches to industrial relations research. Just as the notion that there exists a common ’European social model’ is at best a half-truth – for there are marked variations in national systems of welfare protection and labour market regulation – so different intellectual traditions and institutional arrangements shape national approaches to the analysis of employment issues.

Differences in labour market institutions and in policy priorities mean that the very object of investigation varies according to national context. ’The employment relationship”, although acknowledged as being at the heart of industrial relations study, is not in itself adequate to describe the processes at work in different European countries (Milner 1994: 28). In Anglophone countries, the employment relationship is typically conceived as a bilateral exchange between employer and employee, though often intermediated by ’external’ agencies such as trade unions and governments. By contrast, the object of enquiry is typically much more diffuse and wider-ranging in continental Europe. Consider the term rapport salarial, at first sight a literal equivalent. This concept, a central reference for the French régulation school (e.g. Boyer 1980), implies a relationship not merely between employers and employees but directly implicating other actors, in particular the state; not merely an economic exchange but a complex of rights, responsibilities and obligations which guarantee workers a recognised status (Supiot 2001); and even in economic terms, the framework not only for a wage-
work bargain but also for the definition of a range of other social entitlements.

It follows that Anglo-American ‘voluntarism’ – the principle that employment regulation is best left to unions and employers, with minimal state ‘interference’, which has in turn sustained a conception of academic industrial relations as largely detached form the study of politics – has little resonance in most of continental Europe. It is true that in some countries, in particular Sweden and its northern European neighbours, there is a powerful principle that the state should know its place. (The catholic doctrine of ‘subsidiarity’, embraced as a key principle within the EU, is also relevant here, notably as one source of the German notion of *Tarifautonomie*. Yet universally, the labour market is seen to be socially constructed and delimited: it is taken for granted that the state is, directly or indirectly, implicated in employment relationships. In most countries, law and collective bargaining are treated as complementary rather than contradictory (Supiot 2001: 95-8). This perspective is equally influential for industrial relations actors and policy-makers and for academic analysts: all recognise that industrial relations practice is to an important degree politically constructed.

Across continental Western Europe, collective regulation of the employment relationship is strongly embedded: what for Anglo-American scholars requires explanation is taken for granted. Moreover, there is little sense of the company or workplace as segregated societies (though this may be changing in the face of economic internationalisation). The company is not just the private property of its share-holders but is responsible to a range of stake-holders, most importantly employees, who possess recognised rights. Employer solidarity and multi-employer collective bargaining contrast with the far greater decentralisation in Anglo-Saxon countries. Trade unions, though in some cases strongly rooted in the workplace, have a much broader social identity; and their role often extends to detailed engagement in the formulation of public welfare and labour market policy and the administration of social benefits. (In some countries, such as France and perhaps also Italy, this may be more significant than their role as collective bargainers.) It may be symptomatic that in most European countries, and within the European Commission, the ministries responsible for industrial relations have titles such as Labour and Social Affairs. We may also note that elusive element of Eurospeak, *espace social*: usually translated as the ‘social dimension’, but also meaning, more prosaically, the sphere of industrial relations.

Thus in most of western Europe the realities, and the intellectual mindsets, have been very different from those in Anglophone countries (Frege 2007). As noted above, the collective organisation of economic interests, the social regulation of market transactions, and the systematic presence of the state in either the foreground or the background of these processes, have been taken
for granted in the practical and analytical conduct of industrial relations. This is, of course, one reason why the very concept of industrial relations translates so uncomfortably into continental languages and is in many countries avoided altogether. Indeed the International Industrial Relations Association chooses different labels in its two other official languages *(Association internationale de relations professionnelles and Asociación Internacional de Relaciones de Trabajo)*. I see that the Swedish national association is *Svenska IIRA-Föreningen* (perhaps not too meaningful to the uninitiated), while the German Industrial Relations Association calls itself precisely that, in English. Several other national associations follow the Swedish or German models; most others (like the Spanish) adopt the label ’labour relations’ (in translation). I also see, however, that there is now debate among French specialists in the field over the appropriateness of the accepted term *relations professionnelles*.

