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**THE TRANSNATIONAL DIMENSION OF INDUSTRIAL DISPUTES AT FORD IN
GERMANY AND BRITAIN (1970S/1980S)**

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A substantial amount of research has already been published about industrial relations and trade union politics at Ford after the Second World War. Developments in Britain have received most attention, due to the particularly turbulent labour situation in the 1970s¹¹. Much less has been written on labour issues at Ford Germany².

From a conceptual point of view all the authors share a basically "domestic" perspective: Their interest is focused upon bargaining and strikes in the respective plants, and the corresponding strategies of local management and labour, seen in the context of overall political developments at national level, e.g. the crisis of the British car industry since the late 1960s. Somewhat less present, it seems, is the transnational dimension of the issue. To be sure, references are frequently made to Ford's global strategy and the corresponding implications for labour relations. For instance, comparisons of work standards between German and British plants, have been described as one of the most contentious issues between management and shop stewards in Dagenham already in the 1960s³. On the other hand, plant visits of Halewood shop stewards to Genk and Saarlouis in the early 1980s are seen as having contributed to a more accommodating stance of labour in the British plants⁴. Huw Beynon, in the second edition of "Working for Ford", provides a rather detailed account of some of the transnational issues involved in the late 1970s and early 1980s, e.g. the investment at Bridgend and the "AJ" campaign by Ford of Europe⁵. However, no attempt has been made yet to extend such a perspective in a systematic way to the whole post-war period. For this

¹ Cf. Steven Tolliday, „Ford and 'Fordism' in postwar Britain. Enterprise management and the control of labour 1937-1987”, in: id./Jonathan Zeitlin, *The Power to Manage? Employers and industrial relations in comparative historical perspective*, Routledge London/New York 1991, pp. 81-114; Huw Beynon, *Working for Ford*, Harmondsworth 1973, 2nd edn, 1984; Henry Friedman and Sander Meredeen, *The Dynamics of Industrial Conflict: Lessons from Ford*, London 1980.

² Most importantly: Klaus-Peter Wittemann, *Ford-Aktion. Zum Verhältnis von Industriesoziologie und IG Metall in den sechziger Jahren*, Schüren Verlag Marburg 1994.

³ Beynon, *Working for Ford*, p. 64.

⁴ Tolliday, *Ford and Fordism*, p. 105.

⁵ Beynon, *Working for Ford*, chapter 12.

purpose, in turn, a proper conceptual framework seems to be required that allows approaching different aspects of industrial relations from a transnational angle.

In the following such a conceptual framework will be outlined, and – by taking the example of industrial action – it will be applied to a number of case studies at Ford Germany and Britain.

TRANSNATIONAL LABOUR MARKETS. A CHALLENGE FOR NATIONAL TRADE UNIONS

The basic theoretical idea is to conceptualise Ford's international operations as a transnational labour market, that is to look at the workforces (and also the trade unions) in the national subsidiaries as being bound together by the structures of a labour market that transcends national borders. Unfortunately, most labour historians and sociologists regard the nation still as the almost „natural“ geographic unit for their analysis, and most research continues to assume that the term “labour market” should not be applied unless labour mobility has reached a certain scale⁶. This holds also true for the large field of transnational labour migration studies though here some authors have suggested introducing the notion of “global labour markets”⁷.

The precondition of large-scale labour migration would make the labour market concept useless for an analysis of multinational business firms such as Ford since labour mobility within such firms has been negligible until nowadays. Yet, considerable labour market effects have indeed taken place. For instance, the employment levels in the British subsidiary of Ford have dropped over the 1970s and 1980s while at the same time additional employment opportunities have been created in Spain.

These shifts can only be explained if the existence of transnational labour markets is not bound to the existence of large-scale cross-border labour migration. Two other factors need to be taken into consideration: international trade and cross-border capital mobility.

Such a broad understanding of transnational labour markets can be based upon recent work in institutional economics, namely the concept of “institutional competition”. This model departs from an analogy between product markets and institutions, the latter conceived of as broad regulatory frameworks of all sorts. On international markets such “immobile resources” compete against each other to attract the mobile resources, namely workers, capital and purchasing power⁸. Following Albert Hirschman's seminal work, competition is thought of in terms of “exit” and “voice”: The mobile resources use “exit” options; labour and capital migrate where investment or employment conditions are better, consumer purchasing power shifts to cheaper or better (“better” of course a matter of taste) foreign products. Importantly, the functioning of this model depends on prior regulatory efforts of Nation-States since free trade, unrestricted capital movement and the freedom of establishment are enabling conditions for the use of “exit” options.

With this conceptual approach, multinational business firms like Ford can be treated as transnational labour markets since their involvement into international trade and cross-border capital investments provides the necessary basic economic mechanisms: Trade entails the shifting of consumer purchasing power, investments imply the movement of capital.

⁶ Cf. for instance: Nick Adnett, European Labour Markets. Analysis and Policy, London/New York 1996.

⁷ Cf. for instance: Jeffrey G. Williamson, “The evolution of global labour markets since 1830: Background evidence and hypotheses”, in: Explorations in Economic History 32/1995, pp. 141-196.

⁸ Cf. Gerold Ambrosius, „Institutioneller Wettbewerb im europäischen Integrationsprozeß“, in: Geschichte und Gesellschaft 27/2001, pp. 545-575.

Moreover, the model emphasises the importance of institutional regulation, which implies that also trade unions do play a role in such markets. They can be conceived of as institutions that try to take advantage of mobile capital and purchasing power in order to achieve high national employment and income levels.

