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Editorial

Michel Freyssenet

LE GERPISA ET IMVP QUAND LES PARALLELES FINISSENT PAR SE COTOYER!

Des membres du GERPISA participant aussi aux travaux d'IMVP, particulièrement Mr Koichi Shimokawa, ont pensé au début de cette année que les conditions étaient peut-être réunies pour que s'instaurent des liens officiels entre les deux réseaux. Par leur entremise, le GERPISA et IMVP ont convenu au printemps dernier de commencer leur dialogue par des invitations réciproques à leurs colloques annuels respectifs. C'est ainsi que Suzan Berger et Tim Sturgeon de IMVP/IPC ont participé activement à notre Rencontre Internationale en juin à Paris. Robert Boyer, Yannick Lung et moi-même, nous sommes allés début octobre à Boston à la réunion annuelle que IMVP organise avec ses sponsors, ainsi qu'à un séminaire international sur la globalisation organisé par l'IPC (International Performance Center) du MIT.

Présenté d'ores et déjà aux sponsors d'IMVP comme un réseau associé, le GERPISA a pu leur exposer, ainsi qu'aux chercheurs de ce réseau, les principaux résultats du premier et du deuxième programmes. Si le discours que nous tenons sur la pluralité des modèles industriels et la diversité des formes d'internationalisation des firmes a été un choc dans une enceinte où est née la thèse de la "lean production", il a néanmoins suscité l'intérêt des auditeurs, tant des représentants des constructeurs présents que des chercheurs. Cet intérêt est la manifestation de l'évolution des esprits, consécutive probablement aux modifications des rapports de force entre pays et firmes automobile au cours des années quatre vingt-dix. Or nos résultats offrent précisément un des outils de compréhension de ces modifications.

Les conditions semblent donc effectivement réunies pour que le GERPISA et IMVP commencent à établir des liens officiels, après près de vingt années de cheminement parallèle. Les deux réseaux sont nés en effet au même moment, en 1980 et 1981. Ils ont eu très vite connaissance de leurs existences réciproques et ont essayé alors de se rencontrer. Mais les objectifs, les problématiques comme les modes de fonctionnement étaient à ce point divergents qu'aucune collaboration n'a pu alors s'instaurer. Une deuxième tentative a été faite vers 1986, qui n'a pas plus été couronnée de succès.

GERPISA AND IMVP WHEN PARALLEL LINES MEET!

GERPISA members participating in IMVP research, in particular Mr. Koichi Shimokawa, decided at the beginning of this year that the time was ripe to officialize links between these two research centers. Thanks to their action, GERPISA and IMVP agreed last spring to inaugurate this dialogue with a series of invitations to each center's annual colloquium. Hence, Suzan Berger and Tim Sturgeon from the IMVP/IPC participated actively in our International Encounter in Paris this past June. Robert Boyer, Yannick Lung and myself traveled to Boston in early October to the annual IMVP reunion organized along with its sponsors, and we also attended the international seminar on globalization organized by the IPC (International Performance Center) at MIT.

Initially defined to IMVP sponsors as an associated network, GERPISA was then able to present the main results of our First and Second Program to IMVP sponsors as well as other network researchers. Though the perspective we have concerning the plurality of industrial models and the diversity in firms' globalization approaches came as somewhat of a shock to those who gave birth to the notion of "lean production", it nevertheless captured our audience, both automobile construction representatives and researchers alike. Their interest represents an evolution in a certain mindset, most probably due to a changing relationship between countries and automobile firms during the 1990s. Indeed, the results of our research offer a new tool towards better understanding these changes.

Consequently, conditions now seem to be favorable towards the officialization of links and exchange between GERPISA and the IMVP, following twenty years of parallel activity. Both networks were created at approximately the same time, in 1980 and 1981. Both quickly learned of the other's existence and activity, and attempts were made to meet. However, objectives, hypotheses, and functioning methods were so divergent that any type of collaboration did not seem possible. A second attempt was made around 1986, but also failed.

In English: Editorial: GERPISA and IMVP When Parallel Lines Meet!; Debat (p.2): Renault-Nissan the Hardest is Still to Come and it Is Not What You Think it will Be – (p.5): Nissan's Restructuring plant: Start of Revival; Firms News (p.8) : European Works Councils and International Restructuring: A perspective for European Collective Bargaining?; Book Note (p.12) : Clockspeed. Winning Industry Control in the Age of Temporary Advantage.

L'impact international considérable de l'ouvrage d'IMVP *The Machine that Changed the World* et le défi intellectuel qu'il représentait par rapport aux orientations du GERPISA ont été, on le sait, une des raisons majeures du lancement de notre programme "Emergence de nouveaux modèles industriels" et de la transformation de notre réseau en réseau international en 1992. Nous avons fait part alors à IMVP de notre initiative et de notre souhait d'échanger nos résultats, lors d'un passage à Boston. La démarche fut perçue comme David prétendant discuter d'égal à égal avec Goliath! Depuis cette époque, des liens informels entre des chercheurs des deux réseaux, facilités par les colloques organisés par Ulrich Jürgens, Koichi Shimokawa et Giuseppe Volpato, respectivement à Berlin, Tokyo et Venise, sur le thème de l'automatisation de l'assemblage automobile, ont permis de fait des échanges intellectuels et la confrontation des points de vue. Nombre des animateurs d'IMVP des années 85-94 sont devenus aujourd'hui des consultants. La Direction du programme a été entièrement renouvelée et il nous semble que les chercheurs du réseau sont soucieux d'orienter leur travaux dans un sens plus "recherche" que benchmarking.

Joël Clark, actuel directeur d'IMVP, nous a fait des propositions de collaboration: association des deux réseaux, présentation des résultats aux colloques annuels respectifs, échange de documents, collaborations possibles sur certains travaux, publications communes, etc. Nous en discutons actuellement au secrétariat et au comité international de direction du programme, avant de soumettre à nos collègues d'IMVP un projet de convention.

L'année 2000 sera le dixième anniversaire de la publication de *The Machine that Changed the World*. Notre colloque de juin prochain se propose d'analyser les transformations opérées au cours des dix dernières années et ce qu'elles impliquent comme changement de point de vue sur le passé et de perspectives pratiques et scientifiques à l'avenir. Il pourrait en quelque sorte traiter du passage de la "machine qui a changé le monde" au "monde qui a changé la machine"! Une partie du colloque sera consacrée à des conférenciers invités, internes ou externes au GERPISA, l'autre partie sera dédiée à la discussion des communications soumises par les membres du réseau. Vous trouverez ci-joint l'appel à communication, auquel vous êtes invités à répondre nombreux.

The international impact of the IMVP book, *The Machine that Changed the World*, and the intellectual challenge it represented for GERPISA's own orientations, served - as we all know - as the basis of our "Emergence of new industrial models" program, as well as the transition of our network from a national to an international one in 1992. During a trip to Boston, we informed the IMVP of these initiatives and of our desire to exchange information. It was as if we were David trying to carry on a conversation on an equal basis with Goliath! Since that period, informal links between researchers of the two networks, facilitated by conferences organized Ulrich Jürgens, Koichi Shimokawa, and Giuseppe Volpato (in Berlin, Tokyo, and Venice, respectively) on the theme of the automation of the automobile assembly line allowed for intellectual exchange and fruitful debate. Quite a few IMVP representatives between 1985 and 1994 have become consultants. The Program Direction has been entirely transformed, and it appears that the network's researchers have become more concerned with orienting their work towards a more "research" rather than "benchmarking" direction.

The present IMVP director, Joël Clark, has suggested a number of collaboration projects: creating an association of our two networks, presenting research results at both of our annual conferences, exchange of documents, possible collaboration in certain areas and shared publications, etc. At present, we are exploring these various proposals with the Secretary and International Committee of Program Direction, before submitting a sort of "collective convention" project to our IMVP colleagues.