Translation problems reflect the fact that what is studied in Anglophone countries as industrial relations is elsewhere in Europe normally the focus of distinct disciplines (economics, law, sociology, psychology). This leads to segmentation between disciplines rather than inter-disciplinary integration, but also gives research and analysis firm theoretical foundations. Indeed it is fair to say that continental Europe has a far stronger theoretical tradition in academic life than in the Anglo-Saxon countries, and that disciplinary identities are often more encompassing. In some countries at least, it is also the case that a somewhat hierarchical, even authoritarian character to academic politics, for all its negative consequences, also allows those who attain professorial status the autonomy to pursue their own intellectual interests without sanction from their disciplinary peers. If this has inhibited the emergence of a distinctive cross-disciplinary field of ’industrial relations’, it has also meant that studies of the world of work have been less shallowly pragmatic and more reflective than has often been the case in the Anglo-Saxon context (Hyman 1995). Far more commonly than in Anglo-Saxon countries, concern is directed towards what Cox (1971: 142) has called ’broad structural changes’.

All European countries (now even Sweden) have seen an erosion of union membership alongside challenges to the institutional arrangements of employment protection and labour market regulation which had seemed firmly embedded over many decades. Yet few countries have seen a ’transformation’ of industrial relations comparable to experience in Britain or the USA (leaving aside the very special case of central and eastern Europe): collective regulation remains robust. Rather than conceding the end of collectivism and abdicating to the employer all possibility of regulation, the central question in current European debate is how to re-institutionalise the employment relationship at societal level (Supiot 2001: 52) – even though some advocates of ’flexicurity’
do appear anxious to refashion labour markets along Anglo-American lines. It is notable that the idea of HRM as an alternative to collective regulation of employment has barely arisen in most continental European countries, either among policy-makers or in the field of academic analysis (France is the clearest exception – yet here, unions are so weak in most workplaces that union exclusion is hardly the main motive). The collectivist paradigm survives largely intact.

The corollary is that in continental Europe there is no crisis of industrial relations research of the kind which Kaufman, drawing on North American experience, regards as near-universal. On my reading, there is on the contrary a healthy advance in European scholarship which displays a degree of analytical convergence with traditional Anglo-Saxon industrial relations studies of the institutional regulation of employment.

Across continental Europe, of course, the study of work and employment is located not in distinctive departments of industrial relations (nor, in general, of management) but in the broader social sciences: sociology, economics, law.... If in the past this encouraged a certain fragmentation of research and analysis, my impression is that this is far less serious a problem than a couple of decades ago: many labour economists, industrial sociologists, labour lawyers have discovered how to speak to each other and have become sensitive to each other’s problematics. Thus in recent years there has occurred in many European countries a growing cross-disciplinary focus on working life, labour markets and processes of employment regulation. Here I would note the high European profile of SASE (the Society for the Advancement of Socio-Economics), originally a heterodox US invention but well attuned to the developing analytical concerns of European students of employment relations. Or one may consider the importance in Europe of socio-legal studies: most prominent European labour lawyers regard as central themes of analysis the socio-political sources of legislation and its practical impact in the actual workplace.

In all cases, a strong theoretical grounding is taken for granted. Typically, continental writers on employment regulation are self-consciously theoretical: the attempt is at one and the same time to illuminate the dynamics of industrial relations and to clarify the nature of theory itself. Their theory may be drawn from the ‘classics’ of Marx, Weber and Durkheim, or from more recent innovators, but in any event entails a focus on ‘big’ questions, with an effort to place local developments in a wider context. This means that the theories which are addressed to the world of work cannot be described as theories of industrial relations, and are not intended as such.

