

Introduction

Towards inclusive collective industrial relations: Selected articles from the *International Labour Review* throughout the last century

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Abstract. *Collective industrial relations (CIR) are founded on particular rights that can be exercised only by employee representative bodies, not by individual employees. From the many publications on CIR that have appeared in the International Labour Review over the past 100 years, 15 contributions were selected for inclusion in this Centenary Issue. A criterion for the selection of an article was its focus on the strengthening of inclusivity – that is, the extension of the protection afforded by CIR to as many people as possible and not just to privileged groups. Inclusive CIR are the precondition for reducing discrimination in the labour market and for universalizing decent work.*

Keywords: *industrial relations, collective bargaining, labour standards, international comparison, wages, works councils, co-determination.*

1. The foundation of collective industrial relations

Among almost 3,000 signed articles published in the *International Labour Review* (ILR) from 1921 to 2020, some 500 covered various aspects of collective industrial relations (CIR). Yet, it is hardly surprising that so many articles were published on this subject. Freedom of association and the effective recognition of the right to collective bargaining are, after all, two of the ILO's core labour standards.

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CIR are founded on a set of particular rights that can be exercised only by employee representative bodies such as trade unions or works councils but not by individual employees. In addition to the conclusion of collective agreements, these rights provide for the negotiation of tripartite national agreements and the implementation of co-determination at establishment and company levels. They also involve the participation of the social partners in various advisory bodies on policy matters and in the self-administration of social insurance schemes or initial and further vocational training. Finally, in many countries, employment legislation contains non-mandatory provisions that offer companies the possibility of derogating from the law on the basis of collective agreements, on the assumption that employee protection remains guaranteed if such derogations are negotiated with strong trade unions.

CIR are perhaps the best example of an “enabling state” (Gilbert 2002) that delegates the negotiation and monitoring of working and employment conditions to the social partners. The potential outcomes associated with the notion of the “enabling state” – such as reduced bureaucracy, a stronger civil society through high levels of citizen participation, more precisely targeted standards and their flexible adjustment to differing requirements – are all expected to be achieved in exemplary fashion by collective negotiations.

Freedom of association and the effective recognition of the right to collective bargaining are the preconditions that have to be met before autonomous CIR of any kind can develop. In this regard, individual countries have not followed the same path, and so quite different national CIR models have emerged. The various models have developed mostly in the context of political conflicts at critical historical junctures – for instance, during or after wars, the collapse of dictatorships or economic and political crises associated with large-scale regulation or deregulation of labour and product markets. Since CIR, once institutionalized, open up or restrict the actors’ freedom to act, changes in CIR tend to be heavily path-dependent when industrial relations undergo further development as a result of changes in political power relations or in reaction to new challenges such as globalization, the development of new forms of employment and technical change (Bosch, Lehnendorff and Rubery 2009). Consequently, there is scarcely a political sphere in which the dynamics of change are as strong as in CIR. In times of rapid economic change, the forms and content of CIR must also change to enable the social partners to help shape the process.

The publications on CIR in the ILR cover a wide range of topics that reflect the consequences of major historical upheavals and economic and technical developments. Furthermore, the diverse national models of CIR and their constant change give rise to numerous international comparisons from which actors can draw lessons.

The diversity of national CIR models has increased considerably since the Second World War as a result of decolonization, the lifting of the Iron Curtain and the collapse of many dictatorships. Until the 1950s, virtually all the articles published in the ILR on this topic dealt with institutionalized forms of CIR in the industrialized countries of the global North. Workers in the colonies

who had been denied any right to CIR by their colonial masters (Cross 1989, 150–170) were deprived of a voice, although even in these countries – as in all countries with wage work – CIR existed, albeit in different forms. Where independent trade unions are proscribed, other forms of conflict resolution emerge, such as the semi-legal or clandestine establishment of trade unions (see, for example, Allen 1992; van der Meer 1997).

