workplace, industrial disputes and trade union politics at Ford in the 1970s and 1980s
in a systematic way to the whole post-war period. For this purpose, in turn, a proper conceptual framework seems to be required that permits different aspects of industrial relations to be approached from a transnational angle.

In the following chapter such a conceptual framework will be outlined, and — by taking the example of industrial action — be applied to a number of case studies at Ford Germany and Britain. But before doing so, the analysis needs to be placed into the overall historical context of the history of industrial relations at Ford’s German and British subsidiaries.

1. Industrial relations at Ford UK and Germany after World War II

Contrary to the views of Paul Willman and Wayne Lewchuk, Steven Tolliday has forcefully argued that Ford UK did not enjoy a structural advantage over its British competitors in terms of more innovative or sophisticated labour relations. In particular, he points to the fact that management’s labour strategies and, even more so, their results, did not follow a rigid Fordist model but were primarily the result of contingent strategic choices of the main actors. Consequently, they underwent significant changes over the post-war period. Three phases can be distinguished after the recognition of trade unions by the company in 1944: until the mid-1960s, Ford UK’s management indeed adopted the classic Fordist paradigm; tight supervision, unilateral work standards and resistance against any interference by shopfloor bargaining into management prerogatives. This strategy was largely backed by union officialdom. Already during the recognition process in 1944, the TGWU representatives had been anxious to ensure that shop stewards had no access to the process of wage negotiations carried out by full-time officials at company level. However, the institutional set-up soon came under pressure from the mid-1950s as a more militant shop steward organization emerged in Dagenham in the wake of the Briggs takeover in 1952. Increasing levels of disputes culminated in two Ministry of Labour Courts of Inquiry in 1957 and 1962 during which the existence of what was later to be called “dual unionism” came clearly to the surface. A powerful shop steward organization constantly challenged management, acting largely independent of union officialdom.

By the mid-1960s, a decisive turn had occurred. Ford management began to realise that it had to come to terms with shopfloor militancy by other means than total exclusion and reliance on union officials. Its initial hope was to get support for a new industrial relations policy from the state or the law in order to curb shopfloor power and to make agreements locally enforceable. After this strategy had failed in the early 1970s it decided to adopt a more accommodating and integrating approach towards its shop stewards. Their facilities were improved and their negotiating position enhanced. For instance, the leading stewards became closely involved in the establishment of a new wage structure and the productivity deal in 1967. Two years later, a number of shopfloor representatives were granted seats in the Ford National Joint Negotiating Committee. In terms of industrial action, however, no tangible changes ensued; on the contrary, the number and length of disputes even increased over the 1970s. There is some disagreement about the reasons for this persistent militancy. According to Tolliday, management changed its approach only half-heartedly while continuing to adopt a tough stance at the shopfloor level. Friedmann argues that the outlook of the shop stewards themselves did not shift towards more co-operation as had been hoped by the company. Instead, they used the enhanced bargaining positions to strengthen their power in the plants — now also being able to rely upon the support of the two largest unions AEU and TGWU, which since the late 1960s had been actively advocating a decentralisation of collective bargaining and the corresponding idea of shopfloor democracy.

From the late 1970s onwards, the situation changed dramatically. Over the next decade workplace relations became less hostile. The number of disputes declined, and the shopfloor organization was more disposed to collaborate in efforts to increase efficiency, productivity and quality. Again, different interpretations have been suggested to account for this shift: Steven Tolliday once more concentrates on strategic re-orientations within the Ford management organization. In his view, Ford, being in a position of strength in the context of recession and Thatcherist anti-union policy, explored new industrial relations policy options. Alongside a continuing emphasis on discipline and control of work through technology, some innovations emerged, notably “Employee involvement” programmes and more “participative” management giving workers on the shopfloor a higher degree of responsibility. David Marsden et alii see these changes more in the context of Ford’s multinational organization. Comparing the UK multinationals with British Leyland, they conclude that Ford deployed the threat of diverting production abroad as a key sanction in their relations with unions and shop stewards — through strategies of direct confrontation as well as of involvement (e.g. visits to Belgian and German plants). Ralph Darlington has argued in a similar way. This latter perspective comes close to the transnational approach that will be developed more systematically in this chapter.

