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AMERICAN EXCEPTIONALISM REVISITED:
= THE IMPORTANCE OF MANAGEMENT,

by

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American Exceptionalism Revisited: The Importance of Management

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Please note that this is a first and very rough draft. Therefore, all comments and suggestions are welcome, and the paper should only be quoted with permission.

It has been over eighty years since Werner Sombart wrote his essay, "Why is There No Socialism in America?", yet the topic of American exceptionalism continues to be of great interest to social scientists and historians. The United States is held to be unique among industrial democracies not only for failing to produce a mass socialist movement, but also for having relatively low unionization rates throughout the twentieth century. In 1914, shortly after Sombart published his essay, the American unionization rate was not the lowest in the world, but when adjusted for per capita income (which varied widely at the time), it was about 20 percent less than those of European nations with similar income levels. Today, even the unadjusted rate is lower than that in any other advanced democratic nation and the present trend is toward a widening of the differential. {1} Although America's industrial unions emerged and grew dramatically during the 1930s and 1940s, those events occurred at a relatively late date in world historical time, and the density levels established in those years failed to maintain themselves.

Explanations for exceptionalism typically adduce a variety of factors that might account for the American worker's relatively weak interest in socialism and unionism: the absence of feudalism in the United States, early mass enfranchisement, working-class heterogeneity and resultant cleavages among workers, fluid class boundaries, high rates of social mobility, high earnings levels, the frontier pressure valve, and a dominant value system that stresses individualism and personal achievement. {2} In recent years, however, these traditional explanations have become the target of various criticisms. One critical approach rejects the assumption of labor exceptionalism, and claims that, despite the absence of a mass party on the left, radical and socialist ideologies did indeed sink deep roots in the American working class. {3} Another approach argues that there is no standard pattern of working class development: each national trajectory was unique. {4} Finally, a third approach accepts the

premise of exceptionalism --that America's workers were different from those in Europe -- but claims that the traditional literature has given too much emphasis to the labor side of the picture and ignored other, more structural, determinants such as the nation's size and the activities of its employers and government. {5}

The present paper is most closely related to this last approach, and argues that exceptionalism could as easily be applied to American labor as to American employers, whose hostility toward unions has always been more extreme than that of employers in other nations. The paper first examines why American employers were so hostile and violent in their response to unions, and then shows that this hostility goes a long way toward explaining low union density and the lack of labor radicalism in the United States. Although recognizing that American workers and unions were different, the paper stresses that these differences cannot be understood without taking into account the intransigence of American employers. The underlying model is somewhat akin to a simultaneous equations system, in which worker and employer orientations are mutually determined and both, in turn, contribute to exceptional American outcomes. Hence it is meaningless to say that "labor factors" mattered more than "employer factors"; both need to be considered.

Were American Employers Different?

A convenient jumping-off point is Lloyd Ulman's recent presidential address to the Industrial Relations Research Association, which conjectures that national variations in union density can best be explained not in terms of worker propensities to join unions but as a result of varying national levels of employer hostility to unionism. Although, says Ulman, all employers seek to maximize profits and so would prefer not to deal with unions, some "might choose collective bargaining even if it costs more than union avoidance but less than the most radical alternative on the current political scene." {6} That is, if

faced with a choice between collective bargaining and collective expropriation, employers will always opt for the former, unless the latter is not a plausible threat. Three examples are offered. First, in Scandinavia, the Netherlands, and Germany, employers confronted powerful socialist union movements that posed serious threats to the economic order. In a form of buyout, employers in these nations defused such threats by proffering collective bargaining and state welfare benefits in return for union support of basic property rights. Though the exchange was not always as explicit as the Stinnes-Legien agreement of 1918, bargaining and benefits had the effect of incorporating the unions and their members into a modified but still fundamentally capitalist system. Second, in France and Italy, although the unions espoused radical ideologies, these were of a syndicalist, rather than socialist, variety. Less interested in bargaining and more politically utopian than their northern counterparts, French and Italian unions could be countered by employer political activity rather than offers of collective bargaining. Finally, in the United States employers faced a union movement quite interested in bargaining but averse to and even contemptuous of socialist and radical doctrines. For American employers, then, there was no need to buy workers out (there was nothing to be bought), and bargaining was accepted only when workers were able to impose unavoidable strike costs on employers.

Ulman's argument is sharp and parsimonious, and his emphasis on employers as a critical determinant of union density levels is a welcome change from the usual litany of labor exceptionalism. But, paradoxically, on closer examination his model is seen to be a version of labor exceptionalism, because it is workers' "relative preferences for alternative institutional regimes" that shape dominant employer policies toward unionism. That is, American employers have been so consistently hostile to unions because American workers have been so consistently conservative. In this view, there was and is nothing distinctive about American employers. Like employers everywhere, they seek to maximize

profits; the only thing unusual about them are the constraints they are (or in this case are not) subject to. As Ulman said elsewhere, "It need not be assumed, however, that unorganized American employers are a breed apart from unionized employers either at home or abroad." {7} Here, however, I think Ulman's argument resembles a bit too much standard economics, which abstracts from national differences not only in worker characteristics (Ulman is not at fault there) but also in employer characteristics, assuming that all are alike everywhere, maximizing subject to constraints. Instead, I would argue that when it came to labor relations, American employers were (and are) different.

As David Granick pointed out in his comparative study of management in developed countries, economists are perplexed when told that managers do not behave similarly when facing similar constraints. After all, do not all managers act to maximize the present discounted worth of their companies? Perhaps they think that they do, says Granick, but even in an area that one would expect to be devoid of cultural influences, namely investment strategy, Granick found startling differences between French, British, and American companies in their approach to long-range investment decisions. These he attributed to national differences in managements' education, lawfulness with respect to taxation, attitudes toward risk, and career structures. {8} In light of the recent spate of books on Japanese management, it is hardly suprising that, when we move to a less bloodless realm of the firm, such as the employment relationship, studies have discovered significant cross-national differences in managements' work-related values. Hofstede, for example, found that American managers scored more highly than others on traits like individualism and need for recognition. {9} And, as Bendix showed in his comparative study of managerial ideologies, individualism has had a strong hold on American managements since the turn of century, despite the subsequent development of alternative ideologies stressing teamwork and cooperation. It seems reasonable to presume, though we do not know

for certain, that their deep belief in the virtues of individualism and personal achievement made American managers less willing to accept collective bargaining and other goals of unionism than managers in other nations. {10}