Fifteen of the many interesting publications on CIR that have appeared in the ILR over the past 100 years were selected for this issue. These articles have been highly relevant throughout the ILR's history, were extremely influential during certain periods and are still important to today's readership. A further criterion for selection was that the articles should focus on the strengthening of inclusivity – that is, the extension of the protection afforded by CIR to as many people as possible and not just to privileged groups. Inclusive CIR are the precondition for reducing discrimination in the labour market and universalizing decent work. The Preamble of the ILO Constitution states that “the failure of any nation to adopt humane conditions of labour is an obstacle in the way of other nations which desire to improve the conditions in their own countries”.¹ This also applies, of course, at the national level. If the rights to form and join a trade union organization and carry out autonomous collective bargaining are reserved only for certain groups of workers – or if groups with strong bargaining power seek only to obtain as much as they can for themselves without also negotiating on behalf of those workers who do not have such power – then competition in the labour market will play out via wage levels, eroding standards for all (Bosch, Mayhew and Gautié 2009; Hayter and Visser 2021).

2. CIR in times of radical change

The articles selected begin with three contributions on the development of CIR in times of radical change. In Germany, it was not until the establishment of a democratic republic after the First World War that trade unions were recognized as equal partners in collective bargaining, and the right to employee representation through works councils – bodies elected by all employees – was established. Eduard Bernstein (1921), a member of the German Parliament and one of the leading members of Germany's Social Democratic Party, describes in his article the importance of the new Works Council Act (*Betriebsrätegesetz*) that was adopted in January 1921. It became a model emulated by many other countries and still informs industrial relations in Germany today. The Act enshrined the rights of works councils to be informed and consulted and, on social issues, to actively participate in decision-making – a practice known as “co-determination” (*Mitbestimmung*). As a result of their responsibility for monitoring compliance with collective agreements and labour legislation, works councils, in practice, also became the most effective labour inspectors. The appointment of one or two members of a works council to the supervisory

¹ Full text available at: https://www.ilo.org/dyn/normlex/en/f?p=1000:62:2605746838092::NO:62:P62_LIST_ENTRIE_ID:2453907:NO.

boards of joint stock and other companies was commendable, particularly at that time. The Act strengthened the trade unions' prerogative to conclude collective agreements and gave them the right to access the workplace and the right to participate in works council meetings. Somewhat over-optimistically, Bernstein concluded that

no one will regard it as an exaggeration to say that this Act ... adopts the trade union principle, which is that the works councils shall in all essential respects be subordinate to the trade unions. This is undoubtedly, even from the point of view of economic policy, a great advantage. Separated from the trade unions, the works councils would be in danger of degenerating at some time or other into organs of industrial particularism, of making more or less anti-social concessions to the individual interests of particular undertakings or of a group. This intimate connection with the trade unions will prevent any such aberration. (Bernstein 1921, 36)

Ignace Bessling (1942), an ILO specialist in labour law and working conditions, investigated the role of industrial relations in the English-speaking democracies in the Second World War. For the duration of the war, strikes and lockouts were prohibited or, alternatively, the social partners temporarily renounced their rights in order not to jeopardize the production of goods that were crucial to the war effort. By way of compensation, compulsory arbitration was introduced for distribution disputes, or statutory regulations were put in place with the involvement of the social partners. Since the war effort was absorbing a high proportion of the countries' production capacities, and correspondingly less capacity was available for consumption, wage controls were introduced to prevent price increases that would have hit low wage earners the hardest. For various reasons, however, a complete wage freeze was never considered. Wages were to continue to offer incentives to workers to remain in, or move into, sectors that were crucial to the war effort. In some of these sectors, special "war loadings" were paid. To enhance social cohesion, in the United States and the other countries examined by Bessling, the prohibition of discrimination by "race, colour, creed or sex" was one of the most important principles governing wartime wage policy (Bessling, 538). Like the other countries, the United States systematically sought to raise the wages of "sub-standard" employees. In the process, it became apparent that "industry-wide collective agreements in a given area are deemed to be a powerful auxiliary in the regulation of working conditions in wartime" (539). Bessling concludes with a rather sobering finding – that equal treatment can be implemented much more quickly in times of war than in times of peace (567).