Little is known about the history of labour relations at Ford Germany. Except for a research project carried out by a departmental group of the German National Labour Court, the first extended study of this topic seems to be the work of Alan Wright. His study covered the period from the early 1950s through the late 1970s and focused on the relationship between Ford and its German workforce. Wright’s research revealed that Ford Germany had a relatively smooth and harmonious relationship with its workforce, with a strong emphasis on collective bargaining and the development of a “Fordist” model of industrial relations. However, his study also highlighted the challenges faced by Ford Germany in adapting to changing economic and social conditions in West Germany. The company’s response to these challenges included a gradual shift towards more participatory management practices and a greater emphasis on employee training and development. These changes were part of a broader trend within the German economy towards a more flexible and dynamic approach to industrial relations. Wright’s work has been widely cited as a key reference for the study of labour relations in the German car industry and has contributed significantly to our understanding of the history of industrial relations in Ford Germany.
in the early 1960s\(^1\) and a few event-related articles\(^2\), no academic work has yet been dedicated to this topic. In a broader sense, Wolfgang Streeck's analysis of labour relations in the German car industry in the 1970s\(^3\) is also a useful point of reference. Streeck's main argument is that the low level of industrial conflict in German car plants was rooted in the institutional structures of German industrial relations, notably the interrelation between the Works Council system and industrial unionism. The latter militates against frequent sectional disputes because the different aspirations of the membership are counterbalanced against each other, and this process is secured by a high degree of centralisation of collective bargaining. In addition, the union structures are not based on workplace but on local units. In the post-war period, the industrial relations Metall leadership pursued a wage policy whose aim was to spread productivity gains across particular sectors as much as possible. To some extent, this policy sacrificed the interests of highly paid employees. According to Streeck, it is here that the Works Council system stabilised the institutional structures of German IR because its legal framework provided Works Councils in high-wage sectors such as the car industry with opportunities to engage in a second round of bargaining — without interfering with the formal procedure of IG Metall wage negotiations. Moreover, the legal peace obligation of Works Councils also contained the number of wildcat strikes and further decreased the opportunities for sectional militancy. At the same time, the Works Councils themselves served as a lever for organisational stability in IG Metall, by helping to enroll new members and collect union fees\(^4\).

However, as Streeck himself acknowledges, institutions are neither given nor stable entities. For instance, the Ford Works Council was not in a position to fulfil organization functions for IG Metall during the 1950s simply because unionisation remained low in the face of high wages and a corruption scandal in the Works Council in 1947 that had discredited trade unions in the plant. It was not before 1963 that a membership level of around 20% was achieved\(^5\). More importantly still, the question of centralised bargaining had been the subject of an almost permanent debate within IG Metall since the late 1950s\(^6\) and leading Ford Works Council members were among the most prominent supporters of a radical shift towards plant level negotiations. In fact, the organising drive at Cologne in the early 1960s was itself mainly based on the demand for decentralised bargaining in order to exploit Ford's superior ability to pay. It was only due to Ford's joining of the regional employer's association in 1963 and the reluctance of the majority of IG Metall leadership to support decentralisation that plant bargaining failed to establish itself in Cologne\(^7\).

And, even in its absence, the subsequent period until the mid-1970s saw a relatively large number of wildcat strikes in Cologne while the Works Council continued to lobby for a decentralisation of IG Metall bargaining structures. The period of militancy under the left-wing Council chairman Tolsch ended in the mid-1970s when, under pressure from the first serious unemployment since World War II, a more moderate line was adopted by the Ford Works Council. A strategic focus shifted from wage to employment issues and by seeking measures to enhance employment security the labour representatives became more involved in questions of investment, product planning and the organisation of production. In retrospect, the Works Council Chairman Kuckelkorn declared in 1992 that over the years union policy at Ford had developed into a form “co-management”\(^8\).