Although individualism is shared to a varying extent by all social classes in the United States, American managers are outliers on this dimension, both nationally and internationally. Their extreme individualism and market orientation has its roots in the nation's unique pattern of economic development. Prior to the New Deal, the United States had the weakest government in the Western world: it was relatively small, lacked cohesion as a result of the federal system, and exercised little or no directive power over the nation's economic and social development. This can be traced to the lack of feudalism and the corresponding absence of a strong monarchical state. Moreover, because its industrial revolution started at a relatively early date, the US had less need for the kind of state-led "catch-up" industrialization that took place in continental Europe and Japan. Consequently, "for most of the history of capitalism, the large business corporation in the United States effectively enjoyed a monopoly of the political and institutional power without parallel in the capitalist world." {11} American employers never had to make alliances with other social groups -- such as a landed gentry -- to achieve their goals, and they never had to share the levers of economic power with "outsiders" like the government. Hence they developed an especially strong belief in the virtues of free enterprise and apotheosized themselves as self-made men. {12} Being unused to coexistence or cooperation with other groups, they reacted with particular vehemence when unions sought to jointly determine various aspects of corporate management. The link between anti-statism and anti-unionism can be seen in the doctrine of the "freedom to control" -- the right of management to control every aspect of business -- which employers at the turn of the century repeatedly invoked in opposition both to anti-trust legislation and to collective

bargaining. {13} The fact that American employers long enjoyed virtual freedom from state direction and regulation helps to explain their vehement opposition to many of the New Deal reforms, in particular to the Wagner Act. Had industry not come to maturity before the state assumed a regulative role, it is likely that employers would have been less suspicious of, and less hostile to, the act. Or to put it another way, the fact that the government was partly responsible for the New Deal spurt in unionization only served to heighten employer hostility; that is, the association with government had the effect of further tainting unionism.

Incentives and Resources

Thus, there is a case to be made that American managers had different values and preferences which led them to be more hostile to unionism than managers in other nations. Admittedly, however, this is a speculative argument. We lack historical and contemporary survey data that would allow us to compare managerial attitudes toward unions in different nations. But even if one rejects the claim that American managers were different in kind, an argument can still be constructed along the lines suggested by Ulman: American managers, though not innately more hostile to unions than other managers, have been considerably less constrained in expressing their hostility. Ulman suggests a negative constraint - the absence of labor radicalism - as the key factor here. But there was far more to managerial antiunionism in the US than that. As the preceding discussion of the state suggests, American employers were situated in a uniquely favorable political situation, drew on a different set of social values, and faced economic incentives to fight unions that went far beyond the absence of worker radicalism. That is, not only did American managers have greater incentives to be hostile, they had available to them a wider range of political and ideological resources to effectuate that hostility. Even had American labor been more radical than it was, or as radical as Wilentz and

others claim it to have been, it still would have had a much harder time achieving employer recognition than labor in other nations.

Economics: As textbooks on comparative industrial relations usually note, American unions are distinctive in several respects. First, their approach to collective bargaining is highly decentralized. Bargaining is typically centered on the individual enterprise and, though industrywide contracts exist, they are far less prevalent than single-firm agreements. In Europe, by contrast, industrywide bargaining is the norm, and many countries, including even Japan, have legislation providing for the automatic extension of contract terms to unorganized firms within the industry. Second, American unions are highly job conscious, in that they concern themselves with a variety of detailed aspects of working conditions at the plant level, ranging from incentive wages, dismissals, and layoffs, to conditions in the employee lunchroom. Industry or national bargaining is unsuitable for these issues and does not usually deal with them, or they are preempted by government labor codes and regulations that are more extensive than those found in the United States. Third, union density levels in the United States are lower than those in other nations.

Taken together, these characteristics provide American employers with relatively strong economic incentives to resist unions. If organized, an employer is likely to have higher labor costs than those of numerous competing domestic firms that are unorganized. Whereas in other countries, this outcome is far less likely due to higher density levels, industrywide bargaining and contract extension. Should an American employer resist union demands, he faces the possibility of a strike that may cause his firm to lose market share relative to domestic competitors. This threat gives American unions a bargaining edge over their foreign counterparts, allowing them to penetrate more deeply into management's plant prerogatives. But that only heightens management's resolve to try and shed its labor unions. Finally, all of these factors combined will lead

unorganized American managers to resist unionization: because it drives up relative labor costs, entails potential strike costs, and threatens the loss of managerial prerogatives. These resistance incentives are mitigated in situations of industrywide bargaining. But it is difficult to get American employers to form these bargaining coalitions given the absence of facilitative legal arrangements such as contract extension, and the legal requirement of recognition through firm-by-firm elections. Indeed, this requirement serves to heighten the degree of tension and conflict in the US industrial relations system by making recognition a perpetual source of contention. Whereas in Europe and even Japan, recognition is less of an issue, both because of extension and of laws making recognition a relatively automatic process. {14}

Not only have American employers had greater incentives to resist unions, they also have had greater economic resources to carry out antiunion campaigns. Although the size structure of American industry has not changed greatly since the 1920s, on average American firms have been larger and more dispersed than most of their counterparts in other industrial nations due to the early development of mass production in the US and the great size of the American market. With size went considerable financial resources to fight wars of attrition against unions as well as the option of relocating production from organized to unorganized establishments in other locations. Because European firms tended to be smaller, they were more likely to band together in employer associations to coordinate employer resistance and raise their bargaining power relative to the unions. Once associations were formed, any bargaining that took place had the effect of standardizing wages within the industry and stabilizing competition by removing labor costs as a competitive factor. As noted, this reduced the incentive for employer resistance, both because of wage uniformity and because managerial prerogatives were less likely to be threatened by association bargaining. This is not to say that the European associations were

timid pussycats or that similar conditions were absent from the American scene. In coal, apparel, transportation, construction, and even metalworking, American firms formed employer associations for bargaining purposes, though the bulk of the American workforce was employed by firms large enough to go it alone, mano a mano, in a fight to remain unorganized. {15} But in addition to size, there were other reasons that European employers were more likely than their American counterparts to form associations. Higher firm concentration ratios and geographic propinquity reduced the transaction costs of forming associations. Also, being more dependent on exports, European firms had a common interest in ensuring that labor costs did not get out of line with world competitive levels, especially at firms that had less bargaining power or were protected from international competition. {16} Too, in some European countries, there was a tradition of employer coalition going back to the guild masters' associations, such as those found in Denmark. {17} Finally, industrial employers outside the US were more conscious of their class interests because they had to struggle for political recognition and control against other organized interests that predated the rise of industry, including landed aristocracies and petty producers and shopkeepers. Labor exceptionalists might add that this class consciousness was a reaction to class threats from below that were more choate than in the US, though this is icing on the causal cake.