If international trade and foreign direct investment are regarded as the two economic mechanisms responsible for the emergence of transnational labour markets it is important to recall that these were not new phenomena after World War II. Especially the expansion of world trade had been enormous already in the late 19th century, and it seems that this also brought about significant new problems for the trade unions. In England for instance, it was the increased competition on international product markets, which brought employers to adopt new strategies to restrict trade union control over hiring and apprenticeships. In the “new industries” such as engineering this went hand in hand with the large-scale introduction of heavy equipment and machinery, implying the danger of “de-skilling” especially for the old and small “craft societies”⁹. At least the English case seems to indicate that unions had their distinct view of what would be the “national interests” under these circumstances. They were far away from accommodating to the “imperatives” of international product markets and at times strongly resisted employer attempts to match increasing international competition.¹⁰

Thus, the challenges for trade unions operating in transnational labour markets were not entirely new after 1945, even within multinational companies like Ford. Yet, they were certainly of a different nature. Most importantly, changing trade patterns brought about the emergence of two parallel transnational labour markets. Besides the “traditional” one, comprising the workforces of all companies trading in a certain international product market, a second, “internal” labour market came into being, which linked the workforces of the different national subsidiaries of one company on a micro level. This development was the result of a sharp increase of the so-called “intra-firm trade” since the 1950s¹¹ whereby exports and imports are exchanged between different national subsidiaries of a firm before they are delivered to dealers and customers. At Ford, “captive imports” were brought into the US from the European subsidiaries in the late 1950s for the first time in order to meet American consumer demands for small cars. From the mid1960s onwards Ford then developed an extensive pattern of intra-firm trade of components and models between its different European subsidiaries. To carry out this new policy, Ford set up a transnational Holding company called “Ford of Europe” in 1967 that was to co-ordinate the activities of the subsidiaries in England and Germany. Largely standardised “European” component and car models were now developed in close collaboration and were sold on the whole continent¹².

The different nature of transnational labour markets since the 1960s was also evident with regard to cross-border capital mobility: Ford of Europe also co-ordinated more closely the investment allocations in a way that subsidiaries produced fewer products in volumes that were sufficient to satisfy consumer demand on the whole European continent.

⁹ Cf. Jonathan Zeitlin, „Die Arbeitnehmerpolitik des britischen Maschinenbaus 1890-1914“, in: Wolfgang J. Mommsen/Hans-Gerhard Husung (ed.), Auf dem Wege zur Massengewerkschaft. Die Entwicklung der Gewerkschaften in Deutschland und Großbritannien 1880-1914, Stuttgart 1984, pp. 400-432.

¹⁰ Richard Price, „Der New Unionism und die Veränderungen des Arbeitsprozesses 1880-1920“, in: Mommsen/Husung, Auf dem Wege zur Massengewerkschaft, pp. 173-194, esp. pp. 179f.

¹¹ Cf. John H. Dunning, Multinational Enterprise and the Global economy, Wokingham 1993, pp. 386f.

¹² Cf. Gérard Bordenave, Yannick Lung, „The twin internationalisation strategies of U.S. carmakers GM and Ford, working paper Université Montesquieu Bordeaux IV, 2002; Gérard Bordenave, “Globalization at the Heart of Organizational change: Crisis and Recovery at the Ford Motor Company”, in: Michel Freyssenet et. al. (ed.), One best way? Trajectories and industrial models of the world’s automobile producers, Oxford 1998, S. 211-241.

The implications of these changing business strategies for trade union politics were considerable. Two points need to be emphasised in particular:

Firstly, labour demand and supply patterns in the national subsidiaries were increasingly shaped by transnational developments, e.g. the strategies of the mother company or the situation in other subsidiaries. On the demand side, cross-border rationalisation of models and components made employment levels in national subsidiaries dependent on transnational corporate decision-making.

On the supply side, systems of workplace organisation came under pressure along with the processes of product standardisation. Management used “benchmarking” strategies to compare the efficiency and quality achievements of different national subsidiaries. In turn, these comparisons played a crucial role for the allocation of new investment and production. As a corollary, union control over working time or the number and skills of the workforce came under pressure of adaptation to “best practices” in some foreign country. How vivid this threat was felt by the British unions, exemplifies the following extract from a pamphlet of Ford shop stewards in 1962: “This unreasonable increase in work load has worsened since Fords USA bought out the British shareholders. It has led to methods of comparing working rates in Ford plants internationally – but not to improve living standards and working conditions. On the contrary, they want the plant with the highest rate of production to serve as a yardstick for all plants, using factories, not individuals, as pacemakers”¹³.

Secondly, there was an entirely new challenge for national trade unions deriving from the fact that changes in labour demand were actually less market-driven than on the “external” transnational labour markets. This may seem a paradox, but does merely reflect the particular way in which the shift of purchasing power and capital was performed within a multinational company like Ford. What mattered here in the first place was corporate decision-making, and not, as on “external” transnational labour markets, the choices of consumers. For instance, if a decision was taken in Detroit that Ford Germany would replace Ford UK in serving the French market, the shift of purchasing power was anticipated before a single car was actually sold. Given the necessary product standardisation consumers would, in fact, buy an identical product without even knowing that it had been partially or totally manufactured elsewhere. For the decision-making as such market considerations (costs per unit, quality etc.) would of course play a major role. But so too would negotiations between the national and transnational Ford management, not least, because investment decisions are usually embedded in business *plans*. For the unions this meant that they needed appropriate strategies to influence the processes of corporate decision-making. They needed to mobilise their “voice”-options within this micro-scale labour market – through negotiations with the national management and with representatives of Ford of Europe, through pressure on their national governments and on public opinion, through contacts with foreign union organisations operating at Ford.

