

The Impact of the Decentralization of Collective Bargaining On the Internal Politics of Unions¹

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Abstract

This paper is concerned with the impact of the decentralization of collective bargaining at the enterprise level on the internal politics of unions. The paper reviews two bodies of literature: one on the definition of union members' interests and the other on the decentralization of collective bargaining. On the basis of the review, the paper argues that whether the internal politics of enterprise-level unions become inactive or not depends on the perception of union members concerning the nature of enterprises. If they see enterprises as *social* organizations, the internal politics of unions tend to be inactive. If enterprises are perceived as *economic* organizations, on the other hand, the internal politics of unions are likely to remain active. To illustrate this argument, the paper briefly examines the internal politics of the UAW's local at NUMMI (New United Motor Manufacturing, Inc., a joint venture of GM and Toyota) and that of the enterprise union of Hitachi.

Introduction

In the 1980s and 1990s, industrial relations in North America and Western Europe experienced the decentralization of collective bargaining from the national, industrial, or sectoral levels to the enterprise level. Corporatist arrangements of industrial relations in Sweden and Germany, once seen as the model for other industrialized countries, turned out to be rigid in their responses to economic changes beginning in the early 1980s. Consequently, they faced institutional crises, as demonstrated by the virtual end to national-level collective bargaining between SAF and LO in Sweden. Previous studies attributed the decentralization of collective bargaining to the transition from Fordism to flexible specialization in production technology and to the decline of the Keynesian macro economic management due to increasing exposure of national economies to international

markets (e.g., Katz, 1993; Iversen, 1996). These two factors facilitated “productivity” or “flexibility” coalitions at the enterprise level between unions (or other institutions representing workers’ interests, such as works council) and management, particularly in export-oriented sectors. In this alliance, unions and/or works council identified their interests with those of enterprises and cooperated with management in increasing competitiveness by becoming involved in production-related issues (Katz, 1993; Iversen, 1996). As a result of the spread of “enterprise consciousness” among union members, the influence of class- or industry- based unions has declined.

This paper examines theoretical issues concerning the impact of the decentralization of collective bargaining on labor movements in industrialized countries. The argument is mainly concerned with the impact of this decentralization on internal politics of unions. The internal politics of unions are defined as the conflicts and compromises among factions as well as between union officials and members regarding union policies. Will the decentralization of collective bargaining make the internal politics of unions, particularly those of enterprise-based unions, inactive because union members supposedly share homogeneous interests in the economic success of enterprises? Alternatively, will the internal politics of unions remain or become active since unions continue to have a range of policy options even with decentralization of collective bargaining?

In the paper, I review two bodies of literature: one on the definition of union members’ interests and the other on the decentralization of collective bargaining. On the basis of this review, I argue that whether the internal politics of enterprise-level unions become inactive or not depends on the perception of union members concerning the nature of enterprises. If they see enterprises as *social* organizations, the internal politics of unions tend to be inactive. If enterprises are perceived as *economic* organizations, on the other hand, union politics are likely to remain active. To illustrate the argument, I briefly examine the

internal politics of the UAW's local at NUMMI (New United Motor Manufacturing, Inc., a joint venture of GM and Toyota) and those of the enterprise union of Hitachi (one of the leading manufactures of electric machines in Japan).

Theories regarding the Definition of Union Members' Interests

The internal politics of unions has received relatively little attention in the studies of industrial sociology and labor politics. Previous research in these areas has often treated the internal political process of unions as a "black box," assuming that unions are acting as unitary actors in their interactions with management and the state.

This does not mean that previous research has paid no attention to relations within unions. Union democracy has been one of the important areas of industrial sociology, and there are several important studies in this area, most notably the study of the International Typographical Union by S.M. Lipset, et al. (1956). Studies of union democracy are concerned with relations between union leaders and rank and file members and with characteristics of "a trade union government" (whether oligarchical or democratic). However, these studies do not address the issue of defining the interests of union members: while they examine how and to what extent union leaders distort the interests of union members, the interests of union members are seen as given and are taken for granted. This is because these studies take a structural-functionalist view of interest representation: unions and other interest groups are supposed to represent "real" and "unmediated" interests shaped by "socio economic and market factors" (Berger, 1981; see also Streeck, 1988: 310-311).