Politics: As we have seen, the relationship between business and government in the United States was unlike that found in other countries, whose states played a more directive and decisive role in the modernization process. Because of this, and because they were less dominated by business interests than in the US, foreign governments not only pushed their employers harder to accomodate to unions, they did so far earlier than in the United States. Although employers in other countries were far from pleased when their governments sought to mediate and channel social conflict in this fashion, their objections were relatively

muted because they were accustomed to the state intervening as a broker and coordinator of competing interests. Prior to World War I, Germany (a late developer) stood at one end of the interventionist pole and Great Britain (the first industrial nation) at the other. But even the British state became involved in industrial relations and took actions far more favorable to unions than was the case in America, from the 1894 Royal Commission that sanctioned collective bargaining to the 1906 Trade Disputes Act that restrained the courts. Sweden, a country not usually discussed in this regard, had a government that encouraged employers to avoid violence and to negotiate with unions during the critical labor confrontation of 1905, which resulted in a mediation law and in a compromise agreement under which employers agreed to recognize the right of organization. {18} And since World War II, all European governments have moved much farther in interventionist and corporatist directions than in the United States. {19} To get a better sense of the role of state intervention, it is worth having a brief look at French and German experiences during the prewar period.

Friedman has shown that in republican France between the 1870s and World War I, the state was ubiquitous and heavily involved in economic development and regulation. Though French industry was not powerless, it had to compete for political favors with other economic groups, including shopkeepers, large landowners, peasants, and labor. Given the strength of the state apparatus, its partial dependence on labor support, and the failure of any single group to control it, the Third Republic could function with relative autonomy in labor affairs. Hence, "state officials rarely acted simply on the behest of employers in labor disputes, instead they were guided by their own interest in maintaining social harmony and restoring order." {20} This meant that the government took various steps favoring collective bargaining, including laws explicitly legalizing unions, government mediation of labor disputes, financial aid to the

union Bourses, and a preference for conciliation rather than repression of labor disputes. Though French employers were far from friendly to unions, their hostility was tempered by an interventionist state which they were unable to control, a situation rather different from the United States. As a result, "American workers had to fight bloodier political battles than the French for the right of unions to exist and function... the rail strikes of 1877, the pitched battle of Homestead, the Ludlow massacre were bloodier than Fourmies and Draveil and Villeneuve-Sainte-Georges. The 1919 steel strike was more brutally suppressed than the French general strike of 1920. 'Bloody Harlan' had no rival in the coal country of France. France had nothing like the private armies, factory arsenals, and industrial espionage services exposed by the La Follette Committee." {21}

In Wilhelminian Germany, employers tended to be exceptionally autocratic in their treatment of labor. Yet with the exception of the Ruhr coal and steel magnates, German employers in the great mass of small and medium-sized firms and those in the large new electro-chemical industries gradually came to "recognize the inevitability of unions and accepted the right to strike" in the years prior to World War I. {22} An important factor in this development was the German state, which passed a series of laws -- not all of them enacted --intended to give greater influence to employee interests at the workplace and in society. These included mandatory worker committee laws (1891, 1904, 1908), laws giving special legal status to collective agreements (1910), and other legislation that stopped just short of mandatory union recognition. The inspiration for these laws came from an influential group of nationalist intellectuals belonging to the Verein für Sozialpolitik, who held key posts not only in the universities but also in government. These moderate advocates of social reform sought to ensure that Germany's rapid transition to a world economic power would occur smoothly and with a minimum of social unrest. Taking a page out of a rival's

book, men like Lujo Brentano and Max Weber thought that collective bargaining along English lines would help in achieving that smooth transition. {23} Though many employers took issue with state policy in this area, others were willing to go along, in part because of a tradition of respect for governmental and academic authority. With the onset of World War I, the patriotic stance of the unions led to the passage of a variety of laws encouraging union recognition, and again it was state authority -- this time the military's -- that "did much to erode employer resistance to recognition of the unions", even before the Stinnes-Legien agreement of 1918. {24}

To get a sense of how different this was from the situation in the United States, imagine if in 1900 or 1910 the federal government owned or directed parts of heavy industry; rejected laissez-faire and promoted oligopolies; counseled employer restraint; hired John R. Commons and his associates to write national labor legislation; and did all of this with the cooperation or grudging acceptance of employers. Indeed, that is hard to imagine. Although there were incidents in which the US government took positive steps to shape the industrial relations system, these were limited either to key industries, principally the railroads (1898, 1926) and coal (1903), or to temporary measures taken during the first World War. Not until the 1930s did the US government go so far as the British in muzzling the courts and giving official approval to collective bargaining. In fact, what made the US notable was not only its lack of positive industrial relations policy but its willingness to stand to one side during violent labor disputes or to put the state's repressive apparatus at the disposal of employers. Although the German state was willing to use force against strikers, by and large it restrained itself as well as German employers, and this goes a long way to explaining why, "in prewar America, management's struggle against organized labor was accompanied by greater turbulence and violence ... than in the Ruhr." {25}

Indeed, according to Taft and Ross, the United States "has had the bloodiest and most violent labor history of any industrial nation in the world." {26} Though Taft and Ross presented little supporting evidence, other scholars have affirmed their judgement in comparisons between the United States on the one hand and England, Canada, Germany, and France on the other. {27} Some have attributed this high degree of violence to a strain of aggression in the national character, or to ethnic and racial cleavages in the labor force that made it easier for American employers to recruit strikebreakers -- a tactic that often touched off violence. {28} But industrial violence can more directly be traced to an exceptionally high degree of employer resistance to unionism combined with a willingness of governmental authorities to sanction and support that resistance through the use of armed force.

American employers had considerable resources of their own to wage battles against unions - including company guards and railway police, armed men supplied by agencies like Pinkerton, and arsenals of the sort described in the La Follette hearings. Nothing of this magnitude existed in Europe, where the state restricted the use of repression to its own regular forces. {29} But not only did the American government allow the private use of force by employers (several states had laws specifically permitting the deputization of privately paid police), it also regularly provided direct assistance to employers during labor disputes, and did so to a much greater extent than in Europe. This assistance came in different forms, including local police and county sheriff's deputies, state militias (later known as the National Guard), and, on special occasions, the regular national army. There are no aggregate data on the use of local police in labor disputes, although this was the most common form of repression. But we do know that the state militias, which were reactivated after the Civil War primarily to police labor disputes, were on active duty in at least 150 labor disputes between 1877 and 1900, and in an equally large number

between 1900 and 1935. Though federal troops less commonly intervened, they participated in the suppression of several critical strikes, including the 1877 railroad strike (the first nationwide strike) and two major pre-1933 attempts to form industrial unions - at Pullman in 1894 and in the steel strike of 1919.