Arturo S. Bronstein (1995), an ILO specialist in international and comparative law, analyses the evolution of industrial relations in South America after the collapse of the region's dictatorships in the 1980s. Most South American countries were among the ILO's founding members and had long traditions of CIR that had been strongly influenced by the legal traditions of Spain and Portugal, the former colonial powers. From the 1920s onwards, an extensive body of labour legislation that offered protection to employees had developed within these traditions. At the same time, the trade unions' freedom to act was severely restricted and controlled. During the dictatorships from the 1960s to the 1980s, the massive violations of the human rights of trade unionists

and other activists were part of the “staple diet of the Committee of Freedom of Association of the ILO” (Bronstein, 166). However, once democracy was restored, there was no return to the past. To be sure, trade unions and collective bargaining were permitted again, with varying degrees of restriction. However, the debt crises and the painful adjustment programmes imposed by creditors like the International Monetary Fund in the late 1980s changed the economic situation, which led to a “complete divergence between political and economic trends” (168). Although the trade unions were granted rights that would have been inconceivable just a short time before, their room for manoeuvre was severely restricted by economic constraints. The role of the State also changed. In many cases, it withdrew from the “guaranteeism” (185) on which its protective role was based, by deciding to deregulate labour legislation. Bronstein does not venture to make any predictions and paints a picture of fragile democracies with unstable CIR that could be imperilled at any time by a return to authoritarian regimes.

3. CIR and ILO Conventions

Until the end of the Second World War, the ILO adopted only Conventions that provided protection for individual workers. In 1944, in the Declaration of Philadelphia, which became part of the ILO Constitution, enforcement of the “effective recognition of the right of collective bargaining”² was established as part of the ILO’s mandate. Five years later, this right was defined more precisely in the Right to Organise and Collective Bargaining Convention, 1949 (No. 98). Further Conventions on various aspects of collective bargaining were adopted in the decades that followed. Bernard Gernigon, Alberto Otero and Horacio Guido (2000), all of them ILO specialists in labour relations, not only elucidate the contents of these Conventions but also draw on the reports of the Committee on Freedom of Association of the ILO’s Governing Body, which deals with complaints of the violation of the freedom of association and thereby makes a key contribution to the interpretations of the Conventions.³ These interpretations and the other Conventions adopted are aimed primarily to advance the aforementioned effective recognition of the right of collective bargaining. In view of the many restrictions on this ILO core labour standard in numerous countries, the importance of the word “effective” cannot be overestimated. According to the ILO standards, collective bargaining cannot be “effective” if large groups of workers are excluded; if the State restricts the content of negotiations; if collectively agreed standards do not take precedence over individual agreements; or if firms do not negotiate exclusively with independent trade unions and instead deal with organizations that are dependent on them.

² The full text is available at: <https://www.ilo.org/legacy/english/inwork/cb-policy-guide/declarationofPhiladelphia1944.pdf>.

³ For further information on the Committee on Freedom of Association, see: <https://www.ilo.org/global/standards/applying-and-promoting-international-labour-standards/committee-on-freedom-of-association/lang-en/index.htm>.