Some recent studies of unions in Western countries have paid attention to the internal political processes within unions, pointing out that the definition of union members' interests is a contested process that takes the form of factional conflicts and/or tension

between union leaders and rank and file members (e.g., Golden, 1988; Stepan-Norris and Zeitlin, 1989, 1995; Yates, 1992). These authors share a common theoretical perspective that posits a plurality of interests within unions and assume that policy choices made by unions largely reflect their internal political dynamics. In this way, recent studies of labor politics have become attentive to the “black box” of the internal politics of unions. They examine the very process by which interests are defined within unions, no longer assuming these interests to be given.

Then, how are the interests represented by unions defined? I will review three different approaches to this issue. First, Claus Offe and Helmut Wiesenhal argue that the interests represented by unions are defined by two different principles: monological and dialogical patterns of collective action. Monological patterns define workers as individual participants in the capitalist economy (i.e., sellers of labor power) and view their interests in the same way that the capitalists’ interests are defined. Dialogical patterns, on the other hand, construct a collective identity of workers as members of the working class. They argue that, while organizations of capital (corporations and business associations) are based in the monological patterns of collective action, organizations of labor (unions) reflect both monological and dialogical patterns of collective action. The coexistence of elements of the two patterns of collective action in labor organizations creates the need for these organizations to face “an ongoing contradiction between bureaucracy and internal democracy, aggregation of individual interests and formation of a collective identity” (Offe and Wiesenhal, 1980: esp. 97-8). Thus, the interests of union members are defined by politics between the two patterns of collective action, and the internal political processes of unions remain active (or become active occasionally) since it is difficult for unions to reconcile the contradictory logics of defining members’ interests.

The second approach to explaining the definition of interests represented by unions is suggested by Wolfgang Streeck. His critique of Offe and Wiesenthal suggests that unions are able to reconcile the two logics of defining workers' interests in favor of dialogical patterns as long as union concerns stay away from production-related issues. This is indicated by the fact that unions are more encompassing in size than business associations due to their different ranges of interests.² The interests covered by organizations of capital are more heterogeneous than those of labor since the former have to deal with production interests in addition to class interests, while the latter are mainly concerned with class interests. Thus, unions in Western countries have maintained "class-unity" by confining their interests represented by them to class-related ones, i.e., to distributional issues in labor markets, and by refraining from addressing the potentially divisive production-related interests (Streeck, 1992: esp. 92-99).

In the age of "post-Fordism," however, unions are no longer able to stay away from production-related issues, and their involvement in such issues has considerable impact on their internal politics. Unions in many Western countries were able to limit their interest representation to distributional issues under the relatively prosperous postwar economy of the 1950s and 1960s only because distributional and production interests of labor were institutionally separated by the "postwar class compromise" reached in many Western countries. In this compromise, employers recognized the right of unions to make distributional issues through collective bargaining in exchange for the union recognition of managerial prerogative on production issues. In the period of economic recession beginning in the 1970s, however, flexible production strategies have affected job and employment security for union members, so that unions no longer can afford to distance themselves from production issues. Consequently, "class-unity" based on distributional issues has declined because production issues have diversified among enterprises and

industries and have had far more divisive effects than distributional issues on the cohesion of union movements (*ibid.*: 99-101).

Then, how does the decline of “class-unity” take place? One possibility suggested by Streeck is “the gradual Japanization of industrial relations.” That is, workers identify their interests in the survival of firms which presently employ them and cooperate with management on production issues because “the rule of the market asserts itself...over workers’ definitions of their interests” under conditions of economic crisis (Streeck, 1984: 297, 304). In the context of this shift in the definition of workers’ interests, the internal politics of industry-based unions intensifies because union leadership is challenged from below- not by militant members but rather by members who are integrated into “cooperative alliances with their employers” (*ibid.*: 296-7). The same scenario also points to the possible de-politicization of internal union politics after the period of transition. As a result of internal politics, organizational forms of industry-based unions may change from unitary organizations to “loose federations of workplace and enterprise organizational units” (*ibid.*: 313; Streeck, 1992: 101). Using the terminology of Offe and Wiesenthal, involvement of unions in production-related issues may de-politicize the internal politics of unions because the influence of dialogical patterns of collective action declines (i.e., the decline of class unity) and because the influence of a new version of monological patterns increases. What Offe and Wiesenthal seem to have in mind when they discuss the monological patterns of collective action is the definition of workers’ interests based on workers as individual participants in the capitalist economy, with their participation taking place through external labor markets. The new version of monological patterns, on the other hand, defines the interests of union members as those of participants in the capitalist economy at the enterprise level, with their participation taking place through internal labor markets of the enterprise.

