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Harry Arthurs
Abstract:
This paper, delivered at the 50th anniversary conference of the Canadian Industrial Relations Association (CIRA), explores the relationship between academic research and public policy in the field of industrial relations and more broadly. Following an analysis of the current state of industrial relations, it makes the case for the re-invention of the discipline as “the study of economic power and resistance”.

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The title of CIRA’s 50th anniversary conference — From Theory and Research to Policy and Practice in Work and Employment — has a nostalgic ring to it. It makes us all think about “the good old days”. You’ll recall, perhaps, that large numbers of people, who used to be known as “workers”, were “employed” in something called “industry”. Significant numbers of these workers joined organizations called “unions” that established collective “relations” with employers. Implausible as it now seems, governments were once so concerned about “industrial relations” that they sponsored a great deal of IR research and even conducted their own. Moreover — I’m not making this up! — research sometimes led to reforms that were embedded in public “policy” or law. And though this sounds utterly improbable, some laws and policies based on research actually made things better in “practice”. Or so it seemed in the good old days.

This quaint approach was epitomized by the work of the federal Task Force on Labour Relations, chaired by CIRA’s first president, Buzz Woods of McGill. The Task Force, appointed in 1966, enlisted virtually every industrial relations and labour law scholar in the country; compiled shelves-full of ambitious studies; and made scores of recommendations, a surprising number of which ended up being adopted by one or another Canadian jurisdiction. Moreover, the era of the Woods Task Force coincided, more or less, with a series of broad policy developments with IR implications including: the introduction of medicare, the Canada Pension Plan and other social welfare
programs, the expansion of post-secondary education, negotiation of the auto pact and adoption of other interventionist public policies designed to create jobs and enhance productivity. And finally, that same period saw numerous improvements in corporate HR practices including the emergence of highly structured internal labour markets, increased job security, and more widespread provision of employment-related benefits such as DB pensions and annual vacations. This was heady stuff for IR scholars who not only advocated progressive public policies, but also served as architects and administrators of progressive regulatory regimes, and proffered advice on progressive workplace practices. We believed that our research, our analysis, was changing the world.

But we were wrong. We under-estimated the historical contingency of the IR system within which we were working. That system was shaped initially by memories of the Great Depression, by the experience of wartime mobilization, by morale-raising slogans about democracy and freedom from want, and subsequently by the unique political economy of the postwar period: Keynesian economic policies, the expansion of manufacturing in response to pent-up consumer demand, the cold war contest for the hearts and minds of workers, and the optimism engendered by two or three decades of a baby boom, relatively low unemployment, rising living standards and the fairer distribution of social goods. However, when the force of those unusual historical circumstances was spent, the IR policies and practices they had enabled entered a long period of disruption and decline.

To remind you of some painful details:

- The Canadian labour market became polarized into “good” and “bad” jobs, secure and precarious jobs.
- Average wages flat-lined over considerable periods of time; average job tenure shrank; pension coverage declined; and labour laws came to protect a shrinking percentage of the workforce.
• Public interest in, knowledge of and sympathy for workers' issues diminished, while employer attitudes and government actions towards unions hardened.
• Union density, economic power and political influence all shrivelled.
• The social safety net — including both elements provided by the state and those provided by employers — developed gaping holes.
• And in general, various fiscal, trade, economic and social policies were adopted that effectively repudiated the values and undermined the arrangements on which Canada's postwar industrial relations systems were built.

This is a rather glum reprise of recent IR history, so in the interests of both accuracy and audience morale, I'm prepared to add three caveats:

First caveat: there were positive developments as well as negative ones:

• Obviously, labour markets produced winners as well as losers.
• Average household incomes did not track average wages downwards, partly because there are more two-income households, partly because of income supports for specific population cohorts.
• Some new public policies and employer practices — especially those relating to workplace discrimination and harassment — benefited important constituencies of Canadian workers, such as women, racial minorities and people with disabilities.
• And for whatever it’s worth — not much, in my view — the Charter now formally entrenches some rights of workers including equality and mobility rights, and freedom of assembly, association and expression.

Second caveat: the sorry state of Canadian industrial relations cannot be blamed entirely on hostile employers and unsympathetic governments:

• To some extent, the postwar collective bargaining system failed because of flaws in the design of that system and in union structures and strategies.
• To a greater extent, however, labour’s waning industrial and political power reflects a sociological shift in workers’ primary identities, in their sense of solidarity and in their inclination towards collective action.