The year 2000 will be the tenth anniversary of the publication of *The Machine that Changed the World*. GERPISA's next encounter in June 2000 proposes to analyze changes undergone over the last ten years, and how they influence our vision of the past as well as practical and scientific perspectives of the future. Indeed, the conference could revolve around the theme of the transition from "the machine that changed the world" to "the world that changed the machine"! Part of the conference will be devoted to hosting invited speakers, members or not of GERPISA, and another portion will be devoted to papers given by our network members. Please find enclosed a call for papers. We encourage you to participate!

Débat – Debat

**RENAULT-NISSAN,
LE PLUS DUR RESTE A FAIRE ET CE N'EST
PAS CE QUE L'ON CROIT**

**RENAULT-NISSAN,
THE HARDEST IS STILL TO COME AND IT IS
WHAT YOU THINK IT WILL BE**

Robert Boyer, Michel Freyssenet

On trouvera ci-après l'article de Robert Boyer et Michel Freyssenet, paru dans *Le Monde* du 23 Octobre, à la rubrique Horizon-Débats. Il est ici dans sa version intégrale, *Le Monde* ayant l'habitude de modifier le titre, et de raccourcir voire de modifier les textes qui lui sont envoyés pour des raisons éditoriales. De même, les responsables de la rubrique abrègent les références institutionnelles des auteurs. C'est ainsi que malheureusement, et une fois de plus, la référence au "GERPISA, réseau international, Université d'Evry-EHESS" a disparu.

What follows is an article written Robert Boyer and Michel Freyssenet that was published in *Le Monde* on October 23 1999 in the Horizon-Débats column. We have decided to print the original and full version in light of the fact that *Le Monde* often changes the title, shortens, and even modifies the text due to editorial and printing constraints. Likewise, those editing the column often shorten the institutional references of the author(s), and once again the specific title of GERPISA as "GERPISA, réseau international, Université d'Evry-EHESS" was eliminated in the *Le Monde* version.

L'ampleur du plan de restructuration de Nissan présenté par Carlos Ghosn a surpris les commentateurs et les marchés financiers. Il y avait donc vraiment le feu à la maison. Désormais chacun spéculé sur les chances de réussite de l'équipe de la vingtaine de français parachutée au chevet d'une firme qui passait encore il y a peu comme un emblème du modèle de gestion japonais, et dans un pays qui peine à sortir d'un marasme de dix années. La question est bien réelle. Même Renault en 1984 n'a pas eu à subir l'électrochoc promis à Nissan. Il n'est pas exclu toutefois que l'application du plan annoncé produise les effets attendus, tant les différents protagonistes sont dépourvus de solution de rechange. En revanche, on peut s'interroger sur la réussite à moyen terme.

On a pu constater en effet par le passé que les firmes qui s'associaient ou fusionnaient avaient d'autant plus de d'obstacles à surmonter qu'elles étaient de tailles voisines et surtout qu'elles poursuivaient des "stratégies de profit" différentes. Or tel est le cas de Renault et de Nissan. Renault a adopté avec succès depuis une dizaine d'année une voie originale consistant à offrir des modèles de voiture conceptuellement innovants, comme l'Espace, la Twingo, la Scenic et la Kangoo. Ces modèles ont attiré une clientèle nouvelle, prête à payer un peu plus que le prix d'une berline quatre ou cinq portes classique. Ils font aujourd'hui l'essentiel des bénéfices de Renault, qui surfe pour l'instant avec bonheur sur les attentes nouvelles des couches de la population favorisées par les transformations de la hiérarchie salariale et sociale des "trente glorieuses".

Cette stratégie d'innovation en matière de concept-produit nécessite cependant pour être durablement viable l'indépendance financière nécessaire pour pouvoir prendre les risques indispensables, un "point mort" bas pour supporter les inévitables échecs, l'imagination pour percevoir à temps et répondre adéquatement aux attentes nouvelles, et la réactivité organisationnelle pour être en mesure de saturer rapidement la demande en cas de succès, de même que d'être capable de reconvertir rapidement et au moindre coût les ateliers en cas d'échec, grâce à la confiance et la compétence du personnel. Renault est encore loin de remplir toutes ces conditions, mais il semble s'employer à les réunir. Dès lors la question est de savoir si l'alliance avec Nissan lui permettra de conforter l'orientation actuelle qui lui réussit, ou bien si elle risque de la compromettre.

Nissan a en effet une tout autre "stratégie de profit". Il a misé sur une gamme très diversifiée de modèles classiques, d'une grande perfection et fiabilité mécanique, mais d'un style banal et ayant peu de pièces en commun. Il a privilégié la voie coûteuse de l'automatisation flexible et de l'informatisation généralisée, à la différence de son concurrent Toyota. Ces deux orientations s'enracinent dans le pouvoir qu'ont depuis longtemps les ingénieurs d'études et de méthodes chez Nissan et dans des difficultés sociales qui n'ont jamais été vraiment résolues. Le terrain que perdait régulièrement Nissan face à Toyota et à Honda sur le marché japonais a été pendant longtemps compensé par l'exportation ou la production à l'étranger, jusqu'au jour où les avantages compétitifs qui étaient les siens (qualité technique, change favorable) n'ont plus suffi ou ont disparu. Le coup de grâce est venu de la récession prolongée au Japon et des créances douteuses des banques de son groupe.

The extent of Nissan's restructuring plan as presented by Carlos Ghosn took commentators and financial markets by complete surprise. So there actually was a fire raging through the house! Now, everyone is speculating on the chances for success of the team of twenty French representatives parachuted into a firm which, up until recently, served as an emblem of the Japanese management model in a country which was having difficulty overcoming a ten year crisis. The issue at stake is a serious one. Even Renault in 1984 did not have to undergo the electroshock in store for Nissan. However, it is not unlikely that the promised plan produce expected results in light of the fact that the different protagonists really have no other solution. On the other hand, one may question mid-term success potential.

Indeed, it has been observed in the past that firms that associate or merge face numerous obstacles if their sizes are the same, and especially if they pursue different "profit strategies". This is the case for Renault and Nissan. Over the past ten years, Renault has followed an original path that consists in offering conceptually innovative automobile models, such as the Espace, Twingo, Scenic, and Kangoo. These models have attracted a new clientele prepared to pay a bit more than the price of a classical four or five-door sedan. Today, these models represent the essential portion of Renault's profits, and for the time being, Renault is benefiting from new demand expressed by a privileged population category, itself reaping the benefits of changes in employee relations and social structures emanating from the "abundant era".

However, in order for this strategy of innovation in the realm of concept-product to be viable over the long run, several conditions are required: a certain amount of financial independence in order to take on unavoidable risks, a low-level "dead-end" limit so as to tolerate inevitable failures, a great deal of imagination so as to perceive of and respond in adequate time to new expectations, not to mention organizational reactivity so as to rapidly saturate demand in the case of a great success, or to rapidly reconvert workshops at the lowest cost possible in cases of failure, something which also requires personnel competence and confidence. Renault is far from satisfying all these conditions, however it continually strives to unite them. With that in mind, the question is to know whether this alliance with Nissan will allow Renault to pursue this particularly successful policy or put an end to it.

Indeed, Nissan has a totally different "profit strategy". It has devoted its production to a diversified range of classical models boasting a high degree of perfection and mechanical reliability, but with a rather banal style and few interchangeable spare parts. It has also opted for the more expensive flexible automation and generalized computerization, distinguishing it thus from Toyota. This double orientation takes root in the amount of power concentrated in the hands of Nissan's engineers as well as in a certain amount of unresolved social unrest. The regularly decreasing rank of Nissan compared with Toyota and Honda on the Japanese market was compensated for some time by exports or foreign production, up to the day when Nissan's competitive advantages (technical quality, favorable exchange rates) no longer sufficed or simply disappeared. The final blow came with Japan's prolonged recession and a series of questionable financial transactions carried out by the banks of the Nissan group.