This has additional implications. When the (bilingual) German journal *Industrielle Beziehungen* was launched, its editors insisted (1994: 6) on the need to link ‘the micro perspectives of employees and firms’ to ‘the meso perspective
of associations and intermediary actors’ and ‘the macro perspective of state and society’. Such emphasis on the interdependence of different levels of analysis is far more common, it seems to me, in continental approaches to employment regulation than either in Britain or in North America. Conceptually and methodologically, too, it seems to me that there would be far broader agreement in continental Europe than in the Anglophone countries with the declaration of Míguez and Prieto (1991: xxii) that ‘wage-labour relations have to be approached through three complementary analytical perspectives: the structure of relations of production (i.e. capitalist market relations), the actors in these relations and the practices of these actors.... Structures, actors and practices form part of the same reality: or better, they are the same reality.’

A final aspect of continental work on industrial relations which I would highlight is the importance of comparative research and analysis. Cross-national comparison obliges the researcher to relativise perspectives on institutions and practices which are commonly taken for granted; and one of the tasks of scholarship is surely to make the strange familiar and the familiar strange. The broader the range of comparative reference, the more strongly grounded are our generalisations and the more encompassing our causal inferences. Unlike the insular British – and the often self-centred Americans – it is difficult for European scholars to remain parochial; particularly in the case of those from small countries with minority languages, if they wish to engage with an international (which de facto tends to mean, English-speaking) audience. The familiarity of our continental European counterparts with Anglo-American trends and literatures can be humbling when few of us can reciprocate. Note however that the academic point of reference for European students of employment is not necessarily that of industrial relations or HRM, but commonly sociologists or political scientists who have brought to the study of employment regulation the theoretical concerns of their home disciplines. (Here it is also worth noting that there has indeed developed a strong US-based tradition of comparative work on industrial relations, but typically located in political science rather than in industrial relations or HRM departments.)

It is possible to suggest that continental European scholarship has been taking on some of the fertile eclecticism of the Anglophone world. This convergence is associated with new theoretical insights, particularly as a result of the growth in cross-national comparative analysis. The integrative role of the EU has provided a new focus of industrial research: how do national actors engage with emerging regulation at European level and with the institutions involved in this process, and how do European initiatives in turn affect practice at national level? The fashionable concept of ‘multi-level governance’ is of course one attempt to make sense of these dynamics. More abstractly, EU developments
pose in new form the familiar ‘structure-actor’ analytical controversy. The dominant approach towards this issue involves some variant of ‘actor-centric institutionalism’ (Scharpf 1997): there is a growing concern with ‘what really happens’ on the ground, but recognition that this is to an important degree shaped by institutional context. As Crouch (2005) has recently insisted, continuity and change are both equally problematic, and European scholarship in industrial relations is increasingly addressing their contradictory interdependence.

**The Institutional Architecture of Research**

How is academic research in industrial relations resourced, who determines the issues investigated and monitors the results? In most countries, ‘independent’ academic analysis remains the main vector of research activity. This is particularly the case for research within the framework of a single discipline, and where costly methods (extensive international fieldwork, large-scale surveys) are not involved. Even where projects do require more substantial funding, in many countries this may be sought by university-based academics on a competitive basis from national research councils or foundations. In principle this maximises the intellectual autonomy of researchers, though within limits which may vary between countries. For example, in Britain the Economic and Social Research Council (ESRC), probably the major source of financial support for industrial relations researchers, has in recent years been seen by many observers as increasingly influenced by an employer-driven agenda, making critical research less likely to receive support than in the past.

Much research is also undertaken within, or commissioned by, government agencies. In my own country, the Employment Market Analysis and Research (EMAR) section defines its function as to ‘provide the evidence base for good policy making in employment relations, labour market and equality and discrimination at work’; while it has its own team of researchers, the bulk of its output is work undertaken on commission by external academics. In some countries, far larger teams of researchers are employed by government agencies: for example the Institut für Arbeitsmarkt- und Berufsforschung (IAB) in Germany, with a staff approaching 300, or the Direction de l’animation, de la recherche, des études et des statistiques (DARES) in France, with a staff of almost 200.