• And most importantly, the Canadian industrial relations system was destabilized by exogenous developments — by a technological revolution, by globalization and by consequent fundamental changes in the architecture of capitalist economies.

And a third caveat: though worker-employer relations and labour market outcomes have become increasingly dire, IR research has actually become pretty impressive. Not to overstate, but the people in this room can scrutinize complex and obscure workplace phenomena with x-ray vision; they can leap national and disciplinary borders in a single bound; they can engage with emerging policy domains and employment practices faster than a speeding bullet. I’m not sure what metrics one would use to measure improvements in IR research over the past 50 years but — if you define the term broadly— there’s clearly more of it today and it’s of better quality.

So: if IR is getting worse and IR research is getting better, we have to ask: “what’s the relationship between the two?” Or to rephrase the question: “does this mean that IR research is having less impact on policy and practice than it used to?”

I want to answer that question in several ways. The first is to revisit my earlier suggestion that the sixties were the “good old days” of IR research, that governments back then embraced relatively progressive industrial relations and social policies and that employers adopted somewhat more enlightened HR practices. Those things were all more-or-less true, but perhaps they weren’t causally related. Perhaps there were reasons other than good research that produced improvements in policy and practice. Remember: union density was higher in the 1960s; strikes were much more frequent; and labour’s political leverage and social influence were on the rise. Isn’t it likely, then, that governments adopted progressive IR policies not because the Woods Report showed them a “better way” but in order to dampen down labour militancy at the polls?
and on picket lines? Isn’t it likely that employers introduced more enlightened workplace practices not because they read our learned publications but because they wanted to deflect or de-radicalize unionization or projects of statutory regulation? As proof of this hypothesis, I’ll just observe that now that times have changed, now that unions are in steep decline, neither governments nor employers have any reason to persevere with the relatively progressive policies they once embraced. So they don’t.

My second answer is a bit different. In a 2007 article, Morley Gunderson asked under what conditions IR research is likely to influence public policy. Apart from the quality of the research and the reputation of the researcher, he concluded, “timeliness” and “political acceptability” are key predictors of success. In other words, it isn’t that research has no influence; it does — but only when researchers make recommendations that square with the government’s ideological predilections or political imperatives. To revisit my analysis of the sixties, IR scholars generally adopted a “social justice” perspective. This is hardly surprising: from its inception as a discipline, IR was closely associated with the British Fabians and the American Progressive movement. The ultimate point of labour law and policy, most of us believed, was to ensure that workers were treated fairly. Fairness could be achieved in several ways: by legislating fair labour standards; by facilitating the aggregation of countervailing power and promoting collective bargaining; by having the state buffer workers against the consequences of unemployment, illness and old age; even by persuading employers to harken to their better angels. But fairness was the end in view. We were all “progressives” then.

In the postwar period, from 1945 right through the 1960s, this view of IR still had some traction. It was, in Morley’s terms, “timely” and “politically acceptable”. However, by the 1970s we had entered what the historian, Daniel Rogers, calls “the age of fracture” — a period of radical transformation in our thinking about markets, power, race and gender and about IR policies and practices that are rooted in that thinking. Research that is “timely” or “politically acceptable” today — post-rupture — valorizes markets and promotes greater entrepreneurial freedom, less regulation and a reduced safety net.
Please don’t misunderstand me. My concern is not that such research has had more influence than its scholarly merit warrants. On the contrary, it is often highly sophisticated. Rather I am making the same point that Morley did: scholarly merits aside, IR research can be highly influential, precisely because it tells employer-friendly governments and worker-unfriendly employers just what they want to hear.

Of course governments would generally prefer to hear nothing at all about industrial relations. Many of them have disbanded their labour ministries or parked them under the umbrella of larger ministries concerned with economic growth or social welfare. As a result, labour policy often emerges as a by-product of fiscal, monetary, trade or welfare policy. Worse yet, governments are able to do this because no one seems to care. Few, if any, newspapers have a labour reporter; labour issues have virtually disappeared from popular culture and public consciousness; and workers have ceased to think of themselves in terms of their class identity.