Etant donné les stratégies et les trajectoires passées de Renault et Nissan, il n'y a guère maintenant que deux hypothèses envisageables pour espérer pouvoir former à terme un ensemble cohérent et performant. Première hypothèse: les deux constructeurs se partagent les rôles. A Nissan la gamme classique, fortement rationalisée à partir d'un nombre réduit de plates-formes, répondant à la demande des couches de la population qui demeurent stabilisées et modérément hiérarchisées. A Renault les modèles innovants, correspondant aux couches sociales nouvelles, éprises de différenciations en matière de consommation. A eux deux, ils couvriraient ainsi les deux types de demande, qui font aujourd'hui l'essentiel du marché, tout en utilisant le plus grand nombre possible de pièces en commun et leur réseau de vente respectifs. Chaque firme garderait sa spécificité, limitant ainsi les difficultés de coordination, tout en bénéficiant des compétences de l'autre. Ce scénario paraît séduisant, à ceci près que l'on ne sait pas vraiment mettre en commun les plates-formes des modèles classiques et des modèles conceptuellement innovants, ces derniers exigeant généralement originalité et spécificité pour être attractifs. La conception et la production de ces deux catégories de modèles répond à des exigences techniques, organisationnelles et sociales contradictoires: diversité de surface, régularité et polyvalence dans un cas, originalité, flexibilité et initiative dans l'autre. Bref les effets d'échelle sont problématiques à obtenir, et prendrons de toute façon du temps à se concrétiser.

D'où la deuxième hypothèse: l'adoption par Nissan de la stratégie d' "innovation et flexibilité" de Renault. Cette stratégie est également pertinente au Japon, où les couches de la population cherchant à se différencier ont connu un fort développement depuis la "bulle spéculative". Mais elle est déjà mise en oeuvre avec succès par Honda. En outre Toyota a fait preuve à nouveau de sa capacité à copier rapidement les types de modèles qui marchent, conformément à sa propre stratégie de profit.

Dès lors, il n'est d'autre solution pour Renault et Nissan que d'essayer de dépasser les incompatibilités structurelles de leurs systèmes de conception-production provenant de stratégies de profit différentes. Il s'agit de rendre possible au niveau de la conception la mise en commun de pièces entre modèles classiques et modèles innovants et de rendre compatibles au niveau de la gestion la régularité des flux et la reconvertibilité des outils et des personnes. Il s'agit ni plus ni moins que d'inventer une nouvelle architecture de l'automobile et un nouveau modèle socio-productif. La révolution à effectuer est aussi importante que celle réalisée par General Motors dans les années vingt-trente lorsqu'il a rendu compatibles le volume et la diversité en concevant des plates-formes communes à des modèles de voitures économiquement et socialement proches et un système de production lui assurant la polyvalence nécessaire des équipements et des salariés.

Il est vrai que les défis majeurs stimulent l'inventivité, en obligeant à trouver des solutions. La mission n'est pas impossible, à la condition toutefois que les dirigeants de Renault sachent identifier les contradictions dans lesquelles ils se trouvent maintenant placés, et s'attachent à les surmonter en construisant entre les deux côtés du monde un indispensable "compromis" avec leurs partenaires, salariés, fournisseurs et actionnaires, dans le "gouvernement" du nouvel ensemble Renault-Nissan.

In light of both Renault and Nissan's past strategies and trajectories, only two hypotheses can be put forth towards the construction of a coherent and performant grouping of the two firms. The first hypothesis consists in having the two constructors divide up the work. Nissan would continue to focus on the classical range of vehicles, strongly rationalized based on a reduced number of platforms, and responding to demand from those moderately stratified population categories which enjoy stability. Renault would pursue its production of innovative models, thus responding to new population categories attracted by differentiated consumption possibilities. Together, they could cover both types of demand which make up the essential portion of today's automobile market, all the while using the largest possible number of commonly shared spare parts and respective sales networks. Each firm would maintain its specificity, thus limiting coordination difficulties, all the while benefiting from the competence of the other. This scenario is a very appealing one. However, we still do not know how to put to common use platforms used for classical models and those needed for conceptually innovative ones, the latter requiring a greater deal of originality and specificity to be attractive. Indeed, the conception and production of these two model categories require totally different technical, organizational, and social conditions: surface diversity, regularity, and polyvalence in the one case, originality, flexibility, and initiative in the other. In short, scale effects are difficult to obtain and in any case will take some time before materializing.

Enter the second hypothesis: Nissan adopts Renault's "innovation and flexibility" strategy. This strategy can be a very pertinent one in Japan where certain population categories are looking for diversity ever since the "speculation boom". But Honda has already put this strategy into practice, and Toyota has also proven its capacity to rapidly imitate successful models, in conformity with its own profit strategy.

As a consequence, there is no other solution for Renault and Nissan but to try and overcome the structural incompatibilities of their conception-production systems emanating from different profit strategies. This means, at the conception level, putting to common use parts making up the classical and innovative models. It also means rendering the management of flow regularity compatible as well as the reconversion of tools and workers. In short, this simply means inventing a new architecture for the automobile as well as a new socio-productive model. The revolution to carry out is as important as that implemented by General Motors in the 1920s-1930s when it rendered compatible volume and diversity by conceiving of shared platforms for economically and socially proximate vehicles, and a production system which provided for the necessary degree of equipment and worker polyvalency.

It is true that major challenges can stimulate inventivity in the search for solutions. The mission is not impossible, on one condition, however; that Renault's directors know how to identify the contradictions that are now facing, and strive to overcome them by establishing on both sides of the world the indispensable "compromise" with their partners, workers, suppliers, and stockholders, all within the new Renault-Nissan "government".

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NISSAN'S RESTRUCTURING PLAN: START OF REVIVAL

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Nissan Motor revealed a drastic 'revival' plan that includes closing five factories and cutting 21,000 jobs on October 18, 1999. Nissan and Renault formally signed a tie-up agreement on March 27. This is not a merger but an international capital alliance. Nissan retains presidency and remains an independent maker. Renault gets a 36.8% stake in Nissan and holds a deciding power upon Nissan's management. It is said that president Hanawa asked Renault to send Carlos Ghosn to Nissan. He is appointed Chief Operating Officer of Nissan. This is the first plan initiated by him.

Nissan should cope with three problems. The first is the urgent need to reduce net loss and high costs. Nissan has become a high-cost operation due to overextending its production capacity with too many platforms. The second is an apparent weakness in Nissan's product research and development and marketing strategy, as indicated by the company's decrease in sales in the domestic market. The goal is to gain flexibility in both product design and marketing strategy that will be better attuned to consumer trends. The third problem Nissan faces is that its operations are apparently overly bureaucratic and lack integration. The goal should be to reshape the organization in order to remove inter-departmental myopia.

Nissan has accumulated superior engineering and manufacturing technology. Its overseas plants have a record of superior productivity in their respective regions. However, the company appears to have failed to make full use of its advantages in technology and global operations.

Nissan should rely on the accumulated advantages in order to survive as a global automaker. Expectations lie in the way Renault and Nissan can complement each other. Renault is capable of innovative product styling and has experience in comprehensive restructuring, while Nissan has advanced technology and a global network.

The plan named "Nissan Revival Plan" contains three parts. The first part indicates to cost reduction scheme. The second relates to product development and sales growth. The third relates to company organization and decision making. Of those, the first part has concrete scheme as well as expected numbers of effects. The second and third parts seem rather abstract, so mass media focused on the restructuring side and mentioned slightly on the other sides. Nissan's stock price fell at first after the announcement of the plan and recovered gradually.

The main part points out cost reduction; namely, to reduce cost by 1 trillion yen and net debt from 1.4 trillion yen to less than 700 billion yen by fiscal year 2002. Thanks to disposal of assets and capital injection by Renault, Nissan reduced net debt of 2.6 trillion yen in 1998 to 1.4 trillion

yen in 1999. The net debt will be reduced to less than 700 billion yen by way of disposing of land, securities and non-core assets.

The targets of cost reduction are as follows. To return to profitability for fiscal year 2000 and to get an operating profit superior to 4.5% of sales for fiscal year 2002. The 1 trillion yen cost reduction is planned to accomplish in three areas: purchasing, manufacturing, and sales, general and administrative costs.

Purchasing cost, which represent 60% of the company's total costs, will be reduced by 20% over three years and the number of parts and material suppliers will be 600 by 2002 compared with 1,445 currently. Nissan will establish a supplier advisory council that Carlos Ghosn will chair. This council will monitor the change.