In some countries, major research is undertaken by union-sponsored research centres. The most obvious Nordic example is probably FAFO in Norway, which now receives some corporate funding, and has just under 100 staff. In France, the Institut de Recherches Economiques et Sociales (IRES) is jointly managed by all the main trade union confederations, though it is primarily government-funded. In Germany, the Hans-Böckler-Stiftung is associated with the trade union confederation DGB, and incorporates the Wirtschafts- und
Sozialwissenschaftliche Institut (WSI) which researches, in particular, developments in collective bargaining. Both main Italian union confederations, CGIL and CISL, are linked to important research centres: respectively Istituto Ricerche Economiche e Sociali (IRES) and Centro di Studi Economici e Sindacali (CESOS). The catalogue could easily be extended, evidently. Employers’ organisations (and indeed individual companies) of course also undertake their own research, but this is rarely analytical in an academic sense and they are far less likely to place the results in the public domain. Probably the major exception is the Institut der deutschen Wirtschaft (IW) in Germany, which publishes extensively on industrial relations and labour market issues.

As far as I know, there are few examples at national level of tripartite research centres. The most obvious instance, now eliminated in an act of political vandalism, was of course the Arbetslivsinstitut in Sweden.

Dependence on external funding carries evident risks. Who pays the piper calls the tune…. Hence the research agenda may be externally defined, with researchers forced to focus on issues of narrow practicality rather than analytical significance, and on short-term priorities rather than topics of longer-term importance. Such funding is also vulnerable to budgetary constraints, and in some cases, as the Swedish experience shows, to governmental vindictiveness.

Towards a Europeanisation of Research?
Are industrial relations scholars in Europe learning a common language? There seems to be a growing cross-national awareness of key research findings, an increasing number of multinational research projects, and evident convergence in methodological approaches.

There has also been a common focus on a number of key analytical debates: how do we compare national systems? Do recent trends indicate convergence or path-dependence? At EU level, does the development of ‘multi-level governance’ represent an adequate defence against the erosion of the European ‘social model’? All these issues have become the common currency of European researchers in industrial relations, in the process drawing British scholars closer to continental perspectives.

Particularly as many national research budgets have become constrained, the EU itself has acquired growing importance as a research sponsor. The European Foundation has existed for 30 years, and has published its online EIRO reports for ten – providing a valuable source of empirical data for academic analysis. The Commission is also a direct source of funding, both through its Framework Programmes (though the social sciences are the poor relation) and through work directly commissioned by DG Employment. In some respects this has helped broaden the industrial relations research agenda, notably by highlighting
equality issues. But from another perspective there has been a narrowing: as at
national level, funding is targeted at issues of immediate political priority and
at questions which presuppose a specific answer. For example, the recent focus
on ‘flexicurity’ has provided work for labour market researchers but scarcely for
those who adopt a critical perspective.

To return to my starting point: in Europe, the practice of industrial
relations is not in a state of crisis, and neither is its academic analysis. The
institutions of employment regulation remain robust, and scholarly research
into their dynamics is expanding. Nevertheless, there are clear challenges to any
complacency. Neoliberal conceptions of economic activity in general, and of
employment relations in particular, are in the ascendancy, and receive powerful
backing from within the governing institutions of the EU. Governmental and
corporate efforts to shape the intellectual and research agenda are increasingly
evident. Now is a time for the IIRA – and indeed its Swedish organisation – to
take a firm stand in defence of collectively regulated industrial relations. To
sustain research and scholarship which is intellectually innovative and which
sustains the emancipatory promise of social science, we need a European com-

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Flexibilitet – ett exempel från forskning om flexibla organisationer och dess konsekvenser för arbetsmiljön