Now let me expand Morley’s thesis. IR research is likely to be influential, I’m going to argue, not only when it is politically acceptable, but also when it is intellectually fashionable. Intellectual fashions in our discipline have changed considerably since the 1960s. As a study of IR research reported in 2000, there has been a decided shift from “inductive, qualitative and policy-oriented research” to “deductive, quantitative and discipline-oriented research”. There are reasons for that shift, which have to do both with ideology and with intellectual trends. However, I want to focus on consequences rather than causes. People who do “discipline-oriented” research — whether their discipline is macro-economics, gender studies or constitutional law — have brought energy, breadth and depth to IR scholarship. However they tend, naturally enough, to deploy theories and methodologies associated with their “home” discipline, and to measure their academic legitimacy according to that discipline’s particular metrics. The result has been to shift the centre of gravity of IR scholarship and to diffuse its focus. Two examples. Mainstream economists writing about labour issues are likely to generate models designed to demonstrate how efficient outcomes are achieved in hypothetical markets. They are unlikely to adopt the older approach of IR scholars,
who typically dealt with granular or impressionistic data, who were wary of models and who sought to undo or modify market outcomes, not replicate or reinforce them. Second example: Charter scholars writing on workers’ “rights” are likely to adopt the binary analysis of jurists — rights exist or not; they are respected or not. And they are likely to focus more on the formal outcome of individual cases than on their actual impact on relationships and systems. This is in sharp contrast to the traditional tolerance of IR scholars for conflict and ambiguity, and their search for equilibrium and compromise. In short because discipline-focussed IR scholars naturally tend to adopt the conventional wisdom of their home disciplines and to speak in their distinctive vernaculars, they often end up at right angles to the assumptions, values and discourses that once characterized much of IR research.

This shift to “discipline-oriented” research signals not merely a natural evolution in scholarly theorizing and methodology. It stems from and reinforces a significant trend towards embedding IR units within business schools, re-branding them as departments or research centres concerned with Human Resources Management (HRM), Personnel Management (PM) or Organizational Behaviour (OB). Over time, in this new institutional context, and as personnel change, scholars in the field are likely to attenuate or abandon their ties to the “old” IR discipline, acquire a different cohort of “significant others”, proceed from a different set of implicit assumptions about employment relations and labour markets, identify different priorities for research and different venues for publication and, for all these reasons, gradually infuse their work with a different, business-friendly ideology. To be sure, a countervailing trend has also developed: to re-constitute IR programs under the generic rubric of Work and Labour Studies (a new Canadian learned society has adopted that title) in which both pluralist and critical analyses of IR issues can find a place; but this is a more modest trend.

To sum up my argument crudely but succinctly: IR research inevitably has an ideological tendency; it is most likely to be influential when that tendency aligns with the dominant social and political forces of the time. And IR research has a disciplinary pedigree or provenance; it is most likely to be accorded academic respect when it
faithfully conforms to the expectations and conventions of its discipline of origin. So if we’re looking to influence government policy or corporate practice, if we’re looking to make ourselves useful as practitioners or consultants, if we’re looking to make our fame and fortune in our “home” disciplines, we know what to do. We must abandon the old “progressive” tendency in IR research, find a way to ingratiate ourselves with influential people in ministries such as Trade or Finance, and hone our skills as macro-economists or constitutional lawyers.

But let’s remember where we stand at this moment in history. Global capitalism is in considerable disarray. If Standard & Poor were to give the capitalist system an honest rating (something we shouldn’t take for granted) it would be BB or lower. Markets and economies are in trouble; companies and governments are in trouble; transnational and national institutions are in trouble; IR systems are in trouble; disciplines like ours are in trouble. They’re all in trouble because they can’t, won’t or don’t offer any way forward except the same approaches that brought us to our present difficulties.

Worst of all, people are in trouble. Conditions have been deteriorating for some time now for employed workers in most developed economies in all the ways I mentioned earlier. But remember: they have been deteriorating as well for a long list of other people: for young people and members of marginalized communities who can find only precarious employment or none at all; for older people who can’t afford to retire or have been forced out of the labour market with no prospects of re-entry or of proper pensions; for people who have maxed out their credit cards or are behind on their mortgages or their rent; for self-employed people and those who own farms or taxis or franchised small businesses; for people in the informal economy or on the dole.