Nissan will close following five plants. For car assembly plants: Murayama plant, Nissan shatai Kyoto Plant, and Aichi Kikai Minato Plant will be closed in March 2001. It reduces assembly plants from seven to four, by closing three assembly plants. For powertrains, Kurihama Plant and Kyushu Engine Shop will be closed in March 2002. Nissan estimates that its vehicle assembly capacity is 2.4 million annually. It reduces current capacity to 1.65 million vehicles by closing three plants. Nissan is operating at a 53% level of capacity utilization for fiscal year 1999, producing 1.28 million vehicles. If it produces at the level of fiscal year 1999 in the new scheme, it will be operating above 70%.

Also Nissan plans to reduce the number of platforms, by changing its vehicle assembly configuration drastically. It produces 24 platforms at seven assembly plants now. Under the new scheme, it will have 15 platforms divided between four plants in 2002. And it will have 12 platforms divided between four plants in 2004. As a result of consolidation, the average production per platform per site will increase from 50,000 today, to 80,000 in 2002 and 100,000 in 2004. In 2004, Oppama Plant will have two platforms. Tochigi Plant will have three platforms. Kyushu Plant will have only one platform. And Shonan Plant will undertake to have eight platforms.

Sales, general and administrative costs are to be reduced 20 % by cutting sales incentives, rationalizing worldwide. The Japanese dealer organization will be streamlined including closing 10 % of the retail outlets. Nissan has shareholdings in 1,394 companies. In more than 50% of them, its shareholding is above 20%. Nissan consider to dispose of the most shareholding with the exception of four companies. According to the plan, Nissan will reduce group workforce by 14%, or 21,000 workers. As for Nissan group employees, number of employees based on the future

consolidation method- consolidation of all companies where Nissan has more than 40% shareholding- is 148 thousand employees. Employment for fiscal year 2002 will be 127 thousand employees. The breakdown of the worldwide employee reduction is the following: 4,000 in manufacturing, 6,500 in Japanese dealer affiliated network, 6,000 in sales, general and administrative division, 5,000 in spinning-off. Nissan explained employment reduction by region later; 16,500 in Japan, 2,400 in Europe, 1,400 in the US, and 700 in other region. This reduction will be achieved through natural attrition, increase in part-time and flex-time schedules, spin-offs and early retirement programs. Nissan announces that it does not resort to lay off in this regard. Management starts negotiation with the labor union on employees' transfer from plant to plant.

The second part indicates product development and sales growth. Although this is the most important for the survival of the company, the explanation is not clear. It seems that Nissan is under considering for the future plan. The plan mentioned new line up of the products, development of associated business, clarification of brand identity, reducing lead times, the alliance with Renault. In addition, it explained that Nissan will increase capital investment on R&D up to five percent of the sales amount. Also Nissan has an intention to increase staffs in R&D by 500 people. Of those, it expressed clearly new model plans. In Japan, Nissan intends to simplify their line-ups and launch a new recreational vehicle.

The first shared Alliance platform will be launched as the Micra and Cube in 2002. In the US, Nissan will add four new models including a Z sports car. In Europe it will invest five new models from now until 2003.

The third part expresses global organization and decision making. In this regard, Nissan seems to move to integrate decision making and R&D functions into the headquarters in Japan. Although Nissan has global network, it takes a stance of rather localization of management. Nissan has a plan to create a world headquarters in Tokyo in charge of corporate planning, management control, and global brand management. Also it intends to integrate R&D function into Tokyo. But it is difficult to specify the contents yet.

The revival plan aimed mainly to show the restructuring side that relates to the first problem as addressed above. This is the urgent task to survive. Cost reduction is the crucial point for the moment. Nissan declared a little on the second and third problems in the plan. Although Nissan has shaped global network, it could not make effective R&D system that is suitable to it. The plan gave some interesting mention on the R&D and organizational change, but it is not explained concretely. Nissan has accumulated advantages in technology and overseas operation, which contribute to its survival. After the cost reduction plan, Nissan should make more concrete plan tackling on the second and third problems. Therefore I can say Nissan has just started its revival process.

La vie des produits

Christian Mory

LE CHARME DISCRET DE LA LANCIA LYBRA

La Lybra constitue sans doute un enjeu important pour l'avenir de la marque Lancia. Pourtant, les dirigeants de Fiat n'ont fait aucune déclaration tonitruante sur le sujet, laissant à penser que la marque allait continuer son existence discrète. Au contraire, lors du lancement de la 145, ces mêmes dirigeants avaient insinué que ce nouveau modèle constituait le dernier test de survie pour la marque Alfa Romeo. Deux poids, deux mesures ? Oui et non. Les méchantes langues feront remarquer que dans la famille Fiat, il y a des chouchous. D'abord Lancia est turinoise alors que Alfa est milanaise. Lancia est dans le giron de Fiat depuis 1969 alors que Alfa ne l'a rejoint qu'en 1987. Les relations entre Fiat et Alfa sont peut-être encore marquées par le souvenir de l'époque où Alfa avait tenté d'être un rival sérieux de Fiat (avec ses accords avec Renault puis en lançant l'Alfasud, un modèle de grande diffusion) alors que Lancia restait cantonné dans le haut de gamme (sa gamme basse ne naîtra qu'avec l'adjonction d'Autobianchi).

Enfin, Alfa Romeo a été une entreprise publique alors que Fiat est le symbole du capitalisme familial. Bref, beaucoup d'ingrédients pour faire des histoires de famille.

En 1998, la production de Lancia s'est élevée à 175 000 voitures, à peine de quoi faire fonctionner une usine ! Si on exclut la petite Y qui constitue l'héritage Autobianchi et le monospace Zeta, clone luxueux du Fiat Ulysse, on arrive à 34 000 unités de trois modèles différents (Delta, Dedra et Kappa), une misère !

La Lybra remplace la Dedra qui ne laissera pas un grand souvenir dans l'histoire de l'automobile. Non pas que ce fût une mauvaise voiture mais un modèle sans acheteurs est aussi triste qu'une Pizzeria sans clients ou Ferrari sans Schumacher. Le modèle a nécessité un investissement de 800 milliards de liras (410 millions d'euros), ce qui n'est pas bien élevé. L'objectif de ventes porte sur 55 000 à 60 000 voitures par an, dont la moitié à l'étranger, sur une durée de six ans, soit en gros 350 000 unités sur l'ensemble du cycle de vie du modèle. La Dedra a été quant à elle produite au total à 418 117 unités entre 1989 et 1999 avec un pic de production de 96 000 unités en 1990. L'objectif commercial assigné à la Lybra ne semble donc pas tout à fait impossible à atteindre.

Toutefois, le seul atout qu'on distingue dans la nouvelle Lancia est qu'elle est disponible en version break, ce qui devrait lui attirer une clientèle un peu plus large que la Dedra (le marché italien du break connaît une forte expansion).

Après avoir redressé Ferrari, puis Alfa Romeo (avec la 156) et enfin Maserati (si la 3200 GT répond aux espoirs placés en elle), le groupe Fiat a promis de relancer Lancia. On sait que l'image qui lui est assignée est celle du luxe bourgeois (Alfa représentant le luxe sportif), aussi reste-t-il à mettre un contenu à cette expression qui évoque à la fois le confort, le raffinement et le bon goût mais qui peut être également synonyme de prix élevés et de conformisme ! La Lybra répond certainement aux premiers critères mais l'offre

concurrente est déjà bien fournie car, outre les marques spécialistes bien connues, d'autres marques comme Rover ou Peugeot chassent sur les mêmes terres. En outre, la marque Lancia est pratiquement absente en dehors de l'Italie et son image (et peut-être bientôt son nom) n'évoque pas grand chose en dehors de la péninsule.

En fait, la Lybra est probablement un modèle d'attente car l'avenir de Lancia se jouera plutôt sur deux autres modèles. D'abord avec la remplaçante de la Kappa qui n'a pas su capitaliser le relatif succès de la Thema.