THE TRANSNATIONAL DIMENSION OF INDUSTRIAL ACTION. CASE STUDIES AT FORD UK AND GERMANY

Looking at the transnational dimension of industrial action at Ford, two types of conflicts can be distinguished. On the one hand, disputes were directly concerned with the transnational influences upon labour demand and supply patterns. On the other hand, “normal” domestic disputes, while being motivated by different matters, were also shaped by the existence of a transnational labour market – in terms of strategies as well as in terms of

¹³ Joint Ford Shop Stewards Committee, “What’s wrong at Ford’s”, November 1962, p. 7, in: Modern Record Centre Warwick, MSS 202/5/13.

outcomes. It can not be the purpose of this paper to deliver an exhaustive periodisation of all these issues. Rather the aim is to provide empirical material, drawn from the 1970s and 1980s that can serve to illustrate the fruitfulness of the suggested transnational approach.

Disputes about Ford's European business integration

This first category of transnational industrial action has not yet received much attention by scholars. This is surprising especially because strikes of this type were a more or less permanent feature of industrial relations at Ford in both Germany and Britain since at least the creation of Ford of Europe in 1967. In the broadest sense, their common characteristics is that they were not concerned with better wages or conditions, but with the question of employment security. If one looks at Britain, one may be tempted to interpret these actions in the tradition of strategies of job control adopted by British unions since their very origin¹⁴; however, such an interpretation would be misleading. In fact, this first type of "transnational" industrial action is as much an expression of historical continuity as of the changes of union politics in transnational labour markets after World War II, both in Germany and the United Kingdom. On the one hand, some of these disputes, at least in the UK, were indeed fights against the "import" of working practices, manning and workload standards from foreign countries, in the case of Ford for instance the resistance against the "Cologne yardstick", already mentioned above. Obviously, these strategies resemble those that British engineering unions adopted already in the late 19th century under the pressure of increased international competition in product markets¹⁵. On the other hand however, and this shall be my main concern here, a large part of disputes had nothing to do with working practices or other conditions of labour supply. Instead, they were focused on questions of labour demand and thus, in the context of a multinational company like Ford, they were about investments, products and markets. In other words, unions wanted to exercise influence over issues that still in the 1950s were largely regarded as the prerogatives of management. From first sight, this shift of union strategy took place equally in Germany and Britain. The first disputes arose already in the late 1960s in the design and product development departments, which had been forerunners of integration between Ford Germany and Britain. For instance, in February 1970 the Dagenham branch of the British staff union DATA, in response to the announcement of about 100 redundancies instituted a liaison ban with their counterparts in Cologne, claiming that the transnational integration of Ford locations had resulted in a loss of export markets for Ford of Britain. They also feared a slow transfer of passenger car design from Britain to Germany and asked for a revision of the distribution of development work between Dagenham and Cologne¹⁶. Only a couple of months later, a similar incident happened in Germany with the walk-out of some 250 IG Metall staff members, in their turn protesting against an alleged unfairness in the distribution of work between the two locations¹⁷.

Over the 1970s and 1980s industrial action of this kind became a frequent event in both countries. When the Fiesta was launched in the mid 1970s British unions threatened to block imports from Spain unless the car was manufactured in Dagenham as well. They argued that with the market trend towards smaller cars their employment security would be affected if Dagenham were excluded from Fiesta production. They also insisted that production in the

¹⁴ Cf. Hugh Armstrong Clegg, Alan Fox and A.F. Thompson, *A History of British trade unions since 1889*, 3 vols., Oxford/London/New York 1964-1994; Alan Fox, *History and Heritage. The Social Origins of the British Industrial Relations System*, London, Allen & Unwin 1985; Otto Kahn-Freund, *Labour Relations. Heritage and Adjustment*, Oxford University Press 1979.

¹⁵ Cf. for instance Richard Price, *Labour in British Society. An interpretative history*. Croom Helm London 1986, pp. 97ff.

¹⁶ „Dagenham anxieties“, *Daily Telegraph*, 14.2.1970.

¹⁷ „Streik von oben?“, *Kölner Stadt-Anzeiger* 28.11.1970.

UK should include the supply of some European export markets¹⁸. In 1978, the Dagenham Panel of different British unions again threatened to ban car imports from the Continent, pressing the company to channel more modernisation investment into the British plants¹⁹. In Germany, the Cologne Works Council staged large-scale overtime bans in 1985 and 1988. In 1985 the actions were meant to oppose the planned transfer of sales, finance and product development activities to Britain. In 1988 the Works Council wanted to obtain a long-term investment commitment to the German locations by Ford of Europe, in particular for the engine plant in Cologne²⁰.

As already emphasised, all these industrial actions were concerned with labour demand issues in the German and British Ford plants. The unions were attempting to bring pressure to bear upon company decisions on the allocation of car models to different locations, the distribution of workload between plants or the supply of export markets. By doing so, they got deeply involved into classical management concerns such as capacity use, investment cost calculations and the like. Looking back, the Chairman of the Cologne Works Council said in 1991 that union strategies at Ford in Germany had over the years more and more developed into a form of "Co-management"²¹. To be sure, British unionists have never gone so far but the fact remains that their strategies as well took a shift towards the occupation with management prerogatives. Traditionally, their employment policies had been concentrated on the control of labour supply structures, on the one hand through direct influence over hiring and apprenticeships, on the other hand through the imposition of minimum wages and conditions²².