Many of these people have devised short-term survival strategies within their local communities; but some have surrendered to despair; some have embraced xenophobic or authoritarian fantasies; and some have joined protest movements like the Indignants or Occupy Wall Street that, alas, have failed to propose coherent programs or to demonstrate that they have staying power. The picture is not so different from
what it was in the 1890s or 1930s — decades marked by economic chaos, social turmoil and political unrest. And remember: it was chaos, turmoil and unrest that gave practical purpose and moral imperative to industrial relations not only as an academic discipline and as a profession but also as a plausible, if partial, response to what used to be called “the social question”.

So we are back where we started. We can continue to provide research that is “timely”, “politically acceptable” and intellectually fashionable, research that demonstrates the inevitability and desirability of current policy and practice, research — in other words — that is influential in the corridors of power. Or as we once did, we can generate the kind of research that the historical moment requires: research that challenges, research that tells inconvenient truths about policies and practices that aren’t working, research that exposes assumptions and structures that are entrenching inequality and legitimating social dysfunction, research that breaks taboos about what is corporate “best practice” or “realistic” public policy, research that raises the normative questions that are often absent from orthodox theorizing and dominant methodologies.

While it would represent a clear break with present tendencies, I don’t think of that kind of research as “radical”, unless you think of the Webbs or John R Commons or Buzz Woods as radicals. I think of it as the legitimate and necessary application of lessons learned in a discipline that, after all, helped to invent and give institutional form to collective bargaining, labour standards, social security, professional HR management and new techniques of dispute resolution. Despite their shortcomings, these IR inventions represent the most sustained and successful attempts so far to humanize capitalism without destroying it. The people in this room are therefore almost uniquely equipped to provide states, social movements and corporations with what they most need: a sophisticated analysis of social and economic relations, a repertoire of credible strategies to manage those relations and the technical know-how to translate those strategies into practice.
What I propose, then, is that we invest our accumulated intellectual capital in addressing contemporary relationships that bear a striking resemblance to the classical issues of industrial relations. Stripped down to bare bones, here are some of the insights of IR that may be generalizable:

- Markets don’t automatically correct entrenched asymmetries of wealth and power: they often reinforce them — with fairly dire long-term social consequences. Countervailing power, whether mobilized by the state or by social forces, is necessary in order to avoid those asymmetries or mitigate their results.

- However, the decline of postwar IR regimes over the past four or five decades has taught us that the forces that shape, regulate and destabilize such regimes are complex and inter-connected. Consequently, we have to learn to think about countervailing power in more general terms than we have been doing. That’s why I stress the importance of thinking about all the people suffering in the present crisis, not just employed workers and about all the public policies and corporate practices that affect those people, not just policies and practices that fall within the traditional scope of our discipline.

- If we broaden our “clientele” and the scope of our policy concerns, we must also broaden the mandate of our discipline. We should constitute ourselves as the vanguard of a new academic discipline that, for want of a better descriptor, I will call the study of relations of economic power and resistance.

- We might begin that broadening process by offering others access to our extensive knowledge of how to conceptualize, design and implement intervention in labour markets. There are precedents for this. IR scholars designed much of FDR’s National Industrial Recovery Act and its Canadian counterparts, lent their expertise to the civil rights movement of the 1960s and to attempts to organize and empower welfare recipients, contributed to the women’s movement and the environmental movement, and helped to shape the way we deal with human rights complaints and create fairer governance arrangements for aboriginal peoples. Surely, if we put our minds to it, we can
do the same for tenants and mortgagors, farmers and consumers, the self-employed and small businesses.

Obviously, there are concerns. How credible is our learning and our advice, given that the IR system we created is in disarray? How exportable are the lessons of IR given that one of those lessons is that systems of countervailing power tend to be situation-specific and time-limited? Can any serious resistance to economic power be tolerated in a political economy that is deeply, almost constitutionally, committed to the primacy of markets? Can we replicate national systems of labour market regulation in a global economy that lacks effective norm-generating or norm-enforcing institutions?

These are legitimate questions to which I have only very general responses. The first response is of course that we can learn from our failures as well as our successes: not allowing disciplinary and mandate boundaries to circumscribe our analysis is perhaps the most important lesson we must learn. The second is that I’m not proposing that we export anything except some very general ideas about how to overcome problems that are common to most systems of countervailing power. The third is that I’m not proposing that we do away with markets — only that we acknowledge their negative effects and work diligently to limit or eradicate those effects. And finally, I’m not proposing that we replicate anything; I’m only saying that having several times invented or re-invented a system of countervailing power, we know a thing or two about how to do that, even “without the state”, if needs be.