2. Theoretical framework: Transnational labour markets, a challenge for national trade unions

The basic theoretical idea of this paper 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 institutional structures of a labour market that transcends national borders. Unfortunately, most labour historians and sociologists still regard the nation still as the almighty “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 scale\(^9\).

However, such a precondition 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, it has already been mentioned that Ford's share of overall European production and employment declined massively during the period of Ford's European business integration from the early 1970s onwards. At the same time, the creation of a third “Iberian” pillar in the company's European organization created thousands of new jobs in Spain. These shifts can only be explained if the existence of transnational labour markets is not bound to the existence of 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”\(^10\). Following Albert Hirschman's seminal work, these modern...
assume competition in terms of “exit” and “voice”: the mobile resources use “exit”
options: workers and capital migrate where investment or employment condi-
tions are better, consumer purchasing power shifts to cheaper or better foreign
products. Importantly, the functioning of this model depends on prior regulatory
co-ordination between nation-states since free trade, unrestricted capital move-
ment and the freedom of establishment are enabling conditions for the use of
“exit” options.

Obviously, there were numerous elements limiting the use of “exit” options by
multinational companies such as Ford in the twentieth century. To begin with,
the increasing value of assets they had invested in particular plants made
withdrawal more and more costly. Moreover, they had to secure the stability of pro-
duction and to minimise the foreign exchange risks. There was also the danger of
losing market share because of government intervention or consumer dissatis-
faction if production in a particular country was discontinued. Thus “exit” could be
made impossible by “voice” – be it of consumer organizations, governments
or trade unions. The potential of dissenting “voice”, or, in the case of consumers
their “exit” power, had to be anticipated by any company wanting to switch pro-
duction and employment between countries and plants. In this sense, “voice” is
as fundamental as “exit” for a model of transnational labour markets: trade diver-
sion between different subsidiaries and cross-border capital investments provide
the necessary basic economic mechanisms, which, as mentioned above, have
indeed been used by Ford. On the other hand, considerations of “voice” are pres-
ent both within the companies themselves and in their relations to other institu-
tional labour market actors.

It is important to recall that international labour markets had already existed
well before World War II. The expansion of world trade had been enormous
already in the late nineteenth century, and it seems that this also brought about
significant new problems for trade unions. In Britain for instance, it was
increased competition in international product markets, which led employers to
adopt new strategies to restrict trade union control over hiring and apprentices.
ships. In the “new industries” such as engineering, this went hand in hand with
the large-scale introduction of new equipment and machinery, implying the dan-
ger of “de-skilling”, especially for the old and small craft societies. At least the
British case seems to indicate that unions had their own distinct view of what
would be the “national interests” under these circumstances. They were not well-
disposed towards accommodating the “imperatives” of international product
markets and at times they strongly resisted employer attempts to match increas-
ing international competition.

Thus, the challenges for trade unions operating in transnational labour mar-
kets were not entirely new after 1945, even within multinational companies like
Ford. They were, however, 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 compa-
nies 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 intra-firm trade after the 1950s whereby exports
and imports were exchanged between different national subsidiaries of a firm
before they were delivered to dealers and customers. At Ford, such “captive
imports” began in the late 1950s, even during the “multi-domestic” period.
Small cars were brought into the US from the European subsidiaries in order to
fill a gap in Ford’s US model range. However, these were only temporary meas-
ures. The large-scale use of intra-firm trade set in only when the company
changed its strategy towards the integration of European operations. From the
mid-1960s onwards, Ford then developed an extensive pattern of intra-firm trade
of components and models between its different European subsidiaries.
The new holding company “Ford of Europe” was instrumental in carrying out
this new policy. Though the global management in Detroit always set the finan-
cial and market targets for “Ford of Europe”, the latter enjoyed a great deal of
autonomy in its operations. At times, as in the case of the “After Japan” period
in the early 1980s, Detroit even pressed “Ford of Europe” not to imitate the
strategies adopted in America.

Regarding cross-border capital mobility the same periodisation applies. It wa
not before the creation of Ford of Europe in 1967 that investment allocation
were co-ordinated in such a way as to allow subsidiaries to produce fewer prod-
ucts in larger volumes that were sufficient to satisfy consumer demand on th
whole European continent. The implications of these transnational business
strategies for trade union politics were considerable. Two points need to be
emphasised in particular.