Ce nouveau modèle, le plus élevé dans la gamme Lancia (et sans doute dans l'ensemble du groupe Fiat), est attendu en 2001 et sera l'occasion de rappeler le bon souvenir de la Lancia Aurelia (qui reste encore vif dans les mémoires italiennes), avec on l'espère, l'occasion pour l'école de style

italienne de se montrer plus talentueuse que dans le cas de la récente Alfa 156.

Quant à la Delta (la génération actuelle a été lancée en 1993), elle ne sera pas remplacée. Elle aurait pourtant pu permettre d'accroître le volume de ventes de la marque puisqu'elle se situe sur le segment le plus important en Europe, celui de la Golf. Elle sera remplacée par un break toutes roues motrices (sans doute du type Subaru Legacy ou BMW X5, très en vogue aux Etats-Unis ... où la marque Lancia est absente), qui évoquera les souvenirs de la marque dans les rallyes. Mais on sera sans doute loin du luxe bourgeois et assez près du luxe sportif à l'Alfa Romeo. Ce modèle sera le fruit de la collaboration lancée avec Mitsubishi. Il semble bien que Lancia se cherche encore. Faut-il donc poser la question iconoclaste : à quoi sert Lancia ?

Une année d'un constructeur

Kémal Bécirspahic dit Bécir

BMW

(Réalisé grâce à la *Revue quotidienne de presse*, éditée par Christian Mory au CCFA)

Il y a tout juste un an, la *Fortune* du 26 octobre 1998 écrit de la *stratégie à contre-courant* de BMW. Le magazine souligne que la stratégie mise en œuvre par le constructeur bavarois va à contre-courant de la tendance généralement observée dans l'industrie de l'automobile : alors que la plupart des constructeurs cherchent à augmenter leur taille pour réduire leurs coûts, BMW continue de se développer sur le segment du haut de gamme et à appliquer des prix très élevés. BMW souhaite avant tout ne pas diluer son image.

Si M. Pischetsrieder, président, considère avec une relative inquiétude les difficultés des marchés d'Asie et d'Amérique latine, il rappelle que l'entreprise réalise 80 % de ses ventes en Europe, où *le marché automobile repose sur des bases très solides*. BMW estime donc ne pas avoir besoin de fusionner avec un concurrent ; son capital est d'ailleurs parfaitement verrouillé, avec 48,7 % aux mains de la famille Quandt. M. Pischetsrieder affirme en outre ne pas partager l'idée selon laquelle DaimlerChrysler *serait le point de départ d'une nouvelle vague de fusions*. *La taille seule ne constitue pas la recette du succès*.

La gamme de BMW ne paraît par ailleurs pas devoir être élargie ; quant à ses volumes de ventes, ils sont suffisants, compte tenu du segment occupé par la marque et des marques dégagées. Les analystes se déclarent donc très confiants quant à l'avenir du constructeur et considèrent même que M. Pischetsrieder reste trop prudent dans ses prévisions de résultats ; selon eux, l'action BMW serait même sous-évaluée de 20 %. Pourtant fin novembre le *Handelsblatt* indique que les incertitudes concernant Rover ont pesé sur le cours de l'action BMW au cours des dernières semaines. En outre, certains analystes soulignent que la nouvelle Série 3 fait du tort à la Série 5 et que la Série 7 aura du mal à s'imposer face à la nouvelle Mercedes S. Cependant, le véhicule de loisirs X5 attendu en 2000 sur le marché allemand devrait rencontrer un accueil favorable.

En décembre la *Süddeutsche Zeitung* raconte que BMW fermera, en septembre 1999, sa filiale Kontron Elektronik, qui n'a jamais été bénéficiaire depuis son rachat en 1991.

BMW s'était déjà séparé de trois secteurs d'activité de la société durant l'été 1997.

Die Welt du 7 janvier 1999 parle des projets de logistique de BMW pour le centre des villes. Le constructeur étudie depuis 1996 un projet pour la ville de Ratisbonne dont il est le premier employeur. Le projet prévoit l'utilisation d'un seul véhicule pour les livraisons des marchandises et l'enlèvement des emballages, et l'installation de dépôts de marchandises à la périphérie.

Les marchandises seront soit acheminées jusqu'à la voiture du client sur de grandes aires de stationnement, soit livrées à domicile. Des minibus effectuent déjà des navettes. *Lorsque la voiture est bloquée dans les embouteillages, le plaisir de conduire disparaît vite*, expliquent les responsables. *Le minibus, qui évite d'avoir à chercher une place de stationnement, est mieux accepté que prévu*, indique le maire. BMW participe également à des projets de transport à Munich, Berlin, Cologne, Francfort et Speyer ; la ville de Mexico est intéressée.

La presse rapporte, en février, une rumeur qui faisait état de l'intention de Volkswagen de prendre 25 % du capital de BMW. Mais M. Millberg, promu président de BMW à la suite des divergences de vue concernant la filiale britannique Rover en difficulté, a réaffirmé que BMW entendait préserver son indépendance et qu'il avait le soutien de la famille Quandt : *Nous maîtriserons nous-mêmes nos problèmes*. Le constructeur veut améliorer rapidement la situation de Rover qui sera intégré plus étroitement au groupe et élevé au niveau requis d'efficacité et de productivité. Interrogé en avril par le *Manager Magazin* sur le fait de savoir si le rachat de Rover avait été une erreur, M. von Kuenheim, président du conseil de surveillance de BMW, répond : *Des erreurs ont été commises, c'est indéniable. Elles résident non dans la stratégie, mais dans la mise en œuvre de cette dernière. La principale erreur a été de surestimer l'expérience et la compétence des dirigeants de Rover. Nous avons fait preuve de trop d'indulgence*.

Fin juillet la presse annonce que le groupe BMW, pénalisé par les pertes de sa filiale britannique, a accusé au premier semestre 1999 une chute de son bénéfice net de 26,8 %.

Les ventes mondiales du groupe ont atteint 604 200 unités (+0,4 %), dont 387 000 voitures de la marque BMW (+13,4 %), 91 000 Land Rover (+27 %) et 114 360 Rover (-34 %). En un an, la maison mère a accru ses effectifs de 2,8 % à 64 000 personnes, tandis que la filiale britannique a réduit ses effectifs de 20,6 %, à 31 000 salariés, par suite de la restructuration. Le constructeur prévoit une nette amélioration de son bénéfice au second semestre, grâce au succès de la nouvelle BMW Série 3 et de la Rover 75.

Dans un entretien avec *Auto Motor und Sport* en septembre dernier, M. Millberg souligne que BMW ne se lancera pas dans une course au nombre de cylindres et n'a pas non plus l'intention de développer une voiture de bas de gamme, pour des raisons d'image et de rentabilité...

Une lettrine éventuelle :

La stratégie de BMW va à contre-courant de la tendance généralement observée dans l'industrie de l'automobile : alors que la plupart des constructeurs cherchent à augmenter leur taille pour réduire leurs coûts, BMW continue de se développer sur le segment du haut de gamme et à appliquer des prix très élevés.

Nouvelles des firmes – Firms News

EUROPEAN WORKS COUNCILS AND INTERNATIONAL RESTRUCTURING: A PERSPECTIVE FOR EUROPEAN COLLECTIVE BARGAINING?

*Udo Rehfeldt**

The underdevelopment of European collective bargaining

The question of the emergence of a European system of industrial relations (IR) is only a very recent one. Europe, i.e. the European Community (EC), now the European Union, has emerged as a level of social regulation since the 1960s. In this sense, there has always been a "social dimension" of European integration, even though it is constantly behind the economic dimension which is its main driving force.

The question that has arisen recently is whether social regulation, which is mainly brought about through intergovernmental (and some supranational) legislation, may also be implemented through negotiation between social actors (nowadays called "social partners"), i.e. through European collective bargaining. Scientific debate on this topic began as soon as in the 1970s. The answers at that time were rather sceptical. A number of juridical and sociological obstacles supposedly forbid European-wide collective bargaining¹. The "balkanisation"² of national bargaining structures seemed to make any attempt to harmonise the national IR systems quite impossible. Even an "articulation" of those systems with a newly created European (Community) system of IR seemed very difficult.