And oh yes, I have one more response to sceptics and to critics of the idea that IR can reinvent itself as the study of economic power and resistance. The IR community confronts two choices. Choice one: same-old, same-old. We can keep inventing clever ways to bring old regimes of workplace regulation into line with new labour market realities; we can continue to explain to employers why treating workers with greater consideration and respect is in their own interest; we can persist with whispering sweet Charter nothings in the ear of power and hope that power is in a mood to be seduced. I’m afraid that each of these strategies will turn out to be an
exercise in futility, though I suppose we’ll have to persevere with them for the time being, *faut de mieux*.

Or choice two: we can search diligently for genuine alternatives to our present dysfunctional system. We can accept that IR as a discipline and profession, as a distinct domain of public policy and approach to class relations has arrived in a *cul de sac*. We’ve got here partly because of exogenous circumstances, partly because of our own shortcomings. But we are most definitely *here*. Where do we go next?

The first move, as I’ve just suggested, is to shift our frame of reference, to make it more open-ended and inclusive: to re-invent ourselves as the Canadian Association for the Study of Economic Power and Resistance. From that initial move, a number of developments might follow. First, we are likely to find ourselves engaged with a new group of colleagues whose frame of reference differs from ours, though they deal with very similar questions. Attempts to negotiate the differences in our intellectual traditions and in the historical experiences that frame up our discipline are likely to prove intellectually fruitful for all parties. Second, we will have to address a broader, though related, set of policy challenges. At a moment when industrial relations seem to have reached an impasse, these new challenges just might re-energize our discipline, give it a new lease on life. And third, we will have to engage with a new “clientele” — a different set of relationships to study, a different audience to direct our findings to. If we can help that new clientele to understand how unequal power affects their lives, and if we can propose fair and practical responses to the abuses of power they’re experiencing, conceivably we will enhance both the reputation of our discipline and its social utility.

Note: I’ve said nothing so far about gaining influence, nothing about how in our new incarnation we might be able to nudge governments and businesses towards greater fairness in economic relations across broad swathes of the economy. To be honest, it’s highly unlikely that governments that have undermined countervailing power for workers will support countervailing power for farmers. It’s improbable that governments
that have allowed labour standards to deteriorate in our workplaces will enact or enforce legislation to protect tenants or consumers. And in the current financial situation, it’s almost unthinkable that governments that have been cutting access to EI will invest in pensions or drug plans. In short, however compelling our evidence, however sound our recommendations, as things stand today if our research demonstrates that markets have failed us and that market outcomes must be managed in the public interest, it is likely to be ignored.

But once again, I reach back into the history of industrial relations. Research can become influential, Daniel Rogers assures us, if “the intellectual economy of catastrophe” brings old ideas and institutions into disrepute and creates an appetite for new ideas and structures. As he points out, this is precisely what happened during the Great Depression, when forty years of research by John Commons and others — previously ignored in mainstream America — suddenly became indispensable. The architects of the New Deal used these studies — says Rogers — as a template to develop an array of urgent reforms not only in industrial relations but across the whole of America’s wrecked economy. The architects of the British welfare state did something similar in 1945. Morley Gunderson reminded us that the timeliness of research helps to determine its influence, and he was right. But what he didn’t tell us is that timeliness is a ticking clock and influence therefore a moving target. Ideas are most likely to be influential in the short term if they are an easy sell, if they reinforce the conventional wisdom, slap fresh paint on clapped-out public policies and give aid and comfort to the powerful. But ideas are most likely to be influential in the long term if they do the opposite: if they force scholars and professionals to rethink their long-held views, show hard-pressed governments how they can make a constructive new start and remind those with power that if they don’t exercise it responsibly and fairly, they are likely to lose it.

One can make a very good case that research should be driven by intellectual, social or moral imperatives, not by the desire for influence. But today I’m not making that case. I’m making the case for the re-invention of IR so that it will indeed be fit for
purpose at the historical moment when the need for it becomes both obvious and urgent. That moment might arrive tomorrow or ten or twenty years from now. But there will come a moment when we have all had enough of unstable markets, lopsided power relations, widespread unfairness and declining living standards. When that moment arrives, IR scholars who have enrolled in the new discipline of economic power and resistance will become very influential indeed — and useful as well.