First, 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 lev-
els in national subsidiaries dependent on transnational corporate decision-
making. Whether or not these decisions were themselves motivated by labour co
siderations (e.g. labour productivity) was of secondary importance since local employment levels were being endangered even if investments in foreign countries only served to get access to new markets. On the supply side, systems of workplace organization 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 in 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 to adapt to “best practices” in foreign countries. How strongly this threat was felt by the British unions, is exemplified by the following extract from a pamphlet by Ford shop stewards in 1962: “The unreasonable increase in work load has worsened since Ford 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.”

Second, an entirely new challenge for trade unions came about through the fact that changes in labour demand were actually less driven by the market than in “external” transnational labour markets. What mattered here, in the first place, was corporate decision-making, and not, as in “external” 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 buy an identical product without even knowing that it had been partially or totally manufactured elsewhere. In this decision-making market considerations would of course play a major role. But so too would negotiations between the different national subsidiaries, or between national management and governments about market access, local content provisions and export plans. In short; “voice” matters a great deal. For the unions this meant that they needed appropriate strategies to influence corporate decision-making. They needed to mobilise their “voice” within this micro labour market – through negotiations with the national management and with representatives of Ford of Europe, through pressure on national governments and on public opinion, and through contacts with foreign union organizations operating at Ford.

3. 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 conflict can be distinguished. On the one hand, disputes were directly concerned with 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 outcomes. It goes beyond the scope 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. Thus, attention will be focused on the period of regional integration of Ford subsidiaries in Europe.

A. Disputes about Ford’s European business integration

This first category of transnational industrial action has not yet received much attention from scholars. This is especially surprising, because strikes of this type had been a more or less permanent feature of industrial relations at Ford in both Germany and Britain from the creation of Ford of Europe in 1967. In the broadest sense, their common characteristic 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 origin; 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 struggle against the “import” of working practices, manning and workload standard: from foreign countries, in the case of Ford for instance the resistance to the “Cologne yardstick”, already mentioned above. Obviously, these strategies resemble those that British engineering unions had adopted in the late nineteenth century under the pressure of increased international competition in product markets. On the other hand however, and this shall be my main concern here, many of these disputes had nothing to do with working practices or other conditions of labour supply. Instead, they were focused on questions of employment and thus, in the context of a multinational company like Ford, they were about investments, products and markets. In other words, union
wanted to exercise influence over issues that were largely regarded as the prerogatives of management in the 1950s. At first sight, this shift in union strategy took place equally in Germany and Britain.

Disputes of this kind started to emerge in the late 1960s, not surprisingly in the design and product development departments, which had been forerunners of Ford’s European business integration. For instance, in February 1970 the Dagenham branch of the British staff union DATA, in response to the announcement of about hundred redundancies instituted a liaison ban on 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 car design from Britain to Germany and asked for a revision of the distribution of development work between Dagenham and Cologne. 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 locations.

Over the 1970s and 1980s industrial action of this kind became a frequent event in both countries. For the British unions, a major watershed came in 1975/1976 when Ford shifted the production of the Granada to the Continent while at the same time announcing that the newly designed Fiesta would be produced only in Spain and Germany. In fact, the decision to locate Fiesta production in Spain owed less to labour relations than to the requirements of the Spanish government in terms of production and export volumes. Even if it seems that the British unions were aware of this, their basic dilemma remained the same: the investment in Spain was perceived as a menace to employment security in the UK. Hence, 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 UK should include the supply of some European export markets. In 1978, the Dagenham Panel of district union officials again threatened to ban car imports from the Continent, pressing the company to channel more modernisation investment into the British plants. In Germany, the Cologne Works Council staged large 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 German locations by Ford of Europe.

As already emphasised, all these industrial actions were concerned with employment issues in the German and British Ford plants. The unions were attempting to bring pressure to bear on 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 in classical management concerns such as capacity use, investment cost calculations and the like. Looking back, the chairman of the Cologne Works Council said in 1992 that union strategies at Ford in Germany had developed more and more into a form of “co-management”. To be sure, British unionists have never gone so far but the fact remains that their strategies also took a shift towards a preoccupation 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, manning and workloads, on the other through the imposition of minimum wages and conditions.