It is beyond the scope of this paper to examine in detail to what extent the challenge of transnational labour markets has been instrumental in bringing about this shift of union strategies. In the German case, the change was certainly not confined to multinational companies such as Ford. Across industries, investment demands had become a major preoccupation of unions and works councils already by the late 1950s. A government commission for the evaluation of co-determination concluded in 1969 that neither the unions nor the works councils intended to replace the principle of capital accumulation by an alternative vision of business. On the contrary, it even warned that sometimes labour representatives had become over-anxious in their demands for investment promotion²³.

Clearly however, the strikes against particular aspects of Ford's European business integration reflect some specificity of union action in transnational labour markets. To begin with, there were some issues at stake that could occur only within multinational companies such as Ford, e.g. the concern about intra-firm trade or the distribution of business activities between different national subsidiaries. In "domestic" companies no union would ever have organised protests for or against a certain type of export performance because management was assumed to maximise sales on all markets. On the contrary at Ford where the allocation of export markets was often subject to transnational corporate decision-making unions tried to get involved into this process of allocation, sometimes even through the mobilisation of industrial power. Similarly, the transnational rationalisation of business activities created new challenges, but also opened new avenues for them. For instance, Dagenham shop stewards

¹⁸ Cf. B. Passingham/D. Connor, *Ford Shop Stewards on Industrial Democracy*, Nottingham 1977, p. 12f.

¹⁹ Minutes of fortnightly panel meeting 18.5.1978, Modern Records Centre Warwick, MSS 126/TG/3, Sack 36/2.

²⁰ „BR-Information 2/1989: Sonderausgabe für Angestellte“, p.4, in: archive IG Metall Cologne, file „BR Ford 1990-92“.

²¹ „Misstände im Management“, Kölner Stadt-Anzeiger 12.5.1992.

²² Cf. Clegg, Fox, Thompson, *A history of British trade unions*, op. cit.

²³ Mitbestimmung im Unternehmen. Bericht der Sachverständigenkommission zur Auswertung der bisherigen Erfahrungen bei der Mitbestimmung, Stuttgart 1970, p. 73,75.

already in the early 1960s were well aware of the risks of factories developing into single-model plants with employment stability depending entirely on the market success of a particular car²⁴. And the more this process of rationalisation got under way the more unions became preoccupied with questions of manufacturing quotas or investment distribution between subsidiaries. Notions of “fairness” were developed, which, however, were constructed in such a way as to “prove” alleged disadvantages for “their” national subsidiary: If unions in one country complained about employment cuts being unevenly spread across the national subsidiaries unions in another country would argue that this was appropriate on the grounds that it was a compensation for some other aspect of transnational distribution of work in the past. More than a sense of transnational solidarity, unions developed here a keen awareness for forward corporate planning. If plants were to produce only a limited number of models out of Ford’s product range it was important to anticipate how those would sell in the market place. Thus, the British unions’ campaign to get the Fiesta production to Dagenham was largely due to their expectation that there was a trend towards smaller cars after the oil crisis of 1973. The Cologne Works Council fought for investment into German engine plants because it knew that the particular engine would have a long life cycle and would be built into a broad range of different Ford car models.

Still, the obvious question is why German and British trade unions found it necessary to engage into this type of transnational industrial actions, and why they did not instead concentrate on their traditional domains, such as wages and working conditions. Again, there are broader issues of change of trade union organisation in the 20th century that can not be addressed here. As for the circumstances of multinational company labour markets they seem have to be conducive to this shift in union strategies in three respects that can only be mentioned briefly:

First, management strategies of continuous performance benchmarking as basis for decisions on investment and market allocation provided incentives for trade unions to get involved into the logic of management. E.g., if capital and labour productivity data were compared between different subsidiaries the degree of capacity use was decisive for cost comparisons, which in turn would determine investment decisions. Hence, the question of distribution of the production volume between plants acquired a particular importance. Not only did present employment levels depend on it, but also future prospects for job security. This being so, unions were strongly induced to find strategies to exert their influence.

Second, the structure of the transnational Ford labour market allowed unions to play this role. Given the importance of intra-firm trade, shifts in labour demand were less market-driven than in firms selling directly to customers. There was more room for institutional interference into the determination of labour demand. Thus, unions had increased bargaining opportunities, which, among other things, they also used for industrial action.

Third, the failure to achieve any significant co-ordination of trade union employment or wage bargaining strategies across borders contributed to a shift of union strategies towards the demand side. This was so because no understanding could be reached about a common or similar labour supply regime, for instance in terms of shift systems, line speeds and the like. This made national regimes, in particular those yielding lower economic returns, vulnerable to adaptation pressures. To compensate these dangers, unions had to look for other means to secure stable employment at home.

²⁴ „Victimised red Shop steward lashes Ford’s“, Dagenham Post 6.2.1963.

The transnational dimension of domestic disputes

Apart from industrial action directly concerned with Ford's transnational business network there were the domestic strikes at Ford, that is those in defence of job control or in search of better wages and conditions at national level. Looking at the big strikes at Ford of Britain in the 1970s it becomes clear that these disputes were deeply embedded in the national context of the time. In 1971 for instance, the major strike claim was the achievement of wage parity with car workers in the Midlands, in 1978 one of the main issues at stake was the resistance against the Income policy of the Labour government²⁵.