The third approach to this issue is suggested by Lowell Turner in his comparative study of industrial relations in the auto industries of Germany and the United States. Turner argues that the institutional arrangements of industrial relations can check a tendency toward enterprise unionism by providing a safeguard against unions becoming excessively enterprise-oriented due to their involvement in production-related issues. Like Streeck, he points out that unions have become increasingly involved in production issues at the enterprise level, but Turner argues that the integration of unions into the decision-making of management does not necessarily mean that unions are integrated into the decision-making of management in a subordinate way. As shown in Table 1, whether and how unions are integrated into the decision-making of management depends on the institutional arrangements of industrial relations, i.e., the presence of statutory or corporatist regulations that “regulate firm-level union participation from outside the firm” (Turner, 1991: 12). If such institutional arrangements exist, as in the case of Germany and Sweden, unions become integrated into managerial decision-making but, at the same time, maintain their separate interests. If the statutory or corporatist arrangements do not exist, as in the case of the U.S. and Japan, unions either are excluded from management decisions regarding production issues or are integrated into the decision-making of process in a subordinate way. This is because there are no institutional arrangements that provide unions with a basis independent from management (*ibid.*: 12-13). In other words, institutional arrangements regulate the degree to which union members identify their interests with those of management as a result of being integrated into the decision-making of management. Turner’s argument suggests that the internal politics of enterprise-based unions remain active if institutional arrangements provide unions with an independent basis from which some union members express interests defined at industry or national levels of unions while others hold enterprise-based interests.

Table 1

	unions: integrated into process of managerial decision making, esp. concerning work reorganization	unions: not integrated into process of managerial decision making (arm's-length labor-management traditions)
the presence of statutory or corporatist regulation in IR institutions	West Germany, Sweden since the mid 1970s (integration from an independent basis)	Sweden until the mid 1970s
the absence of statutory or corporatist regulation in IR institutions	Japan (integration in a subordinate way)	many plant-level unions in the U.S. (excluded)

(based on Turner, 1991: 12-18)

The three approaches to the definition of union interests examined in this section suggest conditions under which the internal politics of unions remain active or become inactive. Offe and Wiesenthal suggest that the internal politics of unions are structurally active because unions are under contradictory pressures to define the interests of their members in terms of both the logic of individual participants of the capitalist economy and the collective interests of the working class. Streeck suggests that the involvement of union members in production-related issues during economic crises eventually makes the internal politics of enterprise-based unions inactive. Turner suggests that neither the structure of the capitalist economy nor the involvement of union members in production-related issues per se influences the degree of political activity within unions; rather, institutional arrangements of industrial relations are the key. Thus, as long as unions are embedded in institutional arrangements that allow the definition of their interests to be independent from those of management, the internal politics of enterprise-based unions may remain active even when unions are involved in production issues.

It should be noted that the decentralization of collective bargaining may undermine the statutory or corporatist institutional arrangements that provide unions with an independent

basis. As a literature review in the next section will show, “cross-class” coalitions between unions and management at the enterprise level tend to weaken neo-corporatist or industry-based industrial relations. Although some studies show the resilience of institutional arrangements even in the face of drastic economic and technological changes (see Thelen, 1991, for the case of the dual system in Germany), it may be argued that industrial relations institutions at the national and industrial levels in many industrialized countries are experiencing increasing internal strains due to their inflexible adaptation to the new contexts (Locke, 1995). If these institutional arrangements continue to decline in the future, will the internal politics of unions become inactive because the terms of union policy debate are dominated by the logic of markets, especially the logic of economic success for enterprises? In other words, will internal politics become less relevant in the definition of union members’ interests?

Before considering these questions further, I now turn to a literature review of the decentralization of collective bargaining.

Review of Previous Research on the Decentralization of Collective Bargaining

Students of industrial relations point to the tendency toward decentralization of collective bargaining in various Western countries. Harry Katz’s study is the most comprehensive to date. He shows that the collective bargaining systems in Sweden, Australia, Germany, Italy, the UK, and the U.S. have become decentralized as local unions have become involved in “qualitative issues concerning work organization and work restructuring” (Katz, 1993: 12). He evaluates three common explanations for decentralization: (1) management, taking advantage of the shift in their balance of power with unions, has pushed for the decentralization of collective bargaining, (2) both unions and

management have adapted to the growing importance of work organization and shopfloor issues, forming “productivity coalitions,” and (3) decentralization reflects structural factors, such as changing corporate structures and diversification of workers’ interests. Katz argues that the ‘productivity coalitions’ thesis is the most persuasive explanation because unions as well as management benefit from the decentralization of collective bargaining (*ibid.*: 12-17).