It goes 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 only 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 promotion.

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 in all markets. On the contrary, at Ford, where the allocation of export markets was subject to transnational corporate decision-making, unions tried to become involved in 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 of influence for them. For instance, in the mid-1960s, Dagenham shop
stewards 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 car. 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 a keen awareness of 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 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 in 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.

The question is why German and British trade unions found it necessary to engage in this type of transnational industrial action, and why they did not instead concentrate on their traditional domains, such as wages and working conditions. Again, this question implies broader issues of change in trade union organization in the twentieth century that can not be addressed here. As for the circumstances of multinational company labour markets they seem to have been conducive to this shift of union strategies in three respects:

• First, management strategies of continuous performance benchmarking as a basis for decisions on investment and market allocation provided incentives for trade unions to get involved in management business. For example, 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 so did future prospects for job security. Accordingly, unions needed 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 employment were less market-driven than in firms selling directly to customers. There was more room for institutional interference when employment patterns were determined. 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 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 for these dangers, unions had to look for other means to secure stable employment.

B. The transnational dimension of domestic disputes

Apart from industrial action directly concerned with Ford's transnational business network there were also domestic strikes at Ford in defence of job controls 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 resistance to the Incomes policy of the Labour government.

However, these disputes had a transnational dimension as well, which I will try to address in this second part of the paper. Here, Ford's European, and later global, 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 and enhanced the power of unions. In particular, the extensive exchange of components and parts between national Ford locations increased the potential commercial damage that a trade union could inflict upon Ford - one of the crucial elements for the effectiveness of industrial action. On the other hand, strike patterns in the different national subsidiaries were subject to transnational benchmarking. Strike-prone plants were in danger of losing production and employment, not so much through relocation but through subsequent processes of investment diversion. This threatening for employment security can be seen as a major constraint upon a union's strike activities.
The conditions of Ford’s transnational labour market also meant 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 layoffs 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.

a. Britain in 1976-1978: Transnational business integration as 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 bail-out operations by 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. At Ford, in particular, the creation of the Iberian production centre was seen as a threat to the UK. 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, published in 1975, emphasized that the British car industry had no choice other than to catch up with 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 basis for these recommendations. In the case of Ford, the CPRS report was followed up by visits to Saarlouis and Genk, organized 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 a awkward position. Beynon notes that the labour representatives were at pains to point out that efficiency was not simply a question of how hard people worked 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 down. 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 USA.

Within the Ford plants, similar internal union debates arose out of this transnational agenda. From 1974 shop stewards and convenors had become more and more concerned about the rising number of imported Cortina and Fiesta vehicles from the Continent being sold on the British market. Again and again, they pressured the company to use British production for British sales, pointing out that about 8,000 new jobs could be created if imports were replaced by British built. But their campaign led nowhere. Management emphasized 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 stop. 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 filled by other workers in case of “unconstitutional disputes”.

Faced with this situation, a broad debate within the Ford union organization ensued. The most radical voices suggested fighting for the nationalization of Ford UK. A large group of unionists campaigned for selective import controls, to be enforced by the British government. On the other hand, many convenors also suggested working regular overtime on Saturdays and Sundays in order to make up lost production time. And 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 Joint Negotiating Committee (NJNC) labour representatives were opposed to the company vision of unions helping to fill up vacant jobs. As they saw it, such a procedure would have pushed them into the role of company policemen. They would never accept telling a member to do another man’s job even if this would prevent the lay-off of thousands of other employees. However, despite this strong attachment to the tradition of direct democracy, management noticed by 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 this threatened the employment of thousands of others. The aim seems to have been to discipline members without restricting their constitutional right to strike. Darlington
has described similar processes in the Halewood plant in the late 1970s with senior stewards getting increasingly concerned about how to reduce the number of wildcat disputes.39