The elimination of discrimination with respect to employment and occupations is also part of the ILO's social justice mandate. Adelle Blackett and Colleen Sheppard (2003) of McGill University in Montreal investigate the relationship between these two ILO mandates – that is, the right of collective bargaining and the elimination of discrimination. Previously, these mandates tended to be examined separately. Anti-discrimination policy focused, above all, on strengthening individual rights, whereas the emphasis of collective bargaining was on promoting collective rights. However, interaction between these two policy fields is, according to the authors, considerably more effective in achieving both these goals. In the final analysis, collective bargaining can potentially make a major contribution to reducing discrimination, just as legal provisions on individual rights can make the reduction of discrimination one of the objectives of collective bargaining. However, according to the authors, the relationship between the two fields is not without its tensions. The various national collective wage systems and some of the provisions included in the collective agreements, such as those pertaining to seniority systems or the criteria for wage classification, are hardly “equality-neutral” (Blackett and Sheppard, 420). Another problematic issue, the authors argue, is the decline in coverage by collective agreement as a consequence of the increase in precarious forms of employment and the outsourcing of jobs to subcontractors, which has led to an increase in the differences in working and employment conditions between groups with varying degrees of bargaining power. Thus, collective bargaining policy cannot make an effective contribution to the fight against discrimination unless it becomes more inclusive and coverage by collective agreement is increased by the “enabling role of the State” (441). At the same time, however, the success of this policy also requires a clear commitment on the part of the social partners, protected by statutory provisions, to reduce discrimination. In the absence of a commitment to involve groups suffering from discrimination in collective bargaining and to monitor discrimination continuously, there is a risk that groups with strong bargaining power will assert their own interests even at the expense of others. There are, unfortunately, many examples of this tendency.

4. CIR and new forms of management, work and production

By way of supplementing Taylorism, which focused on formal work organization, the human relations approach concentrated on the effects on productivity of the social relations that often develop informally alongside the management hierarchy. In an article published in 1952, Eladio Daya, an ILO specialist in labour law and labour relations, examines the role of trade unions in establishments with a management style inspired by the human relations approach. He refutes the view that joint efforts to raise productivity based on cooperation are incompatible with the trade unions’ “philosophy of conflicts”. A certain level of conflict is present in any case and is unavoidable, he argues. However, relations based on trust and productive cooperation do not come about by chance but have to be developed deliberately and purposefully. Daya sets out

eight guiding principles that facilitate long-term cooperation between companies and trade unions and that are still relevant today. They include the full recognition of collective bargaining and of trade unions as institutions, and an acknowledgement by unions that their members' welfare depends on the company's success (Daya, 595). This mutual recognition must be unambiguous, since distrust arises immediately if it is obvious that management accepts the trade unions only because of their prevalent strength at the time but actually wants to get rid of them. As Daya points out: "It is often said that management gets the kind of trade union it deserves" (596). For trade unions, conversely, it is difficult to break away from a rhetoric of conflict that was prevalent during their founding periods and to make the transition to a language of collaboration. However, the fact that the author speaks only of men, as if there were no economically active women at that time, strikes a rather dated note today.

Efrén Córdova (1986), an ILO labour law and labour relations specialist, sees the increasing prevalence of atypical forms of employment, which in the past played a subordinate role alongside standard employment relationships, as a source of new inequalities. Since employment rights and social security are in many cases linked to a standard employment relationship, many of these atypical forms of employment are precarious and fragile. The author characterizes as particularly problematic triangular employment relationships,⁴ in which it is difficult to identify the employer responsible for meeting the legal and contractual obligations. Furthermore, Córdova argues, the balance of power between workers and management is also at risk, since permanent full-time employment, hitherto the dominant form of employment, was also the "meeting-ground for collective interaction which has until now been the traditional basis and natural environment of labour relations" (Córdova, 653). The article reflects the debate about the regulation of atypical employment relationships that was just getting underway in the 1980s. Whereas in the Scandinavian countries regulations on equal pay and equal treatment for all atypical forms of employment were already in force, unequal treatment was still the norm in other countries. Córdova's article highlights the significance of the progress made since the 1990s as a result of the directives of the European Union (EU) relating to equal treatment for atypical forms of employment, such as part-time work, fixed-term jobs and agency work. In many other parts of the world – including in developed countries such as the United States, Canada and Japan – different rates of pay for full-time and part-time employees are still the rule.