{30}

Why was state power so often used in support of employer resistance to unionism? The first place to look is to the peculiar dispersion of power that obtained under the federal system: each city, county, and state had its own police forces. Disputes often were local affairs, and local employers had an easier time swaying state and local units to act on their behalf than did European employers confronted with a more independent and distant state. Not only did this dispersion favor the employer, it also weakened and fragmented the labor movement. {31} Second, one must not forget the important role played by an independent judiciary with its "constitutional supremacy over labor legislation." {32} In the absence of a state willing to actively direct and formulate definitive public policy for industrial relations, the task fell by default to the courts, which were exceedingly hostile to unionism as evidenced by a steady stream of decisions enjoining strikes, boycotts, and picketing; a refusal to enforce collective bargaining agreements; and by finding unconstitutional what little substantive law the states developed to regulate labor relations and inhibit violence, such as statutes banning yellow-dog contracts and blacklisting. Though the courts never touched the only other substantive form of public policy -- the various state laws providing for public mediation and conciliation services -- they had no need to, as "these laws were of no consequence." {33}

Finally, what underlay these factors was the unusually high degree of political power enjoyed by American employers. As noted, the absence of feudalism meant that agrarian interests were relatively weak, and there was no

landed aristocracy, established military, or monarchical traditions of a strong and relatively autonomous central state. Too, growth was so rapid after the Civil War that large firms quickly came to dominate the economic landscape, and as a result, "American business really confronted no effective economic or political competitors to its expansion or prestige." {34} This was in sharp contrast to the situation in France, Sweden, Germany, or England, where employers were unable to control a relatively autonomous, multi-party state. Though there were notable instances in which local, state and even federal governments favored labor's interests -- as during World War I or in the coal, railroad, and blacklisting cases previously mentioned --these were truly exceptions that proved the exceptional political power possessed by American business. That power acted to hold in check the federal government's interventionist tendencies, weak as these may have been, and that, in turn, bolstered the courts' authority and the dispersion of political power.

Ideology: It is worthwhile noting the prevalence in American culture of particular values and norms that employers have found useful in mobilizing public opinion against unions, and not just the opinions of respectable society but of the working class as well. As Lipset has noted, these values --individualism, achievement, equality --can be traced to the fact that industrial capitalism emerged in the United States without having to confront a feudal and aristocratic past. {35} Lipset's intent was to show how these values were responsible for some distinctive features of American unions, such as their bureaucratism and militance. But cultural norms are fluid, and can serve as ideological resources for a variety of purposes and groups. Though problematic in some respects --deference to superiors does not mesh well with it --America's dominant value system gave American employers a comparative ideological advantage in their fight with unions.

Take individualism, for example. Since the nineteenth century, American employers have argued that unions act to suppress individual rights, either by being undemocratic -- members have to obey the orders of union bosses -- or by being excessively democratic -- dissenters must submit to the will of an occasionally reckless majority. Employers also attacked unions using arguments borrowed from classical (and today neoclassical) economics: Unions were held to be harmful monopolies whose actions -- such as trying to push wages up faster than productivity warranted -- violated the market's natural laws. Because it was based on individualism, classical economics appealed to Americans more than alternative philosophies that legitimated capitalism, such as European corporatism's emphasis on the economic and social functions of various estates or groups, a theory congenial to unionism. {36}

Related to individualism is the American ethos of achievement--the "bitch goddess of success" -- or as Lipset defined it, "the belief that everyone should try to be a 'success' regardless of background." {37} The stress on achievement explains why American culture has proven to be such a fertile spawning ground for gospels of self-improvement, for consumerism and conspicuous consumption, and for tales about striving entrepreneurs and rags-to-riches tycoons. The popularity of these tales suggests that even if they do not personally identify with the successful businessman, a sizeable portion of the population continues to dream that they will someday have their own businesses or at least that their children will. {38} These visions breed public sympathy for managers who argue that no one should be allowed to interfere with their right to control, especially if managers base that right on hard work and "sweat equity" (as opposed to authority naturally flowing from property rights). It is important to remember, however, that the achievement ethos is fluid, and can be supportive of unionism as well as other forms of collective advancement (such as the cooperative visions of the Knights of Labor). Thus, employers can not take

public support for granted, but instead must constantly prove that they can do a better job of making people's dreams come true than can unions or government.

For this reason, the issue of relative living standards has always been of more than academic interest. Surprisingly, despite its importance, only recently have careful studies been developed that compare relative living standards and mobility rates in prewar American to those of other nations. The studies are somewhat ambiguous, showing, for example, that unskilled workers in the U.S. in the 1910s were no better off, and possibly worse off, than unskilled workers in England; that skilled workers in the U.S. were definitely better off; and that social mobility rates were roughly the same as those found in Europe. {39} Thus it is a measure of the persuasive power of what Lipset and Bendix term "ideological equalitarianism" that, despite the fact that hard data were unobtainable for many years and even now are inconclusive, public and academic opinion was nevertheless convinced that America was the land of high wages and upward social mobility. (Sombart referred to "reefs of roastbeef" that supposedly had beached American socialism.) Given this conviction, it was possible for employers to construct a growth coalition around the idea that business was a goose whose golden mobility eggs only would be laid if the goose was left to labor undisturbed. So long as the country was prosperous, and an achievement-oriented public was convinced that the U.S. was the land of opportunity, employers could find support for the argument that unionism or government intervention would kill the goose. Hence when the Great Depression hit, the results were all the more devastating for American business. Seen in this light, it is understandable that American labor and its supporters were attracted during the 1930s to an underconsumptionist explanation for the depression (the goose had been too stingy, and hereafter egg-laying could not be trusted to Mother Nature). The remedy, as the preamble to the Wagner Act spelled out, was to encourage unionism in order to boost purchasing power and

prevent future economic catastrophes from occurring. {40}

Proof in the English Pudding

The argument thus far has been that the weakness of unionism in the United States can be traced to employer, rather than labor, exceptionalism: American employers were more hostile to unions than other employers primarily because they had greater incentives and resources to be hostile, not merely because they faced less radical workers and unions. A final proof comes from a comparison of American and British experience: despite the similarity of British and American unions -- both were politically moderate and emphasized job control -- British employers, by and large, accepted collective bargaining. They were "passive in their relations with the unions, less aggressive individually than American employers [and] less willing to combine for defence and attack than employers in both continents." {41} Surely, then, one has to seek other explanations for British passivity and American hostility -- polar opposites -- than the common absence of radical unionism.