While these debates were going on, walkouts and stoppages continued, especially in the assembly plants. For instance, in June 1977, workers and shop stewards from 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 network.40 This had already been done in earlier disputes after the company had established an extensive system of part and component delivery between different European plants in the late 1960s. During 1968 and 1969, members among Ford shop stewards had urged 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 power.41 In 1977, however, similar moves by the assembly plant stewards triggered bitter internal conflicts. Convenors of other plants gave orders to smash pickets. A TGWU official was chased out of a mass meeting because he had recommended a return to work.42 Clearly, the plants were split over the question of wildcat disputes, and it was not by chance that a militant national "Ford workers combine" was created in 1978 to oppose the "moderates" among the convenors and shop stewards.43

One of the crucial points of these conflicts was 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. However, by the mid-1970s, a growing part of the Ford union organization 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 inadequate investment in the UK.

Incidentally, this basic ambiguity had been central also to industrial disputes in the early 1970s. 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 the future investment by Ford in the plant on Merseyside. Halewood shop stewards wrote an anxious letter to Henry Ford II, seeking assurances over the future production of the plant.44 In contrast, in 1971, the pendulum swung to a more militant stance. The shutdown of Ford plants on the continent due to the strike in Britain 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, Hugh Scanlon and Jack Jones, even questioned the credibility of these threats by claiming that Ford needed production in Britain for the EFTA and Commonwealth markets.45

Beyond this basic ambiguity between militancy and adaptation, the analysis needs to take account of 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 was it not implemented by the Labour government? What efforts did Ford unionists undertake to encourage their fellow colleagues on the continent to imitate British militancy?46 Perhaps a transnational perspective can provide an additional framework of interpretation for the history of industrial relations at Ford UK. The case study described above demonstrates that particular business circumstances in the transnational Ford labour market, and the resulting debates within the union organizations, seem to have been important elements in the determination of strike strategies, in addition to more structural features of British industrial relations. It might, for instance, be worth looking at these issues when analysing why the trade union organizations at Ford shifted towards a more accommodating position vis-à-vis the management from the early 1980s onwards. 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 unions.47 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 in Ford's trading and investment practices could provide additional elements of explanation.

b. Ford Germany in 1984: On holiday during the 16 Metall strike

In 1984, for the first time for 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, which the union had been campaigning for since 1982.48 However, as an IG Metall analysis admitted after the strike, the 35-hour claim had not been unanimously supported either by the rank-and-file or by works councils and union officers. The reluctance of some 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 that more jobs could be lost subsequently.49 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 a result of the strike. This caused members
to worry about income losses since IG Metall would pay strike benefit only to workers in the two districts that were actively involved in the dispute.

At Ford, the conditions of a transnational labour market made things even more difficult. Since the early 1980s, the company had complained of a 20% over-capacity in its European production facilities, and — under the potential threat of a plant closure — the German Works Council had been campaigning for new investments to be channelled into the Cologne plant in particular because it felt that Cologne was falling behind other European locations in terms of modernity of equipment and machinery. Though this strategy had yielded some success in 1983, notably with the shelving of investment plans for Portugal, the situation in 1984 remained critical, especially with regard to the future of 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 might 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, accepted redundancies arising out of technological changes, and encouraged employee efforts to improve the quality and reliability of production.

Not surprisingly, the IG Metall strike preparations in spring 1984 did not fit very well with these Works Council objectives. The local union officers in Cologne noticed with a great deal of anxiety that mobilisation for the dispute was very low at Ford. Many members did not feel committed to the strike; they were more anxious to see their employment situation secured. The Works Council did all it could to ensure that the plants could produce for as long as possible; it even asked management to increase stocks in anticipation of the dispute. In fact, Ford was able to continue production longer than any of the other German car manufacturers during the strike. And when production restrictions seemed unavoidable in early June 1984, the Works Council agreed to quite an unconventional procedure: Manufacturing was continued in the power train areas that delivered parts to other European Ford plants. In 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 vacation that had been brought forward would be worked later in the year.