As a matter of fact, there were (and still are) considerable differences between the systems of industrial relations of the EC member countries. Some concern cultural factors which form the context of a system of IR, namely the ideological and strategic orientations of the actors. Others concern structural traits of the organisation of the actors themselves

(unionisation rates, degree of organisational centralisation etc.). Others finally concern procedural aspects of the IR system, such as :

- the role of law and collective bargaining in the IR system,
- the model of IR (single vs. dual channel),
- the philosophy of IR (voluntarism, juridical proceduralism, State intervention),
- the main level of collective bargaining (nation-wide, industry, firm, workplace)
- the scope and duration of collective agreements etc.

Despite these obstacles, European legislators were eager to create the conditions for the emergence of an European system of IR. In 1984, the term European "social partner" was officially introduced into the Treaty of Rome (art. 118 B) and the task was assigned to the European Commission of developing "social dialogue" in a way that might favour collective bargaining relations.

After a period of a quasi tripartite European Social Dialogue with rather modest results, European governments then followed the suggestion of the European social partners (ETUC-UNICE-CEEP agreement of 31 October 1991) and introduced a pre-emptive role for them in the European legislation process. This was the quintessence of the "Social Protocol" annexed to the Maastricht treaty (1992) which has now been introduced into the Amsterdam Treaty (1997) and will have a binding character also for the United Kingdom.

From the juridical point of view, we have now a neo-corporatist (even quasi "archo-corporatist") European legislation. European unions and employers' organisations have gained a public status and a strong pre-emptive power in the social legislation process. They can force the European governments (and the European parliament) to take extend a negotiated agreement as a basis for European social legislation. But has this juridical empowerment fostered the emergence of a European system of IR?

In reality, progress towards European collective bargaining has not been very great. The main reason for this is that

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1 Cf. G. Lyon-Caen "Négociation et convention collective au niveau européen", in: *Revue trimestrielle de Droit Européen* 4:1973 and 1/1974.

2 The expression has been used by Bruno Trentin, "La perspective d'un cadre européen de négociation collective", in: *Cahiers du CRMSI* (Paris) N° 6, Mars 1984.

some European employers' organisations are still strongly opposed to any form of collective bargaining on the European level. They have used their veto power within UNICE in order to limit European social dialogue to negotiations on "soft" subjects (such as parental leave), avoiding antagonistic subjects (such as consultation-information) on which even the opening of negotiations was refused.

As a consequence, we have today only three agreements on the basis of the Social Protocol and very few agreements on the industry level, mainly in those areas where some industrial policy making on the European level is involved.

New perspectives for European collective bargaining through European works councils?

The question is, whether this "underdevelopment" of collective bargaining might be compensated for by the development of bargaining on the European company level. Some observers and some actors (mainly amongst unions and European officials) are in favour of such a development and hope that it will emerge through the generalisation of European works councils (EWCs). If this should become reality, it would mean that the European trade union movement would enter a new strategic phase after the failure of a similar strategy of the international union movement in the 1970s.

This strategy, which had been fostered by some international trade secretariats and particularly by Charles Levinson¹ tried to develop multinational collective bargaining on the company level through the establishment of "world corporation councils". We have argued elsewhere, that the reason for its failure was its "voluntaristic" bias². In the absence of any international juridical framework, unions were not able to impose international collective bargaining on management of multinational corporations (MNCs). The question may be raised whether the existing European legislation on EWCs might now foster a renewal of the older bargaining strategy of the unions.

Our answer will again be sceptical. There are three reasons for our scepticism. The first concerns the juridical framework on the European level. The two other concern the strategic attitudes of the main actors, unions and management.

The existing juridical framework of a European system of IR is today limited to the EWC directive of 1994. There is no European legislation on collective bargaining, on union rights or on industrial action.

¹ C. Levinson, *International Trade Unionism*, London : Allen & Unwin 1972.

² U. Rehfeldt , "Les syndicats européens face à la transnationalisation des entreprises", in: *Le Mouvement Social* N° 162, janvier-mars 1993; id. "Les syndicats face à la mondialisation des firmes: le rôle des comités d'entreprise européens", in: *Actes du GERPISA* N° 21, décembre 1997 ; id., "Les trois phases des stratégies syndicales européennes face à la mondialisation: Des conseils de groupe mondiaux aux comités d'entreprise européens", in: S. Leroux et al. (dir.) *Les syndicats entre mondialisation et intégration régionale*, Paris: L'Atelier, à paraître en 1999.

The Social Protocol explicitly excludes wages and unions rights from European legislation. Of course, that cannot hinder unions with a "voluntaristic" tradition from entering European wide collective bargaining or even industrial action. But it is far more difficult for unions with a strong juridical national framework of IR to integrate such a strategy. These obstacles have made it difficult for the unions to participate in some of the "European strikes" (namely in the railway and the road transport sector) in more than a symbolical way³.

The EWC directive does not preclude any evolution of EWC practice towards collective bargaining. Its originality is precisely to encourage Europe-wide company negotiations to reach an agreement that defines the structures of an EWC. It makes no prescription as to the structures or the competence of such an EWC (not even its name). The only binding prescription is that it must deal with information-consultation. On the other hand, it is quite clear that the idea of an "EWC" has a double inspiration: the French "comité de groupe" and the German works council, more precisely the "Wirtschaftsausschuss" (economic committee).

In other words, the EWC is an institution concerned with economic information, embedded in a dual system. This is quite clear from the "subsidiary prescriptions" which are automatically applied if negotiation fails. Unions do not appear in the EWC directive, neither in the subsidiary prescriptions, neither in the composition of the "special negotiation body" (SNB). Negotiation for establishment of an EWC is therefore, strictly speaking, not "collective bargaining", which supposes the involvement of unions. Only in a few countries does the national transposition law of the directive give unions some rights in the process of designation of national delegates within the SNB. To sum up, the European legislative framework neither encourages nor supports any EWC practice that would shift from consultation towards bargaining. But one might also be sceptical whether such a shift is desired by the actors within EWCs. In our empirical research⁴, we have never found any management representative and have rarely found

³ In Germany, a strike is illegal when it aims for objectives which cannot not be obtained through collective bargaining. This excludes any "political" strike. A strike is possible only after a collective agreement has run out or a negotiation has been declared to have failed. There is no individual right to strike guaranteed by the constitution. Workers with civil servant statute (numerous in public services like the railways) have no right to strike at all.

⁴ Our empirical research on EWCs began in 1989, shortly after the first EWCs were established on a voluntary basis by some French multinationals. It was extended to Germany when the first German based MNCs had joined the movement. After the adoption of the EWC directive, we participated in a four-country project which analysed EWCs concerning MNCs and subsidiaries in Germany, France, Italy and the United Kingdom. Cf. W. Lecher, B. Nagel, H.-W. Platzer, en collaboration avec L. Fulton, R. Jaich, U. Rehfeldt, S. Rüb, V. Telljohann, K.-P. Weiner, *Die Konstituierung Europäischer Betriebsräte - Vom Informationsforum zum Akteur ? Eine vergleichende Studie von acht Konzernen in Deutschland, Frankreich, Italien, Grossbritannien und Italien*. Baden-Baden : Nomos 1998, 290 p. (= Schriften der Hans-Böckler Stiftung, Vol. 35). English translation: W. Lecher et al., *The Establishment of European Works Councils. From information committee to social actor*, Aldershot etc. : Ashgate 1999, 278 p.

union representatives who expressed their wish or their hope that EWC practice might shift towards collective bargaining. Most union representatives think that it is already difficult enough to ensure that information and consultation rights are respected by management. Only in one notable case, that of BSN-Danone, has the EWC-type institution taken the form of a permanent collective bargaining body and produced a number of collective agreements.¹

Observation of EWCs that have a long practice behind them shows that in the present phase, the main function of an EWC is to bring employee representatives from different national IR contexts together and to help them to understand the functioning of employee representation in the different systems. It is only after that preliminary phase that representatives are able to agree on strategic objectives and to address common opinions or even claims to the central management of their MNC.