However, these disputes had a transnational dimension as well that I will try to address in this second part of the paper. Here, Ford's European business integration was not itself the subject of conflict. But it provided particular and important conditions for national strike strategies – sometimes in a facilitating way, sometimes as a constraint. On the one hand, the European integration of Ford subsidiaries in the late 1960s increased the vulnerability of the company to industrial action at national level – at the same time enhancing the power of unions. In particular, the extensive exchange of components and parts between national Ford locations largely increased the potential commercial damages that a trade union could inflict upon Ford – one of the crucial elements for the effectiveness of industrial action²⁶. On the other hand, strike patterns in the different national subsidiaries were subject to transnational benchmarking. Particularly strike-prone plants were in danger of losing production and employment, not so much through actual relocation but through subsequent processes of investment diversion. This threatening of employment security can be seen as a major constraint upon a union's strike activities.

The conditions of Ford's transnational labour market also made that disputes in one national subsidiary would have repercussions on workers and unions in other countries. Perhaps the most important feature of this was the frequent lay-offs in Continental plants, due to disputes in the UK.

Some of the connected problems for German and British trade unions will be dealt with in the following case studies.

Britain 1976-78: Transnational business integration: incentive and/or disincentive for strike action?

By the mid 1970s, the British motor industry had reached the peak of its crisis. The level of imports had risen to more than 30 percent and the collapse of British Leyland and Chrysler UK had been prevented only through major bailing-out operations of the government. Ford UK and Vauxhall, the two subsidiaries of US multinational companies, imported increasing numbers of vehicles from the Continent in order to sell them on the British market, and investments were low compared to European standards.²⁷ Alarmed by this situation the government as well as the House of Commons had set up fact-finding commissions to inquire into the state of the motor industry. Their reports, both published in 1975, emphasised that the British car industry had no choice other than to catch up with

²⁵ Friedman/Meredeen, The dynamics, pp. 269ff.; John Mathews, Ford Strike. The Workers Story, London 1972, pp. 86ff.

²⁶ Gordon F. Bloom, Herbert R. Northrup, Economics of Labour Relations, 9th edition, 1981, pp. 385f.; Colin Crouch, Trade Unions: The Logic of Collective Action, Glasgow 1982, pp. 75ff.

²⁷ Timothy R. Whisler, The British Motor Industry. 1945-1994. A Case Study in industrial decline, Oxford 1999; Roy Church, The rise and decline of the British motor industry, Cambridge University Press 1994; Wayne Lewchuk, American Technology and the British Vehicle Industry, Cambridge 1987; Peter S. J. Dunnett, The Decline of the British Motor industry. The Effects of Government Policy, 1945-1979, Croom Helm London 1980.

manufacturers on the Continent primarily in two respects: Manufacturing efficiency had to be improved, and the continuity of production had to be guaranteed. Detailed comparisons with the performance of plants on the Continent were the very basis for these recommendations. In the case of Ford, the CPRS report was followed-up by a plant visit to Saarlouis and Genk, organised by the Tripartite Committee of the Department of Industry, which included the leaders of AEU and TGWU and a number of Ford shop stewards. The unions were in an awkward position. Huw Beynon notes that the labour representatives were at pains to point out that efficiency was not simply a question of how hard people work but that, on the whole, most of them accepted that productivity had to go up and that the level of disputes in the British plants had to be brought down²⁸. However, within the broader union movement, there were other voices, too. Bernie Passingham, convenor of the Dagenham River plant, said that the visits had invalidated comparisons with the Continent because the equipment there was much more modern. With regard to the question of disputes, the largest white-collar union TASS issued a statement that management had to accept the right of workers “to say no” – a right that was more strongly felt in Britain than in any other country because of its longer industrial tradition. In the view of TASS, the British strike record in the motor industry was part of a broader struggle for industrial democracy, and this struggle was just beginning in countries such as Germany and the USA²⁹.

Within the Ford plants, similar internal union struggles arose out of this transnational agenda. Since 1974 shop stewards and convenors had become more and more concerned about the rising number of imported vehicles from the Continent to be sold on the British market. Again and again, they pressured the company to use British production for British sales, by pointing out that about 8000 new jobs could be created if imports were replaced by British build³⁰. But their campaign led nowhere. Management emphasised that British plants were properly manned already, and that imports were necessary only due to the low schedule achievement in the British plants. As soon as these shortfalls, themselves largely a product of frequent industrial disputes ceased to exist, imports would stop³¹. In other words: The company made a reduction of imports dependent upon union action against the large number of wildcat strikes. In particular, they proposed that the unions should agree to a procedure by which vacant jobs would be manned up in case of “unconstitutional” disputes³².

Faced with this situation, a broad debate within the Ford union organisation ensued. The most radical voices suggested fighting for the nationalisation of Ford UK. A large part of unionists was united in a campaign for selective import controls, to be enforced by the British government. In 1977 many convenors even suggested to work regular overtime on Saturdays and Sundays in order to make up lost production time³³. But a considerable number of trade union officials and senior stewards were also ready to co-operate with the company in containing the level of disputes in the plants. How this should be done, was subject to debate again. In the Ford National Negotiating Committee (NJNC) labour representatives were opposed to the company vision of them helping to man up vacant jobs. As they saw it, such a procedure would have pushed them into the role of company policemen. They would never be in a position to tell a member to do another man’s job even if that would prevent the lay-off of

²⁸ Beynon, Working for Ford, pp. 347/348.