Like American unions, British unions were craft-oriented and sought to preserve the status of their highly skilled members through restrictive methods of job and labor market control, and through bargaining with employers. Though the New Unionism of the 1890s forced them to become less exclusive and admit relatively unskilled members, this did not greatly radicalize British unions or change their basic approach (much like the American experience of the 1930s). The emphasis on the point of production and the absence of a strong political orientation in both labor movements is evident from comparative strike statistics: Britain and the United States have similar strike patterns that changed little over the course of the twentieth century -- moderate frequency, size, and duration (though US strikes are far longer) -- in contrast to continental Europe, where strikes were relatively frequent, large, and brief, especially after the 1930s. {42}

Although British unions were more explicitly socialist than their American counterparts, theirs was a more moderate and less revolutionary brand of socialism than was found in the rest of Europe. With its roots in dissenting Methodism and similar traditions, British socialism was prone to alliances with sympathetic middle class supporters like the Fabians, and to reformism. As one observer noted in 1871, "Average English workmen are not so political as continental workmen are. They have not the type of mind for which theoretical or philosophical politics have fascination" and seek to improve their position "by strikes and the strengthening of trade unions - and not by the establishment of entirely new social systems." {43} Though British labor did manage to establish its own political party, in stark contrast to the Americans, Labour can hardly be said to have constituted a serious threat to British capital.

Thus, given the great similarity between the American and British labor movements, one might have expected British employers to have been quite hostile to unions. There was no need, as on the Continent, to buy British workers out of their revolutionary militance by proffering bargaining because British workers had little to sell. And, indeed, British employers did sometimes attack unions with American-style methods such as strikebreakers (blacklegs), lockouts, and the like, particularly between the 1890s and World War I when British industry began to encounter intensified competition in world markets. {44} Yet the employers who engaged in these activities were "few and unrepresentative" and less willing to use "American-style...unrestrained brutality and lawlessness." {45} As compared to the Americans, most British employers were considerably friendlier to organized labor and to collective bargaining. Arthur Shadwell, who in 1906 conducted a comparative social analysis of Britain, the United States and Germany, said that "Nothing has struck me more in the course of this investigation than the remarkable difference of attitude displayed, in private, by employers in this country [Britain] and in the others." Not a word in favor

of unions had been expressed by any American employer, whereas in Britain, he found employers who gave "fair and even friendly expressions of opinion" {46}.

How are we to account for this? One could argue that, although British unions were not especially radical, they were far better organized, had wider support, and were more militant than those found in the United States. Hence, British employers may have been reluctant to adopt American-style tactics because they thought that the cost of dislodging the unions far exceeded any benefits to be gained from doing so. That is, British employers were hampered by Britain's early industrial and trade union development. By the time British employers realized the true costs of unionism, it was too late to develop alternatives; the unions had become too entrenched to dislodge. In the United States, however, employers could see the handwriting on the wall, and so took offensive action before matters went as far as they had in Britain. {47} Though plausible, there are two problems with this "late development" thesis. First, it is incorrect to suggest that British employers only awoke to the dangers of unionism at the end of the nineteenth century. Repression of trade unions took place after the passage of the Combination Acts of 1799-1800, and this was followed by sporadic employer attacks throughout the century, as in the lockouts of the 1850s. Moreover, in the wake of the Taff-Vale decision, when labor was vulnerable and employers had a chance to inflict major damage, most of them chose not to, though there were some who tried. Thus, British employers had numerous opportunities to repress unionism when it was vincible, but rarely did they seize the antiunion initiative in any concerted or sustained fashion. Second, there is the case of the steel industry. In the 1890s, both the American and British steel industries were moderately well-organized. But by 1914, the American industry had gone open shop while in Britain the trend was in precisely the opposite direction. Attempts to explain this divergence in terms of American labor's relative immaturity or weakness fail to stand up to scrutiny: the

Amalgamated in the 1890s was in some respects stronger than its British counterparts, and unions in both nations had to deal with divisive jurisdictional and ethnic disputes. The key difference was that "British employers were more willing to tolerate the existence of unions in their mills than their American counterparts." {48} And, I would argue, this tolerance was the mirror image of American hostility, being the result of British managers having different values and relatively scarce economic and political resources with which to fight unions.

Values: A long-standing debate in the economic history literature concerns the relative efficiency and capability of British managers, in particular, their responsibility for slow British growth at the end of the nineteenth century and again in recent years. {49} Two reasons are usually offered to support the claim of poor British managerial performance: First, as compared to the United States, entrepreneurship or management was not considered to be a prestigious career for an educated young person -- and still is not -- so that those attracted to business were neither the brightest nor the best. {50} Second, although the landed gentry disdained rank commercialism, they were willing to admit successful entrepreneurs into the upper classes if they had the proper values and attitudes. And rather than rejecting the offer, British businessmen seemed eager to prove that they were not mere fellow money-grubbers and to be accepted into high society. With the alacrity of les nouveaux they took on such gentry values as the pursuit of leisure and a paternalistic noblesse oblige with respect to their employees, including tolerance toward unions and an avoidance of conflict. Thus, "Under American egalitarianism the hard bargaining came about naturally between the parties negotiating a contract", whereas in Britain "there was dissonance between haggling and what were felt to be the proper relations of mutual support and respect between ranks." {51}

Economics: In several key respects, British employers lacked economic incentives and resources that drove their American counterparts to fight, and fight effectively, against unions. First, the district structure of British trade unionism led, in the earliest days of collective bargaining, to multiemployer agreements that standardized wage rates in what were then predominantly local labor and product markets. As national unions and national markets emerged, bargaining continued on a multiemployer basis and, when combined with relatively high union densities, this produced a uniformity of labor costs that removed the incentive for any single firm to go it alone and resist unionization. Reinforcing the tendency toward multiemployer bargaining in Britain were legislative developments, such as the formation of Joint Industrial Councils during World War I, and, more importantly, the structure of British manufacturing industries. British industry was characterized by relatively small firms that specialized in a single aspect of the production process, and, as a result, there were lower concentration ratios and less mass production than in the United States. Thus in Britain, with its "small-scale, competitive industries", company-level bargaining was less feasible than in the U.S. because "tolerance of cost differentials for even limited periods of time is very narrow [and] multi-employer bargaining is required." {52} Not only did Britain's smaller, often family-owned, firms have fewer financial resources to resist unionism, but they had fewer managerial resources to develop sophisticated programs for employee welfare and personnel management, which were of considerable importance in giving American companies a carrot to extend to their unorganized employees that augmented the stick of anti-unionism. {53} Too, family ownership contributed to the lack of innovation in the personnel sphere, leaving managers "content to follow the settled ways of management handed down to them, and these left undisturbed the no less traditional practices of the trade unions." {54}

Politics: Although Britain resembled the United States in having a government that was reluctant to become involved in substantive direction of the economy and a judiciary that was exceedingly hostile to unionism, British employers received far less governmental support whenever they sought to use the state's repressive apparatus in disputes with organized labor. The government's reluctance to become involved in these disputes can be traced to the prior existence of feudalism in Britain, which created a more complex political structure than existed in the United States and made it harder for employers to achieve political hegemony. For much of the nineteenth century, Britain was ruled by its gentry, who, though not fond of unionism, were also disinclined to sanction state coercion simply for the purpose of furthering the employers' private gain. These landowners often had "little sympathy with the labour problems of manufacturers - and often a certain waspish impatience with examples of their shortsighted greed or stupidity when these threatened public peace and the social order." {55} As a result, at a relatively early date the British state began to apply pressure on its employers to eschew violence and to recognize unions and bargain with them, this long before the emergence of Labour. Though no explicit laws defined how this was to take place, the reports of the various Royal Commissions and the government's own conciliation and arbitration activities sent a message to employers that tolerance and stability were preferable to hostility and open conflict. {56} As compared to American management's reaction to the Wagner Act, British employers were more receptive to their government's message because of the respect accorded to a monarchical state and because, from the very beginning, necessity had forced them to get along with other powerful groups --including the gentry and the crown --whose interests were different from their own.