Werner Sengenberger (1992), an ILO economist, investigates the connections between production systems and CIR. He analyses the various types of flexible production systems that developed in industrialized countries following the era of Taylorist mass production. He identifies rising international cost competition, greater demand volatility and the increasing differentiation of customer requirements as the factors that trigger changes in production

⁴ In a triangular employment relationship, an employee is employed by one party, such as a labour-hire company or temporary agency, but the employee works under the control or direction of a "controlling third party".

systems. Firms react in quite different ways to the same trigger factors. The spectrum ranges from pure and simple cost reduction strategies to innovative product and process improvements (Sengenberger, 143–151). Sengenberger shows that trade unions are often marginalized by pure cost reduction strategies, whereas, in innovative companies, they can play a key role in restructuring, not least in the area of training and development of employees. The choice of production system is strongly influenced by CIR. In countries with dualized labour markets – that is, a highly protected primary labour market segment with high wages and a secondary segment with low wages, short-term employment relations and weak CIR – companies have numerous options for cost reduction strategies, including unilateral changes in employment conditions, concession bargaining, and outsourcing to companies not covered by collective agreements. In countries with industry-wide collective agreements and strong labour legislation, on the other hand, production strategies are steered in an innovative direction, which gives rise to many opportunities for trade unions and/or works councils to cooperate and contribute. However, since innovation takes place at the individual firm level, Sengenberger advocates a mix of industry-wide and firm-level CIR (150–151).

5. Cross-border CIR

When companies are able to provide services in other countries by means of their own workforce, the question arises of whether the law of the country of origin or that of the country of destination should apply to those workers. The European Parliament scrapped the country of origin principle proposed in 2004 by Frits Bolkestein, who was the European Commissioner for the Internal Market and Services at the time. However, the ambiguous language of the legislation left room for interpretation that was subsequently used by the European Court of Justice (ECJ) to relativize social rights. In their ILR article of 2013, Theodoros Papadopoulos and Antonios Roumpakis of the University of Bath and the University of York, respectively, analyse five of the ECJ's landmark decisions that weigh the freedom to provide services against the validity of workers' national protective regulations. All five decisions restricted the validity of national regulations on the basis of the vague legal concept of proportionality. In the *Laval* case of 2007,⁵ for example, the right to strike as a fundamental principle was affirmed rhetorically, but use of that right was deemed to be disproportionate if foreign firms were thereby prevented from offering their services at the low rates of pay prevailing in the country of origin. The transnational meta-regulation thus created by the ECJ shifted the structural balance of power towards transnational capital (Papadopoulos and Roumpakis 2013). Although the 2019 amendment of the EU Services Directive extended the scope for national regulation to some degree, competition law continues to take precedence (Santagata de Castro 2019). The article by Papadopoulos and Roumpakis shows clearly that meta-regulations cannot be left to the courts

⁵ ECJ, *Laval un Partneri Ltd v. Svenska Byggnadsarbetareförbundet and Others* (C 341/05), Judgment of 18 December 2007.

or to arbitration tribunals in trade agreements and that the inalienability of employees' rights must be guaranteed also in cross-border activities.

One of the most significant changes in the world of work in recent decades has been the development of global value chains. Major global companies manufacture high-value goods in less developed countries at low cost. However, the upgrading⁶ of the suppliers rarely goes hand in hand with any improvement in the working and employment conditions in the factories or workshops in developing countries (ILO 2019). Karin Astrid Siegmann, Jeroen Merk and Peter Knorringa (2017) of Erasmus University Rotterdam take the example of the Freedom of Association Protocol,⁷ which was signed by Indonesian trade unions and textile producers as well as by 90 large companies, including Nike and Adidas. The authors examine how suppliers might move from a condition of "labour blindness" to a "labour-led" social upgrading" that combines the economic upgrading of the supplier companies with an improvement in working conditions (Siegmann, Merk and Knorringa, 346). Because of low union density and constant repression, the Indonesian unions enjoyed only limited freedom to take action. With the support of transnational labour networks, they succeeded, however, in strengthening their own associational power and overcoming internal divisions. The global companies were interested in signing the Protocol so as not to endanger their brands' reputational capital with headlines about bad working conditions in their supply chains. The Indonesian manufacturers were willing to overcome their opposition to collective action only under pressure from their client companies. The authors conclude that globalization facilitates the development of new transnational constellations of actors that can strengthen the limited bargaining power of local unions. However, they take a sceptical view of the role of the Indonesian State, which did not actively support the agreement or its implementation. Most importantly, however, implementation at the local level is not ensured, since both the client companies and the first-level suppliers lack the power to ensure that second- and third-level subcontractors abide by the terms of the agreement (361).