²⁹ „A policy for the British Motor Vehicle industry. A trade union response to the government White Paper by AUEW(TASS), undated, p. 20, in: Modern Record Centre Warwick, MSS. 292 D. , Box 1709.

³⁰ Minutes of meeting on 13th October 1977 to discuss stamping plant capacity, in Modern Record Centre, MSS 126/TG/3 Sack 36/2.

³¹ Cf. for instance: Minutes of meeting of the Joint Works Committee Product development, 13.9.1977, in: Modern Record Centre, MSS 126/TG/3, Sack 36/1.

³² Minutes of the NJNC Sub-Committee meeting on lay-offs, 7.3.1977, in: *ibid.*

³³ Minutes of a meeting of the NJNC sub-committee to discuss the elimination of internal stoppages, 17th March 1978, p. 3, Modern Record Centre Warwick, MSS. 126/TG 3, Sack 36/2.

thousands of other employees³⁴. However, despite this strong attachment to the tradition of direct democracy, management noticed already in 1977 “more constructive discussions” with the unions about the question of stoppages. And the TGWU district official Mick Murphy declared early in 1978 that the unions could no longer accept that a group of individuals should have the right to ignore agreed procedures if they were threatening the employment of thousands of others³⁵. The aim seems to have been to discipline members without restricting their constitutional right to strike.

While these debates were going on, walkouts and stoppages continued, especially in the assembly plants. For instance, in June 1977, workers and shop stewards of the Dagenham assembly plant organised pickets on the whole Dagenham Estate to press their claim for increased lay-off pay. By doing so, they deliberately tried to exploit Ford’s transnational business network³⁶. This had been done already in earlier disputes after the company had established an extensive system of part and component delivery between different European plants in the late 1960s. Already during 1968 and 1969 the militants among Ford shop stewards had urged to launch actions against the “Achilles heels” in the production process that resulted from the centralisation of component production because a total shutdown of European operations would increase labour’s bargaining power³⁷. In 1977, however, similar moves by the assembly plant stewards triggered bitter internal conflicts. Convenors of other plants gave order to smash pickets. A TGWU official was chased out of a mass meeting because he had recommended a return to work. Violent riots took place³⁸.

One of the crucial points of these conflicts were different perceptions with regard to Ford’s transnational labour market. The most militant unionists still believed that the vertical integration of company operations across Europe provided an extra incentive to go on strike because the firm was more vulnerable to damages. However, by the mid1970s, a growing part of the Ford union organisation saw the opposite logic at work: If the number of stoppages could not be brought down more and more British jobs would be endangered due to increased imports from the Continent and lacking capacity investments in the UK.

To understand this basic ambiguity and to apply it to other periods of Ford’s after-war history seems to be one of the most interesting aspects of an approach that looks at industrial disputes from a transnational angle. It is interesting to note, for instance, that both types of reasoning played already a decisive role in the early 1970s. So, in February 1970 a strike recommendation by the Ford convenors was turned down in mass meetings that voted instead to accept a company wage offer. Especially at Halewood this was largely due to concerns about future investments of Ford into the plant on Merseyside. Halewood shop stewards wrote an anxious letter to Henry Ford II, seeking assurances for the future production of the plant³⁹. On the contrary, in 1971, the pendulum swung to a more militant stance. The shutdown of production on the continent was used as a weapon to improve the unions’ bargaining position. And this time, Ford’s continued threats to divert investment away from Britain were rebuffed. In their talks with the British Prime Minister Heath the leaders of AEU and TGWU, Scanlon and Jones, even questioned the credibility of these threats by claiming that Ford needed production in Britain for EFTA and Commonwealth markets⁴⁰.

³⁴ Ibid.

³⁵ Cited in: Red Notes, Fighting the lay-offs at Ford, June 1978, p. 30ff.

³⁶ Statement by the shop steward committee of the assembly plant, 28th June 1977, in: Modern Record Centre, MSS 226x/IND/21/1.

³⁷ Solidarity, Vol. 5, No. 8, March 1969, Modern Record Centre Warwick, MSS . 217/B1/12.

³⁸ Cf. Red Notes, Fighting the lay-offs, op. cit.

³⁹ Beynon, Working for Ford, pp. 213ff.

⁴⁰ „Ford strike – chronology and news clips“, Modern Record Centre Warwick, MSS. 217/B1/12.

Beyond this basic ambiguity between militancy and adaptation, the analysis would need to include the relations between the Ford unions and other institutional actors in the transnational labour market: How was the Ford union's demand for import controls perceived within the broader British labour movement? Why did it fail to be implemented by the Labour government? What efforts did Ford unionists undertake to encourage their fellow colleagues on the Continent to imitate British militancy?

Perhaps this transnational perspective could provide an additional framework of interpretation for the history of industrial relations at Ford in the UK. The case study described above demonstrates that particular business circumstances in the transnational Ford labour market and the resulting power struggles within the union organisations seem to have been important elements in the determination of strike strategies, in addition to more structural features of British IR. It might, for instance, be worth looking at these issues when analysing the question why the trade union organisations at Ford shifted towards more accommodating position vis-à-vis the management from the early 1980s onwards. Steven Tolliday has interpreted this shift mainly as a response to both new management initiatives of "employee involvement" and the weakness of Labour on the national level due to Thatcher's political and legal offensive against the unions⁴¹. It would seem that Ford's European intra-firm trade, the moderate stance of most Continental trade unions and the unwillingness of the British government to intervene into Ford's trading and investment practices could provide additional elements of explanation.