Another study that examines the decentralization of collective bargaining cross-nationally is by Torben Iversen (1996). Iversen shows that, while industrial relations in many countries including Sweden and Denmark have been decentralized, relations in other countries such as Norway and Austria have remained centralized or have become recentralized. He identifies three factors promoting decentralization: (1) the increasing importance of flexible specialization in production and the concomitant necessity of flexible wage systems, (2) cross-class coalitions between workers and employers in strategic sectors that are exposed to market forces, and (3) the change in macro-economic policies from the Keynesian, full-employment policy to the “non-accommodating” policy. His model of decentralization of collective bargaining shows that employers and workers form “flexibility coalitions” and break away from centralized bargaining if such bargaining promotes wage leveling and inhibits wage flexibility. He also shows that cross-class coalitions between workers and employers against centralized bargaining did not develop in strategic sectors in Austria and Norway. This was because centralized bargaining was dissociated from wage leveling (e.g., the case of Austria) or because centralized bargaining was reintroduced to contain the cost-push influence of privileged ‘maverick’ unions due to their wage militancy (e.g., the case in Norway’s oil industry).

Ronald Dore not only shows the increasing importance of collective bargaining at the enterprise level in such countries as Britain and Germany, but also argues that they are

moving toward the Japanese model of industrial relations. His discussion of the decentralization of collective bargaining differs from that of Katz and Iversen in the sense that Dore sees the decentralization of collective bargaining as a social, rather than an economic, phenomenon. In his comparative study, he characterizes Japanese and British firms as following a “Community model” and a “Company Law model,” respectively, and argues that the latter firms are “edging toward the Community end of the spectrum.” As evidence of this tendency, he cites the spread among private sector British firms of institutional practices commonly observed in large Japanese firms, including joint consultative committees, profit-sharing schemes, and abolition of the status distinction between blue and white collar workers (Dore, 1987: 54-59). In a separate study comparing industrial relations in Germany and Japan, Dore characterizes industrial relations in Germany as “a system of class-conscious labour representation” and those in Japan and the U.S. simply as “a system of labour representation.” He argues that industrial relations in Germany are moving toward the latter, particularly toward the Japanese version based on a strong sense of “the firm-as-community” (Dore, 1996).

Dore’s argument for the “Japanization” of industrial relations raises an important issue. His argument suggests that not only unions but also enterprises are experiencing changes. In his view, enterprises in industrialized countries are becoming more organization-oriented and less market-oriented (see Dore, 1973). Thus, unions have become integrated into enterprises whose functions are not only economic but also social. The “cross-class coalitions” argument of Katz and Iversen, in contrast, treats unions and management as interacting with each other as economic actors. Their argument suggests that unions and management form cross-class coalitions as a result of rational responses to economic environments and that either side may dissolve coalitions as economic conditions change. The difference between the two arguments is subtle but important for a theoretical

discussion of the impact of the decentralization of collective bargaining on internal union politics. It may be argued that the extent to which unions are decentralized at the enterprise level is greater when enterprises assume characteristics of *social* organizations than when enterprises function mainly as *economic* organizations.

The Argument: The Relevance of Politics Depends on the Perceptions of Union Members

Regarding the relevance of politics in the definition of union members' interests, I argue that as long as union members perceive enterprises as economic organizations the definition of their interests continues to be a contested process, even in the absence of strong statutory or corporatist institutional arrangements. This is because unions face strategic uncertainty in cooperating with and opposing management. Such uncertainty comes from the possibility that employers may pursue economic interests at the expense of cooperative relations with unions by abrogating a commitment to employment security or by relocating plants to places where labor costs are cheaper, for example. Even if employers do not abrogate the terms of cross-class coalitions, union members may challenge the legitimacy of their leaders when close cooperation between union leaders and managers regarding productivity improvement leads to the intensification of work.