Labor and Employer Exceptionalism

An exceptionally high degree of employer hostility has had several important consequences for unionism in the United States. First, it was (and still is) a key factor behind the nation's low union density rates and the slow and erratic growth of its unions. Given that union recognition occurred through contests of strength with individual employers, union often lost these contests except during unusual periods -- wars and the New Deal era -- when a normally reticent federal government stepped in to lend its support by endorsing collective bargaining and by restraining the use of repressive tactics. {57}

A second consequence of employer anti-unionism was the absence in the United States of a sizeable radical labor movement. Though labor exceptionalists attribute this to various unique characteristics of the American working class, not nearly enough weight has been given to the effects of repression, either carried out by employers acting on their own or, more commonly, in concert with government forces. Each time that a radical labor organization emerged and began to gather strength -- the American Railway Union, the Wobblies, the Western Federation of Miners -- it was cut short by a potent combination of private and governmental repression. One student of the subject concludes that political repression "proved a major hindrance to the labor movement as a whole, but it was especially concentrated and consistent, and had especially pernicious effects, with regard to the most radical elements of the labor movement." {58} Of course, repression of radical labor was hardly unique to America. In other nations too, employers and governments worked together to undermine the most radical elements in their labor movements, and sometimes did so with explicit statutory authority, as under Bismarck's anti-Socialist laws. But for reasons already noted -- including an independent and antiunion judiciary, the dispersion of police forces, and the government's willingness to put those forces at the employer's service -- repression was particularly effective in the United States

Some labor exceptionalists recognize the importance of repression but argue that it was more effective in the U.S. than in Europe because workers lacked strong class loyalties and so were easily scared away from radical labor movements by a minimal amount of coercion. {59} But this seems implausible on several grounds: first, recent research shows that even today, social class remains an important source of emotional and cognitive identification in the United States, although the expression of class has not carried over to politics as much as it has in Europe; and second, it fails to consider that labor may have eschewed radicalism not as a result of weak class loyalties but instead because of a strategic calculation of how best to overcome the formidable obstacles that it faced. {60}

During the 1880s and 1890s when the AFL was forming itself, the leaders of the organization witnessed the repeated and disastrous consequences of radical unionism and mass strikes. The strikes of the 1870s and 1880s were followed by severe repression, as occurred at Haymarket in 1886 and subsequently at Coeur d'Alene and Pullman. About the latter, Perlman and Taft said, "the labor movement saw how the courts, the Federal executive, and the ruling forces in the country could be counted on to act as one in crushing any real or fancied industrial rebellion." {61} There is little doubt that this repression played an important role in the evolution of the AFL's political and organizing strategies. During the 1870s and 1880s, Samuel Gompers had followed Marxist thinking on many issues, although he differed from most socialists by eschewing political action and instead emphasizing the organization of trade unions as the first step on the road to social transformation. But by the 1890s, Gompers had become wary of ultimate ends and increasingly saw trade unionism as an end in itself. Recalling the police repression that followed the Tompkins Square labor demonstrations, Gompers wrote in his autobiography, "I saw how professions of radicalism and sensationalism concentrated all the forces of organized society against a labor movement and nullified in advance normal, necessary activity."

{62} To achieve even the limited goals of trade unionism, Gompers realized that labor would have to make itself respectable and work within the system -- garnering the support of a middle class anxiously searching for order, and not giving employers or government a justification for repressing labor's activities. Out of this came the hyper-patriotism of the AFL, its distrust of government, its emphasis on pragmatism and realism, and its attempt to find support from groups like the National Civic Federation in the 1910s and the American Legion in the 1920s. From the repression of radical labor and from their own repeated encounters with aggressively hostile employers, "the leaders of the AFL concluded that under no circumstances could labor afford to arouse the fears of the public for the safety of private property as a basic institution. Labor needed the support of public opinion, meaning the middle classes both rural and urban, in order to make headway with its program of curtailing the abuses which attend the employer's unrestricted exercise of his property rights." {63}

The AFL made a strategic choice to adopt not only a philosophy but also an organizational form that would give it the greatest chance of making headway in an unfriendly environment. Job control unionism combined an acceptable, achievement-oriented economism with a disciplined fighting organization capable of winning strikes. Recognizing that even respectability and conservatism would not win over hostile employers, the AFL unions attached great importance to the collection of dues, the administration of strike funds, and to a quasi-military, hierarchical structure that put control in the hands of a seasoned group of professional union officers. Because the government could not be relied upon to aid labor in its battles with employers, the AFL made a virtue out of necessity and called it voluntarism. In later years organized labor was more willing to rely on governmental assistance, possibly unaware of the full costs of doing so, but nevertheless cognizant of the benefits of having at least a passive, and

oftentimes active, ally. {64}

But there is an ironic paradox here: although employer hostility led American labor leaders to choose a conservative form of unionism (or at least reassured them that they had made the right choice), that choice had the effect of sustaining and reinforcing employer opposition. First, as we have discussed, because job control unionism involved a firm-by-firm approach to bargaining and an emphasis on issues that management considered sacrosanct prerogatives, it raised the incentive for American employers to avoid and resist unions whenever they came knocking. Second -- and here we come back to Ulman's argument -- labor's choice closed off the European option of getting employers to accept collective bargaining as a preferred alternative to more radical outcomes, although the AFL did regularly try to sell itself to employers by invidious comparisons to groups like the IWW and, later, the CIO. (Undoubtedly some employers recognized the AFL during World War I and in the 1930s because they believed that this would close any openings for the left.) Thus, a sort of feedback loop was created --the adversarial American system -- in which employer hostility and conservative job control unionism sustained one another.