Ford Germany 1984: on holiday during the IG Metall strike

In 1984, for the first time after many years IG Metall launched a large-scale strike in the German metalworking industry. The strike was mainly about the reduction of working time to 35 hours for which the union had already been campaigning since 1982⁴². However, as an IG Metall analysis admitted after the strike, the 35-hour claim had been univocally supported neither by the rank-and-file nor by works councils and union officers. The reluctance of a part of the union membership was seen to be rooted mainly in fears that the economic situation might worsen as a consequence of a further working time reduction, and more jobs could get lost subsequently⁴³. In addition, the Federal Labour Office had announced that, in contrast to previous practice, no payments would be made to workers that were laid off as an effect of the strike. This caused members to worry about income losses since IG Metall would pay strike benefit only to workers in those two districts that were actively involved into the dispute.

At Ford, the conditions of a transnational labour market made things even more difficult. Since the early 1980s, the company kept complaining about a 20 % over-capacity of production facilities in Europe, and – under the potential threat of a plant closure - the German Works Council had been busy to claim new investments to be channelled in particular into the Cologne plant because it felt that Cologne was falling behind the other European locations in terms of modernity of equipment and machinery⁴⁴. Though this strategy had yielded some success already in 1983, notably with the shelving of investment plans for Portugal, the situation in 1984 remained critical, especially with regard to the future of the

⁴¹ Tolliday, Ford and Fordism, p. 104.

⁴² Cf. Michael Schneider, Kleine Geschichte der Gewerkschaften. Ihre Entwicklung in Deutschland von den Anfängen bis heute, Bonn 1989, pp. 370f.

⁴³ Vorlage für die Klausurtagung des Vorstandes der IG Metall nach dem Streik 1984, Archiv Betriebsrat Opel, file „Arbeitskampf 1984 – Ordner 2“.

⁴⁴ „Bericht des Gesamtbetriebsrates zur Betriebsversammlung IV. Quartal 1982“, in: Archive IG Metall Cologne, file „BR Ford ab Januar 82 bis Jan. 83“

engine and transmission production in Cologne. The Works Council committed itself to close co-operation with German management in its efforts to avoid anything that could endanger the quality, efficiency and viability of the German plants, which, in turn, were of paramount importance for investment decisions by Ford of Europe. It agreed to frequent model changes and job transfers it accepted redundancies arising out of technological changes, it encouraged employee efforts to improve quality and reliability of production⁴⁵.

Not surprisingly, the IG Metall strike preparations in spring 1984 did not fit very well into these Works Council objectives. The local union officers in Cologne noticed with a great deal of worries that mobilisation for the dispute was very low at Ford. Many members did not really feel concerned by the strike; they were more anxious to see their employment situation secured⁴⁶. The Works Council did all it could to ensure that the plants could produce as long as possible; it even required management to increase stocks in anticipation of the dispute. In fact, Ford was able to continue production longer than any other German car manufacturer during the strike⁴⁷. And when production restrictions seemed unavoidable in early June 1984, the Works Council agreed to a quite unconventional procedure: Manufacturing was continued in the power train areas that were to deliver parts to other European Ford plants. For the other departments it was agreed to anticipate paid vacation days – a solution, which would not only save the income of laid-off union members but would also avoid any loss of production for the company since the anticipated vacation days would be worked later in the year.

Clearly, this strategy accommodated the company's concerns about the future place of Ford Germany within the European organisation. Needless to say that it was not very supportive for the effectiveness of the IG Metall strike, with Ford workers going on holiday while the dispute reached its crucial phase. Accordingly, the Works Council was heavily criticised by the regional IG Metall bureaucracy for having damaged the strength and reputation of the union⁴⁸.

This episode underlines the importance of transnational labour market conditions for German union strike politics at Ford in the mid1980s. They imposed a major constraint on the participation of the Ford union organisation in the dispute called by IG Metall. And as a consequence, they also caused considerable frictions between the IG Metall leadership and the Ford Cologne unionists. Thus, a transnational perspective on industrial disputes at Ford in Germany seems to impose the question to what extent the European business integration has been instrumental in bringing about a high degree of industrial peace in Saarlouis and Cologne. However, there are a number of indications that such a perspective may be too narrow for the earlier periods of the 1960s and 1970s. In fact, in the early 1970s the Ford union organisation was among the most militant ones in the German metal industry. In 1970 alone there were three wildcat strikes in Cologne⁴⁹. And again this was at least partly due to the transnational dimension of Ford's business, namely the fact that by that time the company was making huge profits of which a large part was transferred to the US. The Ford Works Council, together with their colleagues from GM/Opel, sought to find a way to get hold of at least one part of these profits for the benefit of workers in Cologne. Most importantly, it advocated a shift of the IG Metall bargaining structure towards the plant level that would allow the Ford union organisation to conclude wage agreements themselves, and thus to call

⁴⁵ Cf. for this strategy e.g.: "Bericht des GBR zur Betriebsversammlung II. Quartal 1984, pp. 13-16, 20/21, 26-28, in: archive IG Metall Cologne, file „BR Ford-N ab Jan 83“.