Hannah Johnston (2020), a technical officer in the Research Department of the ILO,⁸ investigates the regulation of new forms of platform work. "Crowdwork" – that is, the execution of work by a large number of people who each contribute a small amount of labour – can be carried out from anywhere in the world, whereas place-based work is allocated via platforms but has to be carried out locally. As with Taylorism, the standardized work routines

⁶ The strategy of upgrading is defined as "a process of improving the ability of a firm to move to a more profitable and/or technologically sophisticated capital and skill-intensive economic niche" (Gereffi 1999, 38).

⁷ The Freedom of Association Protocol "establishes practical guidelines to ensure that factory workers in Indonesia are able to organize and collectively bargain for better conditions in their workplace ... The agreement also covers aspects of the non-victimization of trade union officers and members as well as a pledge on the part of employers regarding non-interference in trade union activities" (Siegmann, Merk and Knorringa 2017, 354).

⁸ Since September 2020, Hannah Johnston has been a postdoctoral researcher at Northeastern University, Boston, MA.

mediated via the platforms, combined with low pay, actually create shared experiences of work that could assist worker organization. However, what is common to both forms of work is the isolation of the workforce and the absence of any workplace meetings, the latter having hitherto been the precondition for the development of CIR. It is debatable whether digital forums can replace personal communication. The lack of clarity regarding employment status makes regulation even more difficult. This leads to a grotesque situation in which the efforts of low-paid, quasi-self-employed platform workers to organize are in some cases thwarted by means of cartel law, which should actually be deployed against their powerful, globally operational employers (Johnston, 35–37).

Johnston analyses the CIR in platform work, still in their embryonic forms, primarily in the United States and Western Europe. Conditions for the development of CIR are more favourable in place-based work, which is rooted in a locality. There are examples, particularly in countries with strong CIR (such as Austria, Sweden and Denmark), of elected works councils and the successful negotiation of collective agreements or the extension of existing collective agreements to platform workers. The development of CIR is much more difficult for crowdworkers who are scattered throughout the world, since, in their case, it is not possible to rely solely on national labour law. Transnational multi-employer agreements with their own arbitration and conciliation arrangements constitute an initial attempt to develop a new type of CIR. However, such agreements are still far from having the binding character and enforceability of national collective agreements and labour legislation (40).

6. International comparisons of CIR

International comparison of the various national bodies of labour law and CIR has always been an important activity of the ILO and a tool to use in advising countries. In 1939, Ludwig Hamburger, a lecturer at the University of Geneva, published a comprehensive comparison of the arrangements for extending collective agreements in developed industrialized countries. What is remarkable about his article – and in this respect it is certainly far ahead of its time – is the fact that his comparison of bodies of national law is embedded in an analysis of the very different economic and social debates on this key instrument of inclusive CIR in the various countries examined (Hamburger, 153–194). Thus, readers learn that, in the 1930s, the Scandinavian trade unions already opposed the extension of collective agreements, since the unions were able to enforce a high level of coverage by collective agreement without any outside assistance. In many parts of the world, however, this was not the case because of the many obstacles to worker organization. These obstacles included not only sanctions enforced by employers but also restrictions on trade union recruitment. Some of the unions represented only permanent employees or skilled workers, and women, too, were excluded in some cases. Hamburger describes the great importance of extension for the stability of collective agreements as follows:

Every collective agreement is the expression of a desire for standardisation and it is only when a certain degree of standardisation has been reached that the collective agreement can exist. ... The collective agreement abhors a vacuum; the urge towards extension is inherent in it, and therefore anyone who opposes the standardisation of working conditions should oppose collective agreements as such. (Hamburger 1939, 192)

Earlier in the article, he had written – as if he had already anticipated the emergence, some 50 years later, of research on differences in national employment and production models – that “[e]xperience shows that there is a close connection between the generalisation of labour conditions and the generalisation of other conditions governing production, business, and sales” (190).