Compare this to the British system, where the courts were essentially neutralized by 1906, the state was far friendlier to unionism, and employers were less aggressively hostile than in the United States. In light of these conditions, one could say that British labor had the luxury of combining job control unionism with the pursuit of social democratic political objectives, notably the formation of the Labour party, a luxury that was unavailable to American labor at least until the New Deal. The British comparison is instructive in another regard, for it suggests that even if similar conditions had obtained in the United States prior to the 1930s, it is unlikely that the outcome would have been a radical labor movement such as emerged in, say, France. That is, although an important factor permitting the emergence of a

radical and politically-oriented union movement in France but not in the U.S. was the existence of a relatively pro-labor French state {65}, this did not mean that, if the American government had been friendlier to labor, the result would have been a flourishing of radical unionism in America. American labor's political reformism and job control unionism were due not only to hostility from the state and from employers, but also to a common Anglo-American tradition of strong craft unionism that existed well before the emergence of syndicalism and Marxian socialism in the 1870s. Craft unionism --with its sectional approach to labor market control and its sober, almost middle-class strain toward respectability -- weakened working class unity and drained some of the appeal from a mass revolutionary politics. In other words, had the political and social environment been less hostile to organized labor in the U.S., the result would very likely have been something along British, rather than French, lines. In fact, that is what emerged, more or less, during the New Deal, when American labor hitched itself to the Democratic wagon in pursuit of ends similar to those achieved by the Labour Party. But the resemblance to Britain went no further than the attachment to a social democratic party; because American employers persisted in their antinunionism, American labor never attained the density levels of British unionism.

Since the Wagner Act

But, one might ask, if American employers were so hostile to unions, how was organized labor able to achieve enormous membership increases during the 1930s and World War II? One way to approach this problem is to compare France and the United States during this period. Prior to the 1930s, the labor movements in both countries faced extremely hostile employers and then, at about the same time, both countries experienced a wave of spontaneous strikes (including massive sitdowns in France in 1936) followed by the enactment of legislation favorable to union organization and collective bargaining. In the

United States, the key legislation was the 1935 Wagner Act; in France, corresponding laws were passed in 1936, shortly after the Popular Front government was formed under Leon Blum. These laws, which were known as the "French New Deal", codified the Matignon Agreement that had been reached between the employers' federation and the CGT. They required compulsory mediation and the negotiation of collective agreements between employers and the "most representative union" in a given bargaining area (note the Wagner Act influence). Each agreement was to contain guarantees of the freedom to organize without discrimination and of the right of workers to elect shop stewards. Prodded by the Ministry of Labor, French employers' associations (and some individual employers) reluctantly negotiated over 8,000 collective agreements between 1936 and 1939, and the CGT's membership increased during this period from about one million to perhaps as many five million worker (as compared to a three-fold increase in American union membership between 1933 and 1940). Yet collective bargaining was unable to establish itself in France at this time --employers often refused to abide by the terms of the new agreements and publicly repudiated the Matignon Agreement -- whereas in the U.S., despite continuing employer hostility to unions and to the Wagner Act, collective bargaining took root, if not by 1940 then certainly by the end of the war. {66}

A number of factors contributed to the failure of the Blum experiments. First, as compared to the United States, the depression came relatively late to France -- reaching its trough in 1935 -- and so French employers had more time to prepare themselves for the developments that took American employers by surprise. Second, given the French government's long history of active involvement in industrial relations, French employers were better organized to negotiate and deal with the government and with other peak associations than were American employers, who did not form effective lobbying organizations until World War II. {67} Third, the Wagner Act was much more compatible with American

unionism's bargaining traditions than were the Matignon reforms. French unions were as oriented toward politics as French employers, a fact that helped them to win the reforms. But they were far less experienced than American unions in collective bargaining and in using workplace action to enforce their bargains when the government would not. Although the Blum government was more pro-labor than the Roosevelt administration, it collapsed in 1938, leaving the unions to fend for themselves. Thus, a fourth and critical difference between France and the United States was the weakness and short life of the Popular Front. In contrast, the Roosevelt administration was credited with saving the country from depression. Hence it grew more popular and powerful over time and was able to have the Wagner Act ratified by the Supreme Court in 1937. Finally, of course, France was occupied in 1940, before it had much of a chance to mobilize against the Germans. In the United States, though employer resistance to unionization continued right up until 1941 at major firms such as Ford, Westinghouse, and those of Little Steel, the advent of war and the formation of the War Labor Board eradicated most pockets of employer belligerence. In short, the success of unionism in America depended on a variety of fortuitous circumstances: the timing and severity of the depression; the solidity of the Roosevelt administration; the passage of a bargaining law consistent with native traditions; and the advent of war without any threat to the country's territorial integrity. Their combined effect was to shrink (albeit temporarily) the ideological and political resources traditionally available to employers and to raise those available to unions. Had none of these events happened or happened at the same time, union density in the United States would have been much lower, perhaps as low in 1945 as it was in 1929. {68}

Finally, why was it that, despite the gains made between 1933 and 1945, American unions were unable to maintain the membership trajectory established during those years? Union density in the American private sector not only never

reached European levels but stabilized after the war and moved steadily downwards after the mid-1950s. Here again, I would stress the importance of employer hostility to unionism, a factor that industrial relations scholars underemphasized until quite recently. Most believed that the American industrial relations system was, or was becoming, pluralistic, with employers accepting unions as a legitimate pressure group engaged in joint rule making on behalf of employees, and government stepping in to rectify any bargaining power imbalances. {69} Yet pluralism can hardly be said to have had wide acceptance in managerial circles. Instead, as observers began to warn in the late 1950s, most managers, including those within the heavily unionized core manufacturing industries, had an overwhelmingly conservative opinion of unions and adopted a seemingly flexible stance merely as a tactical strategy. Were a more nuanced and extensive appraisal to be made, it would find pluralism to have been a prescriptive norm urged upon managers by government officials and academics (as in the case studies published by the National Planning Association in the late 1940s and early 1950s) -- not a widely accepted tenet of managerial belief. {70}

The onset of unionization in the 1930s came as a surprise to those managers who thought that they had resolved the problem of union avoidance during the 1920s. Managers of newly unionized companies suffered "an unparalleled loss of self-esteem and community standing," while those in companies that had succeeded in staving off unionization struggled to find an effective formula for maintaining their nonunion status. {71} A bellicose minority of the newly unionized firms intensified their application of the earlier nonunion model, hoping that it would shake loose what they mistakenly believed to be the tenuous hold that unionism had taken on their employees. They launched new company unions or breathed life into those that had become dormant; strengthened their personnel departments; devoted more resources to welfare programs; and tried to coerce their employees to stay out of unions through a range of what the Wagner

Act held to be unlawful labor practices. Other firms -- in fact, the vast majority -- did many of these same things, although they eventually gave up on coercion in favor of building a modus vivendi with their new bargaining partners. Among these were companies like General Motors, General Electric, and U.S. Steel, whose managers saw unions as an unpleasant new fact of life and strove to make the situation as much to their benefit as possible. It was these companies that received the most attention from academic observers, few of whom, however, realized the weakness of the companies' commitment to collective bargaining. Indeed, by the late 1940s, managements in these companies had regained some of their self-confidence and began to take more aggressive steps to contain union inroads. The successful effort to pass the Taft-Hartley bill was one manifestation of this turnabout; others included the gradual relocation of plants to southern states (which major companies like General Electric and DuPont started to do immediately after the war), and the introduction of a new set of personnel policies intended to weaken the popularity of unions.