I also argue that, when union members perceive enterprises as social organizations, politics loses relevance for defining their interests. Social organizations are those in which members share some sort of collective norms which suspend individual- or class-based competition that is detrimental to the collectivity. When enterprises are perceived as social organizations, unions do not face much strategic uncertainty between cooperation and opposition for two reasons. First, union members and employers share the same social values, such as a sense of "firm-as-community." Although one may argue that such

shared social values could break down, union-management cooperation based on social values is more enduring than cross-class coalitions based on economic interests. Second, the distinction between unions and management becomes blurred in enterprise structured as social organizations because such organizations emphasize egalitarian principles, e.g., the abolition of a distinction between staff and manual workers (see Dore, 1973: 119). As a result, the terms of defining union members' interests are likely to be dominated by the logic of the enterprise's collective interests, which in turn narrows the range of strategic choices of enterprise-based unions.

Two Illustrations: the NUMMI Local of the UAW and the Hitachi Union

The Internal Politics of the NUMMI Local

If industrial relations in North American and Western European countries continue to be decentralized toward the enterprise level and if enterprise-based locals of industrial unions become more heavily involved in production issues, will the internal politics of these locals become inactive? The case of the UAW Local at NUMMI (New United Motor Manufacturing, Inc.) demonstrates that the internal politics of the Local remains active, even in the absence of strong national- or industry-level industrial relations institutions. NUMMI is a joint venture of GM and Toyota that was opened in 1984, two years after the closure of the old GM plant. The new auto plant is widely regarded as the most successful case of an overseas transplant of Japanese-style management.

Internal politics of the NUMMI Local remain active, even though the Local and its members have increased their involvement in production issues at the plant through frequent union-management consultations at the top level and through a team system at the shopfloor level. The leadership of the Local is controlled by the Administration Caucus, which

supports consensual relations with management via the Japanese-style system. However, there is an opposition faction (the People's Caucus) in the Local. While the People's Caucus also supports the broad framework of industrial relations at NUMMI, it is critical of the very close union-management collaboration which, supporters of the People's Caucus fear, will threaten independent representation of union members' interests. The group also raises specific criticisms against the leadership of the Local. For example, it criticizes the leadership for accepting faster speeds on the line and greater pressure exerted on line workers. It also criticizes the undemocratic way that the union has been led, arguing that leaders have "too many closed-door meetings" with management. The People's Caucus has been gaining support among union members since 1986, receiving about 40 percent of the vote in union elections. In 1991, the Caucus received more votes than in previous elections and won many key posts in the Local (Turner, 1991: 60-1; Turner, 1992: 234-5).

The management of NUMMI has tried to project the vision of "plant-as-community" so that employees would be committed to the goals of higher quality and productivity. Employment security is one of the important personnel policies adopted by management in hopes of fostering a sense of community among employees. However, many union members seem to be rather skeptical of this vision. Although management has not broken its promise of employment security, many union members feel that "some of the promises are wearing thin" because of "constant pressure, the job overloading, the feeling of being pushed to the breaking point on the line" (Parker and Slaughter, 1988: 110-111). It may be argued that union members, especially those of the opposition faction, see management as being basically economically-motivated and suspect that management may pursue economic interests even at the expense of their plant-as-community vision. Thus, the active internal politics of the Local can be seen as a reflection of the Local's uncertainty between strategies of cooperation and opposition. While the Administration Caucus advocates sharing

management's values, the People's Caucus advocates a more arm's-length relationship with management. This is because the latter caucus sees union-management relations as being regulated by economic interests, believing that the economic interests of the union and management are not always compatible.

The Internal Politics of the Hitachi Union

Previous studies of industrial relations in Japan suggest that unions and management share a common social value at the enterprise level. For example, Dore, in his study of industrial relations of Hitachi in comparison with English Electric, shows that no "fundamental discrepancy" was assumed to exist "between the norms and goals of the company and those of unions" at Hitachi. The function of the union was not to oppose management but to "see that the managers do not make mistakes in the way they apply the norms or pursue goals on which there is general agreement" (Dore, 1993: 192). The cooperative union-management relationship based on this shared norm made the internal politics of the union inactive. He points out that the Hitachi Union was under the control of union leaders who cooperated with management and that elections for union officials were rarely contested (thus indicating the absence of opposing factions). He explains this lack of election contests in terms of the social value shared by workers and employers: "...the general view is that election contests are best avoided; they are liable to leave too much bitterness behind in a firm where the 'harmony' ...[is] a regulating principle of social relations" (*ibid.*: 171, 173).