Johannes Schregle (1981), an ILO expert in comparative and international labour law, addresses the pitfalls and potentials of international comparisons of industrial relations in an article based on a memorial lecture for Professor Sir Otto Kahn-Freund, a leading authority in the field of comparative labour law and comparative industrial relations. In particular, Schregle warns against considering individual institutions out of context in international comparisons, anticipating the pitfalls of such an exercise. Taking the examples of labour courts, the statutory extension and enforceability of collective agreements, and worker participation, he shows the kinds of different roles that these institutions play in different countries. Even the terminology is treacherous. Because of the differing functions of apparently similar institutions, terms cannot be easily translated. Consequently, Schregle argues in favour of a comparison of the functions that certain institutions carry out in interaction with others. It will then quickly become evident that comparable results can be achieved with a very different mix of institutions and that it is essential to bid farewell to the notion that there is just one best way.

In view of the sharp decline in coverage by collective agreement and the increase in low-wage work in many countries, Gerhard Bosch (2015) of the University of Duisburg–Essen examines the role of the State in securing inclusive collective bargaining systems. Following Sengenberger (1994), he distinguishes between protective and participative labour standards. In the case of protective standards, the State itself lays down the wage-setting norms, for example in the extension of collective agreements and prevailing wage laws in the awarding of contracts. In the case of participative standards, the State strengthens the trade unions’ organizing power. Examples include assistance to labour organizations in the form of institutionalized co-determination rights or the administration of unemployment insurance schemes. Depending on the particular national tradition, inclusive wage systems with high levels of coverage by collective agreement and small shares of low earners can be put in place with varying combinations of the two standards. However, the social partners enjoy considerably greater room for manoeuvre in autonomous collective bargaining systems, which also produce better results than constantly having to wait for the State to set standards when negotiations reach an impasse. The key message of Bosch’s article is that the shadow of the law hangs over all collective bargaining systems. The social partners’

autonomy and ability to act must also be politically endorsed and supported. Furthermore, Bosch argues, the decline in coverage by collective agreements in many countries is not the inevitable consequence of structural change but rather the result either of deliberate political action to weaken protective or participative standards or of a failure to further develop those standards in order to meet new challenges.

7. Scenarios for the future of CIR

This Centenary Issue ends with three scenarios for the future of CIR in Europe that were set out by Richard Hyman of the London School of Economics in an article published in the ILR in 2015. The first scenario is characterized by the further erosion of CIR. Not only the trade unions but also the employers' associations are losing members. Despite the fact that they have already been considerably weakened, the pressure on the remaining collective bargaining systems remains high, not least because multinational companies long ago lost interest in stabilizing individual nation states and the fragmentation of workforces makes resistance difficult. In the second scenario, a top-down reform is enacted by enlightened elites seeking to combat the excesses of neoliberalism, which are threatening to undermine social stability. Hyman sees good reasons for the success of such a top-down reform agenda, since companies are also dependent on high levels of social cohesion and on highly motivated and well-trained workers. According to Hyman, however, the actors for such a scenario are lacking, since employers are unable to solve their problems with collective action without a counter-movement. In the third scenario, a bottom-up counter-movement emerges because of the deterioration in working and employment conditions. Unlike Guy Standing (2011), for example, Hyman (2015) locates the actors for this counter-movement among the disenfranchised unemployed or workers in the informal economy as well as in the trade unions, which have in many cases formed coalitions of insiders and outsiders. Hyman regards the first scenario as the most likely one but also argues, a little more optimistically, that, in major economic and political crises, new power relations and constellations of actors can emerge, and these could make the two other scenarios or a combination of them feasible.

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