Clearly, this strategy took account of Ford's concerns about the future place of Ford Germany within the European and global organization. Needless to say, the strategy did not help the effectiveness of the IG Metall strike, with Ford workers going on holiday as 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 union. This episode underlines the importance of transnational labour market conditions for German union politics at Ford in the 1980s. They imposed a major constraint on the participation of the Ford union organization in the IG Metall dispute. As a consequence, they also caused considerable friction between the IG Metall leadership and the Ford Cologne unionists.

Thus, a transnational perspective seems to raise the question of to what extent the European business integration was instrumental in bringing about a high degree of industrial peace in the German plants. 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 organization was among the most militant in the German metal industry. In 1970 alone there were three wildcat strikes in Cologne. Again this was at least partly due to the transnational dimension of Ford's business, because of this time Ford was making huge profits and transferring a large part of them to the US. The Ford Works Council, together with its colleagues from GM-Opel, sought to find a way to get hold of at least some of these profits for the benefit of workers in Cologne. It was mainly for this reason that the Ford Works Council ardently advocated a shift of the IG Metall bargaining structure towards plant level to allow the Ford union organization to conclude wage agreements themselves, and thus to be able to call industrial disputes even when IG Metall still had a "peace obligation" at the regional or national level. Thus, the long debate about a decentralisation of collective bargaining within IG Metall was partly nurtured by transnational considerations. In 1977 Ford and Opel Works Council members were still complaining that the IG Metall bargaining machinery did not allow them to reap the benefits of the high profits of their transnational employers.

It would go beyond the scope of this chapter to describe the complex reasons why these initiatives eventually failed. But our perspective underlines the importance of transnational factors for the changing relationship between industrial unions, such as IG Metall, and the local Works Councils, in the German system. As in the British case, relations to other institutional actors in the transnational labour market, are also important: was there any 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 decentralised bargaining connected to transnational developments? Were foreign union practices used as reference points in the German context?
Conclusion

Looking at Ford's industrial relations since the 1980s it appears that transnational company strategies, now oscillating between a European and a global approach, have still further increased in significance for German and British trade union politics. The general direction seems to be that the cross-border business network is no longer seen as providing an incentive for industrial action because of its vulnerability. On the contrary, the unions have not even resisted massive production and employment cuts. In Britain, for example, neither the removal of the Escort from Halewood in 1997 nor the closure of the Dagenham assembly plant in 2000 led to large strike movements, despite some public rhetoric notably on the part of the TGWU. In fact, the closures of Ford and Vauxhall plants at the beginning of the new millennium seem to have been crucial events for a new debate within the British union movement on whether or not a strategic re-orientation is necessary to rescue the strength of labour in the UK.

Ford and Vauxhall unionists are among those who question the traditional reliance on industrial action as the primary means of action in a context of restrictive ballot provisions and workforces that are often amenable to the "buying-out" strategies of the companies. The fact that Continental unions have been more successful in defending their employment shares has also led to a rethink of the role of the workforce. Whereas Ford unionists in the early 1970s were among the most ardent in rejecting legal interferences in collective bargaining and industrial action, they now see the lack of enforceability of collective agreements in Britain as a disadvantage in the environment of a multinational company, because it allegedly induces such companies to cut employment in the UK rather than in countries with a higher degree of labour law protection.

Here, the transnational research agenda touches upon traditional debates of trade union historiography that go beyond the framework of Ford or other multinational firms. Moreover, it raises new questions related to debates about a convergence of industrial relations, and, more generally, about a convergence of societies in Western Europe after the Second World War. This is all the more the case since industrial disputes are not the only issue that can be looked at. For instance, in the case of the long-standing practice of European pay and productivity comparisons during Ford's national bargaining negotiations, it seems probable that a transnational approach could yield additional interesting results.

NOTES

1. I am grateful to Steven Tolliday, Yannick Langu, Maud Buczk, Elise Charnon, Colin Crouch and Michel Freyssenet for valuable comments and suggestions.


5. Tolliday, Ford and Fordism, page 105.


47. Minutes of meeting on 7 December 1977 to discuss stamping plant capacity, in *Modern Records Centre Warwick*, MSS 126/15/3, Sack 36/2.