⁴⁶ Kurzprotokoll der Sitzung der Vertrauenskörperleitung Ford-Niehl, 24.5.1984, in: archive IG Metall Cologne, file „VVK Ford-Niehl von Apr.84 bis Okt. 87“.

⁴⁷ „Fließband soll nicht stillstehen“, Kölner Stadt-Anzeiger, 21.5.1984

⁴⁸ „Ford: IG Metall schießt gegen Betriebsrat“, Kölner Express 6.7.1984.

⁴⁹ „Ford-Arbeiter legten Produktion lahm“, Kölner Express 3.3.1970; „Ford-Arbeiter streikten nach Gerüchten über Entlassungen“, Kölnische Rundschau 28.11.1970.

industrial disputes even during the time when IG Metall had still a “peace obligation” on the regional or national level⁵⁰. Still in 1977 Ford and Opel works Councils were complaining about the fact that the IG Metall bargaining machinery did not allow to reap the benefits of the high profitability of their transnational companies⁵¹.

It would be beyond the scope of this paper to describe the complex reasons why these initiatives eventually failed. In any case, it seems that a transnational perspective could add to the analysis of German industrial relations and trade union politics, for instance with regard to the changing relationship between industrial unions such as IG Metall and the local Works Councils. Was Ford Cologne one example of the process of “Verbetriebsratung” of the German union movement?⁵²

As in the British case, the relations to other institutional actors in the transnationals labour market would need to be included: Was there a link between the debate about the decentralisation of German collective bargaining in the early 1970s and the parallel discussions about a closer co-ordination of Ford negotiations on a European level? Was the IG Metall leadership’s opposition to company bargaining connected to transnational developments? Were foreign union practices used as reference points in the German context⁵³?

Outlook

Industrial disputes are not the only issue that could be looked at from a transnational angle. It is widely known that European pay and productivity comparisons since long time have played an important role in the national collective bargaining negotiations, in particular in the UK. Moreover, approaching union politics with the concept of a transnational labour market could be a rewarding new perspective also for traditional debates of trade union historiography that go beyond the framework of Ford or other multinational business firms. As for the German case new insights could be gained whether co-determination since the 1950s should primarily be interpreted as a particular vision of economic democracy or rather as a labour market instrument. This also creates a link to the 19th century union historiography where German unionism is mostly described as having a predominantly political character – at least in comparison with the British labour movement⁵⁴.

In addition, the comparison between Germany and Britain also allows raising questions about converging developments as well as persisting differences between European trade unions. Hence, apart from embedding the subject into the respective national union historiographies, it could also be put into the context of the old debates about a convergence of industrial relations⁵⁵, and, more generally, about a convergence of societies in Western

⁵⁰ „IG Metall drängt Arbeitgeberverband – Opel und Ford wollen Betriebstarife“, Industriekurier 5.3.1970.

⁵¹ Bericht des Gesamtbetriebsrates für die Betriebsversammlung im 1. Quartal 1977 vom 21.3.1977, p. 16, in: archive IG Metall Cologne, File „BR Ford“.

⁵² Cf. for this subject: Wolfgang Streeck, *Gewerkschaftliche Organisationsprobleme in der sozialstaatlichen Demokratie*, Königstein/Taunus 1981.

⁵³ In 1970, for instance, the Chairman of the Ford Works Council justified wildcat strikes on the grounds that they were expressions of direct democracy – with explicit reference to the British example. Cf. “Das ist eine Riesenschweinerei”, Der Spiegel 13.7.1970.

⁵⁴ Wolfgang J. Mommsen, „Einleitung“, in: Mommsen/ Husung, *Auf dem Wege zur Massengewerkschaft*, pp. 7-18.

⁵⁵ Roger Smith, „The convergence/divergence-debate in comparative industrial relations“, in: Mike Rigby et. al. (ed.), *European Trade Unions. Change and Response*, London/New York 1999, pp. 1-18.

Europe after the Second World War⁵⁶. Obviously, the topic lends itself also to a further integration between economic and business history and labour studies.

It would also seem that such micro-level comparisons could easily be integrated into the project of a “global labour history”⁵⁷ since they include questions of mutual bilateral exchanges and transfers between the analysed “units”, and, beyond that, on the international level. With regard to the latter, further links could be created to the abundant research that looks at the role of non-governmental organisations in the process of globalisation⁵⁸ or, in a narrower context, in the evolution of European political integration⁵⁹. Finally, the paper has also demonstrated that new analytical opportunities could be opened to address the question of international trade union co-operation.

⁵⁶ Cf. Hartmut Kaelble, „Europäische Vielfalt und der Weg zu einer europäischen Gesellschaft“, in: Stefan Hradil/Stefan Immerfall (ed.), *Die westeuropäischen Gesellschaften im Vergleich*, Opladen 1997.

⁵⁷ Cf. Marcel van der Linden, „Vorläufiges zur transkontinentalen Arbeitergeschichte“, in: *Geschichte und Gesellschaft* 28/2002, pp. 291-304.

⁵⁸ Cf. for instance: John Boli/George M. Thomas, *Constructing World Culture. International Nongovernmental Organizations since 1875*, Stanford 1999.

⁵⁹ Thomas Fetzer, „Zivilgesellschaftliche Organisationen in Europa nach 1945: Katalysatoren für die Herausbildung transnationaler Identitäten?“, in: Hartmut Kaelble/Martin Kirsch/Alexander Schmidt-Gernig (ed.), *Transnationale Öffentlichkeiten und Identitäten im 20. Jahrhundert*, Frankfurt/M. 2002.