While Dore positively evaluates the industrial relations at Hitachi based on a shared social value, H. Kawanishi critically evaluates the role of the Hitachi union in the company's industrial relations.³ According to Kawanishi, Hitachi's management adopted personnel policies emphasizing "a sense of belonging to a *gemeinschaft*-type community" in order to

foster among employees a moral commitment to the company (1992: 52). The union shared with management a goal of making Hitachi an internationally competitive company, and top union leaders participated in management's decision-making through "an Enterprise Management Consultative Committee." At the shopfloor level, the union emphasized giving attention to union members' grievances in order to improve working conditions; however, such goals were carried out only in so far as workers' demands would not hamper the goals of management, particularly productivity improvement. Thus, he argues that the union functioned as "an employees organization" subordinate to the management rather than as a class organization independent of it (*ibid.*: 175-251). Because the primary function of the union was that of an employees organization, the internal politics of the union were not active. He shows that union elections were uncontested because candidates for union posts were assigned through informal union-management negotiations and that union members were generally indifferent to union activities and decisions made by top union leaders (*ibid.*: 53).

In spite of different interpretations, Dore and Kawanishi seem to agree that the Hitachi union was integrated into the enterprise through the shared value of "firm-as-community" and that this value was held not only by union leaders but also by rank and file members. This is indicated by Kawanishi's account of relations between union members and leaders. He shows that union members were strongly dissatisfied with the intensification of work resulting from the rationalization of the production process, but members did not openly criticize union leadership. As he puts it, "[t]old that their own representatives had participated in making the decisions, workers had little option but to go along with management-conceived plans to rationalize production processes and to intensify work loads" (Kawanishi, 1992: 193). This resignation of union members to the fact that they had little control over decisions made by union leaders is in sharp contrast to the reaction of

members of the NUMMI Local to the intensification of work. As shown above, members of the Local criticized the leadership for acquiescing to the speed-up of the line. Why were the reactions of members of the Hitachi union and those of the NUMMI Local different? I argue that behind their resignation, members of the Hitachi union accepted the shared value of “firm-as-community.” On the basis of this value, union members accepted the intensification of labor as an inevitable sacrifice in the pursuit of the company’s collective goal, i.e., achieving greater competitiveness in international markets. Conversely, members of the NUMMI Local do not seem to share common norms and goals with management, even though management tries to instill them. Thus, I argue that the different levels of activities in the two unions’ internal politics resulted from different perceptions held by union members: while members of the NUMMI Local saw their firm as an economic organization, those of the Hitachi Union saw theirs as a social organization.

Conclusion

In this paper, I examined the cross-section of two groups of research in the area of labor politics and industrial relations: the definition of the interests of union members and the decentralization of collective bargaining. I argued that the decentralization of collective bargaining per se does not cause the internal politics of unions to be inactive. What makes internal politics inactive is the integration of union members into enterprises based on a value shared with management. I also argued that such an integration of unions into enterprises presupposed that the enterprises would assume functions of social organizations in addition to those of economic organizations. Finally, I showed that the Hitachi union approximated the model of a union that is “socially” integrated into an enterprise based on a shared value.

Will enterprises in Western countries such as Britain and Germany become more socially-oriented and less economically-oriented, as their Japanese counterparts supposedly did? If so, will the internal politics of enterprise-based unions in Western countries become inactive? In other words, will internal politics become less relevant to the definition of union members' interests since employees' interests are defined under the predominant influence of social values shared between unions and management? These are important questions because, if such changes take place, unions and labor movements in Western countries will be fundamentally transformed. Alternatively, we can ask whether socially-based industrial relations in large Japanese firms, such as Hitachi, will be undermined by recent efforts to increase the role of economic interests in regulating union-management relations, as exemplified by management's efforts to 'restructure' their firms. If so, will the internal politics of enterprise unions be active? These are questions that future studies need to address.

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Notes

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² Offe and Wiesenath made a theoretical prediction that the size of labor organizations would be smaller than that of capital organizations. This is because, while efficiency of capital organizations increases with their size, efficiency of labor organizations is not proportionate to their sizes. According to them, the larger the size of labor organizations, the more difficult it becomes for them to construct a collective identity of members. In other words, the fact that labor organizations need to depend on the dialogical patterns of collective action in addition to the monological patterns of collective action puts unions at a disadvantage in relation to capital organizations, which can depend solely on monological patterns.

³ It should be noted that the studies of Dore and Kawanishi were based on the same survey and that the two authors interpreted its results in different ways (see Kawanishi, 1992: 181-184).