The Renault-Vilvoorde affair

Recently, the "Renault-Vilvoorde affair" (1997) seems to have strengthened the arguments of those who wish for a more "aggressive" use of EWCs by unions. As a matter of fact, for the first time, unions of different European countries co-ordinated their action in order to prevent a plant closure, in this case the Renault plant in Vilvoorde (Belgium). This action had great impact on the media which analysed the simultaneous one-hour strike in three countries as the first "Euro strike" in history.² But a more critical analysis shows the limits even of this case of "best practice" as an alternative use of EWCs.³

In the Vilvoorde affair, unions were able to take advantage of a very exceptional context which made a politicisation of the conflict possible and ensured a broad support of public opinion in the two main countries of the conflict, France and Belgium. In France, there were several favourable factors for public support: the emblematic character of Renault as a public enterprise with a history as a "social vitrine", the controversial role of the company president Louis Schweitzer, a socialist technocrat who deliberately tried to give his company a pure-capitalist profile at the eve of its privatisation, in order to raise its share value on the

1. Some EWC members complain that it is easier to negotiate these agreements than to supervise their local application. In any case, BSN-Danone seems rather exceptional and firmly linked to a particular management philosophy represented by its former president, Antoine Riboud.

2. There is a certain loss of collective memory. As a matter of fact, the simultaneous strike of workers of Dunlop-Pirelli plants in Britain and Italy in June 1972 might be considered the first real European strike of this type. Their objectives were rather similar to the Renault case, as they wanted to prevent a reduction of employment after the merger and the restructuring of Dunlop-Pirelli. In contrast to the Renault-Vilvoorde affair, the Dunlop-Pirelli strike was initiated by rank-and-file shop-stewards without the support of national union organisations. (Cf. E. Piehl, *Multinationale Konzerne und internationale Gewerkschaftsbewegung*, Frankfurt a.M.: EVA 1974.)

3. Cf. D. Richter, "Renault Vilvoorde. Un cas d'école et une occasion manquée", in: *Les Temps Modernes* N° 597, Januar-Februar 1998; U. Rehfeldt, "Der Renault-Vilvoorde-Konflikt und seine Bedeutung für die europäische Gewerkschaftspolitik", in: *WSI-Mitteilungen* 7/1998

stock exchange. This economic transition from public to private status was paralleled by a political transition from a right-wing to a left-wing government. (The future winner of the elections, Lionel Jospin had publicly taken on a commitment to find an "alternative solution" to the closure of the Vilvoorde plant.)

The particular political conditions in Belgium concerned linguistic antagonism. The plant was situated in the suburbs of Brussels, in the Flemish speaking territories of Belgium. The fight against the Renault plant closure was also a fight of the Flemish community against "French hegemony". Last but not least, there was a European dimension sharpened by the small distance between Vilvoorde and the Brussels headquarters of the European Commission.

Whereas unions and also some political leaders denounced the lack of European social legislation on transnational industrial restructuring, the European Commission tried to defend its EWC directive and accused the Renault management of infringing on the "spirit" of European legislation, by refusing to consult its EWC.

Despite these favourable circumstances, the unions involved in the action of the Renault EWC finally failed to achieve their objectives. They were not able to prevent the plant closure and they were not able to negotiate an alternative industrial plan based on a reduction of working time in all European Renault plants. All they got was a redundancy plan for the workers in Vilvoorde which avoided dismissals. The main reason for this failure was a difference in industrial relations "style" between Belgium and France.

In Belgium, the unions could count on strong support of the workers (unionisation rate close to 100 %), but had little legal right to economic information. Unions were accustomed to using their power in the negotiation of redundancy plans. In the Vilvoorde case, they were backed by a vote of the majority of the work force. Only the less qualified middle-aged assembly workers, who had neither the perspective of early retirement nor the hope of quick reemployment, were ready to continue radical industrial action. The unions accepted the offer of the Renault management for quick negotiations of a redundancy plan which a large majority of the workforce accepted by a second vote.

This pragmatic orientation contrasted with a more sophisticated strategic approach developed by one of the French unions in Renault, the CFDT, which was also the co-ordinator of the EWC activities. The CFDT wanted to gain time in order to elaborate an alternative industrial plan based on reduction of working time. The unionisation rate in France is very low, and even lower within the Renault plants. Besides strikes, the employee representation mainly use the information rights of the comité d'entreprise, including rights to autonomous expertise, in order to gain time and to obtain better conditions in cases of restructuring and redundancy plans. In extreme cases, they do not refrain from going to the courts. In the Vilvoorde affair, the French unions used a mix of these means. They finally stopped the elaboration of an alternative plan, for the Belgian unions expressed their preference for local negotiation of a redundancy plan.

It remains to be seen whether the alternative plan in preparation would have gained the backing of the majority of the workforce and of the unions of all the Renault plants.

Initially there was a common front among the unions from France, Belgium and Spain which lasted until the phase of common industrial action, but this unity rather quickly broke up when some local French and Spanish unions accepted to negotiate the reallocation of production after the Vilvoorde plant closure. It is also doubtful whether a majority of the French unions would have accepted a collective reduction of working time if this had meant a partial reduction of salaries.

Lessons from the Renault-Vilvoorde affair

Finally, the most important positive outcome of the collective action of the Renault EWC was an indirect one. Two court rulings established a right to prior information and consultation of the EWC in cases of restructuring or collective redundancy procedures that has "significant effects" on the workforce.¹ This decision had a direct effect only for Renault (and will indirectly have an effect on French based MNCs), but it might create a precedent for a consolidation of the information rights of all EWCs, especially in the case of an announced revision of the EWC directive.

Similarities to the Renault case can be found in a couple of other cases of involvement of EWCs in international restructuring of European companies². They all point to the necessity to consolidate the information and consultation rights of the EWCs, including the right to external expertise. But the optimal use of these rights will continue to challenge the unions involved in the EWCs.

¹ On 7 May 1997, the Versailles court of appeal stipulated that consultation has not necessarily to be prior to the decision, but must at least have "useful effects", which means that consultation must leave scope for observations and criticism, in a way that the initial decision might eventually be modified. (Cf. M.-A. Moreau, « A propos de "l'affaire Renault" », in: *Droit social*, May 1997.)

² Cf. Groupe Alpha/Info-Institut/IRES-CGIL/Lasaire, en coopération avec Syndex, *Conditions d'efficacité pratique de la consultation des comités d'entreprise européens en situation de restructuration*. Study for the European Commission, Paris 1998; Syndex/Isa Consult/Labour Research Department/CAB Economico FIA-UGT/Eri/Sindnova/FNV, *Guide méthodologique sur l'information et la consultation des comités d'entreprise européens en cas de restructuration*, Study for the European Commission, Paris 1998.

The EWC alone will always have great difficulties when it tries to define common interests of the workforce in different European plants and in different economic situations. Union intervention will always be necessary in order to facilitate a compromise between different interests and different strategic approaches. Neither the ETUC, nor the European industry federations have yet been able to play this role of interest inter-mediation and arbitration.³ The Renault case shows that such an inter-mediation can be established between different national unions on a bi- or trilateral basis.⁴

Once cross-national compromises are reached, real negotiations will most likely continue to take place on a national and local level. Unions have better bargaining conditions on these levels, for they are nearer to the workforce and they can make better use of political and legal resources. On the European level, such external power resources are still very scarce. Interest cleavages between unions are more likely to appear on the international level and the balance is too much in favour of management who can always use the threat of social dumping and delocalisation. Unless economic, juridical and cultural conditions become more uniform than there are now, a development of transnational collective bargaining on the company level seems very unlikely. Another question is whether this uniformisation can be brought about through the channel of transnational industry-wide or inter-sectorial bargaining.

We already mentioned in the beginning the structural obstacles mentioned that oppose such a development. Recently, a discussion has begun, whether there is a "third way" of collective bargaining between purely national and (momentarily impossible) European collective bargaining on the industry level.⁵

³ In the case of Renault-Vilvoorde, the European metal federation EMF was not even able to organise a European-wide solidarity action which would have included the German IG Metall.

⁴ A recent example of such a bilateral interest inter-mediation is the common declaration of the French and German Chemical unions FCE-CFDT and IGBCE to co-operate in order to defend employees in both countries after the merger of Hoechst and Rhône-Poulenc.

⁵ This discussion was initiated by a meeting of metal workers unions from Germany, Belgium, the Netherlands and Luxembourg in Doorn in September 1998. The unions declared their intention to co-ordinate their national wage bargaining on the basis of common objectives and an exchange of union officials, participating as "observers" in the negotiations.

**CLOCKSPEED. WINNING INDUSTRY
CONTROL IN THE AGE OF TEMPORARY
ADVANTAGE**

Charles H. Fine, Perseus Book, Reading,
Massachusetts, 1998, 272 p.

Le livre de Charles Fine, co-directeur du programme IMVP au MIT, s'inspire de certains acquis de la génétique pour étudier la vie des entreprises. Celles-ci connaissent un cycle de vie et de renouvellement - d'où le titre - (*clockspeed*) qui varie selon les branches d'activité industrielle. L'étude des branches au cycle le plus rapide permet donc à l'auteur de tirer des enseignements utiles pour d'autres branches aux cycles moins rapides telles que l'automobile, ou très lents comme celui de l'aéronautique.

La première partie part de l'analyse de ces branches à cycle rapide comme l'industrie de l'information et de la communication. Elle remet en valeur le caractère temporaire de tout avantage concurrentiel et rappelle que plus le renouvellement est rapide et plus court est un règne. Le livre étudie ensuite les dynamiques des structures industrielles pour en dégager des principes guidant les choix dans la chaîne de valeur, appelée ici chaîne des fournisseurs.

La seconde partie analyse cette chaîne des fournisseurs. La compétence essentielle dans une entreprise, en dernière analyse, réside dans l'aptitude à déterminer quelles capacités (*capabilities*) constituent ses points forts et pour combien de temps. Les plus fortes réussites vont aux entreprises capables de prévoir constamment quelles compétences doivent être développées en interne et lesquelles doivent être externalisées, lesquelles doivent permettre de contrôler la chaîne de valeur et lesquelles doivent être laissées au contrôle d'autres firmes.

Charles Fine rappelle qu'aucune entreprise n'est isolée mais que toutes font partie d'une chaîne de valeur qui forme un ensemble et à l'intérieur de laquelle le profit et le pouvoir peuvent se déplacer, comme le montrent les relations entre IBM, Microsoft et Intel.

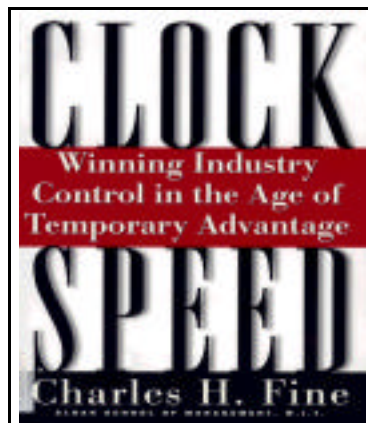
Une telle analyse relativise une vision de l'évolution industrielle centrée sur les firmes. Ainsi, la firme et sa chaîne de fournisseurs forment un ensemble qui comporte trois niveaux : la chaîne des organisations, celle des techniques et celle des compétences. C'est l'aptitude à combiner ces niveaux qui représente la capacité essentielle d'une firme. La troisième partie propose d'appliquer ces analyses dans le management des entreprises. D'où le concept d'ingénierie simultanée en trois dimensions (3-DCE) qui porte à la fois sur les produits, les processus et les chaînes de fournisseurs, proposant d'intégrer cette dernière dimension aux schémas d'analyse et d'action des managers et s'appuyant sur des études de cas.

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Charles Fine, co-director of the IMVP program at MIT, has written a book that is highly inspired by a "genetic" approach to studying firm activity. Indeed, firms experience a life and renewal cycle - hence, the term "clockspeed" - which varies according to the industrial activity branch under consideration. The study of branches having the most rapid cycles allows the author to draw a certain number of useful conclusions regarding other branches having less rapid cycles, such as the automobile industry, or even very slow cycles, such as the aeronautics industry.

The first part of this book begins with an analysis of rapid cycle branches such as the communications and information industry. It underlines the temporary character of any competitive advantage, and reminds the reader that the quicker the renewal the shorter the reign. Then, the author delves into the dynamics of industrial structures so as to highlight the guiding principles of choices made among a range of values, and which the author calls the "supplier chain".



The second part of this book is devoted to a closer study of the supplier chain. In the final analysis, the most essential quality for a firm to have lies in determining which of its capabilities make up its strong points and for how long. The strongest and most long-lasting successes belong to those firms that are capable of constantly predicting which capabilities are to be developed within and which should be developed externally, which one should be allowed to control the supplier chain, and which ones should be relinquished to the control of other firms.

Charles Fine reminds the reader that no single firm is isolated, but rather that all belong to a supplier chain which makes up an entity within which profit and power can move about, as demonstrated by relations between IBM, Microsoft, and Intel.

Such an analysis serves to offer a more subtle vision of the industrial evolution within firms. Hence, the firm and its supplier chain make up an entity that contains three levels: the organizational chain, the technical chain, and the chain of capabilities. It is the aptitude of combining these levels which serves to represent the most essential quality of a firm. The third part of this book proposes to apply these analyses to firm management. Hence, the concept of simultaneous three-dimension engineering (3-DCE) can be applied to products, processes, and supplier chains. This dimension can be integrated to manager analysis and action models through case

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Séminaires - Colloques

Colloque international "Le monde et la centralité" / "centrality and the world-system",
Bordeaux, 26-28 April 2000

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Call for papers and other information :
<http://www.tide.montaigne.u-bordeaux.fr>

4th International workshop on teamworking (iwot 4)
4-5 September 2000

Workshop Focus and Themes

The aim of the workshop is to bring together researchers interested in the issues raised by teamworking. It is intended that the workshop will include work from a variety of perspectives, disciplinary backgrounds and geographical areas.

Workshop Organizers

Enquiries about the workshop should be addressed to:
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Updated information can be found at:
<http://www.kun.nl/nbs>

Colloque "Les entreprises dans l'internationalisation, la mondialisation et la globalisation (19^e et 20^e siècles)",
Bordeaux, 15 et 16 septembre 2000

Le 4e congrès de l'Association européenne d'histoire des entreprises aura lieu à Bordeaux, les vendredi 15 & samedi 16 septembre 2000, à l'Institut d'études politiques sur le thème : "Les entreprises dans l'internationalisation, la mondialisation et la globalisation (19e-20e siècles)",

The Fourth convention of the European Business History Association "Firms Committed to Internationalisation, Worldwide Expansion or Globalisation (19th-20th century)" will take place in Bordeaux, on Friday 15 & Saturday 16 September 2000, at the Political Sciences Institute of Bordeaux (University campus of Talence).

Information available on the web site:
<http://www.univ-tlse1.fr/EBHA2000>

Calendrier des réunions du Réseau

Vendredi 19 novembre 1999

Réunion Secrétariat du GERPISA (MSH, salle 337, 9h30-13h).

Journée de travail : (MSH, salle 337, 14h00-17h). "Introduction of Japanese Manufacturing System and its Limitations in the Hyundai Motors Company : The Characteristics and Problems in Comparison with Toyota Production System", présenté par Je-Wheon OH, Visiting Researcher, Institut d'Asie Orientale, Lyon.

Vendredi 10 décembre 1999

Journée de travail : "La coordination des connaissances et des compétences dans le système automobile européen", présenté par Yannick Lung.

Vendredis 14.1.00, 11.2.00, 14.4.00 et 12.5.00

Journées de travail (MSH, 14h-17h).

Vendredi 10 et samedi 11 mars 2000

12^{ème} Comité International.

Mercredi 7 juin 2000

13^{ème} Comité International.

Jeudi 8, vendredi 9 et samedi 10 juin 2000

Huitième Rencontre Internationale : Palais du Luxembourg, Paris.

La Lettre du GERPISA

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Suppléments : Bibliographie, Articles disponibles

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