These policies were based on two major props: First, there was the wider scope for employer antiunionism permitted under the Taft-Hartley Act, such as aggressive campaign tactics that fell under the act's "free speech provision", and the new decertification mechanism. Although the government's support for collective bargaining during the 1930s and World War II put a great deal of pressure on recalcitrant employers -- one should not underestimate the importance of the Wagner Act, the NLRB, and the NWLB in opening a window of opportunity for unionism -- nevertheless, as compared to other countries, this support had critical limits and turned out to be short-lived. The Wagner Act did not provide for mandatory recognition of unions, instead leaving this issue to be decided by "campaigns" for worker votes between individual companies and unions. And toward the end of the war, the the government's previously pro-labor orientation began to shift in favor of business, as evidenced by the

recomposition of the NLRB and a tilt in the board's decisions on critical issues such as free speech and company unions. {72}

Second, there was the gradual dissemination throughout industry of antiunion strategies that had been developed by companies which successfully avoided unionization after 1933, including sophisticated communications and survey techniques based on behavioral science; programs for employee participation in management; and campaign tactics based on clever transgressions of the law. {73} As well, there was a parallel development of tactics used by unionized companies to contain, weaken, and ultimately shed their unions, such as General Electric's practice of Boulwarism. {74} More was involved in this process than the diffusion of personnel "innovations". Because of the American emphasis on an achievement-oriented form of unionism, which promised to deliver the goods to members through job control bargaining at the firm level, American unions had always been more innovative, and insisted on a much wider range of issues subject to joint determination, than was the case in Europe. But this strength on the union side was matched by active and sophisticated personnel management on the other: By the 1930s, most large American firms had sizeable personnel departments. As these departments recovered from the shock of the New Deal, they proved a source of difficulty for unions in the competition for the hearts, minds, and wallets of American workers. {75} Nonunion firms increasingly were able to incorporate union gains --both financial and nonfinancial -- into their personnel policies (called "threat effects" or "union substitution" by economists), while at the same time developing innovations of their own that allowed them to move ahead of the unions. In unionized firms, managers gradually turned their attention from the tasks of contract negotiation and administration to the incorporation of nonunion innovations into their own personnel programs. Only now are American unions beginning to appreciate how far behind they have fallen, though it is probably fair to say that both unions and personnel

managers in the United States, at least until recently, were of necessity more technically sophisticated about plant-level personnel policies than their European counterparts, whereas the converse was true of national policies.

Conclusions

Distinctive features of American unionism -- its conservatism, job orientation, and low density -- cannot be understood without taking into account national differences in management characteristics and policies. It is likely (but as yet unproven) that American managers had values that predisposed them to be more hostile to collective bargaining than managers in Europe. Moreover, they faced a different set of incentives and had more substantial resources to resist unionization than was true of managers elsewhere. These included economic and political factors not usually considered in either mainstream or Marxist analyses, such as the size and structure of firms, or the state's role in the industrial relations system, which was more variable and complex than instrumental theories would have it. Through a comparative and historical analysis of American management, we can begin to piece together a more realistic and accurate picture not only of the unionization process in the United States, but also of the features of American unions themselves.

Though I have tried in this paper to be provocative and paint that picture without relying too heavily on arguments taken from the literature on labor exceptionalism, I recognize that American working class life did have exceptional features-- and still does-- that colored organized labor in distinctive tones (and not usually couleur de rose). My stress on management is not intended to substitute one set of causal factors for another, but instead to broaden the range of relationships usually considered in this area. Too, because I am painting with a broad brush, I have not discussed variations in employer antiunionism across industries or at particular firms. I recognize that there were (and are) cases of managers welcoming unions for economic reasons --either

as a stabilizing force in highly competitive industries like apparel and coal, or as a prop to oligopolistic pricing practices in industries like steel -- and for normative reasons too (though pro-union managers like Joe Wilson of Xerox or Cyrus Ching of U.S. Rubber were rare birds indeed).

Finally, it is worth noting that a body of empirical scholarship is currently developing in industrial relations and labor economics that measures the importance of employer resistance to unionism as a factor in the recent acceleration of de-unionization in the United States. Studies have shown that the union success rate in NLRB elections is significantly reduced by legal and illegal employer tactics such as communication programs, dilatory legal maneuvering, firings, threats, and the use of professional consultants. {76} But rather than being a new development, these tactics are consistent with what has been the historic tendency in the United States for employers to resist and avoid unions whenever possible. Though the government opened up a window for unionism in the 1930s and 1940s, making it more difficult for employers to actualize their hostility, the perceived legitimacy of the Wagner Act has gradually been fading and so illegal activity has become commonplace. At the same time, managements have become more skilled in providing workers with a positive alternative to unionism, although the unions, responsive as ever to management actions, may still come up with their own successful formula for "management substitution."

NOTES

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Of course, partial unionism not only imposes costs on employers but also creates opportunities: American employers have the opportunity to move to the unorganized hinterlands in the south and overseas. Though this was less of an option before these regions were industrialized during and after World War II, today the threat of capital flight has sharply reduced the bargaining power of American unions except in those situations where employers are reluctant or unable to move.

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24. Feldman, Army, Industry and Labor, 6. In Japan, a nation often compared to Germany, the government took a more repressive stance toward organized labor, acting under the authority of the Peace Police Law of 1900. Yet even in Japan, it is possible to observe parallels to the general European late development pattern. Thus, in the late Meiji era the government feared that "industrialists left to their own devices in the management of labor would undermine social and political order in factories and in society at large." Though it did not go so far as to encourage unionism, after World War I the government came to tolerate moderate union activity "in an application of the candy-and-whip (ame to much) theory of social control". Andrew Gordon, The Evolution of Labor Relations in Japan: Heavy Industry, 1853-1955 (Cambridge, 1985): 65, 208.

25. Elaine Glovka-Spencer, Management and Labor in Imperial Germany: Ruhr Industrialists as Employers, 1896-1914 (New Brunswick, 1984): 143.

26. Philip Taft and Philip Ross, "American Labor Violence: Its Causes, Character, and Outcome" in Hugh D. Graham and Ted Robert Gurr (eds.), Violence in America: Historical and Comparative Perspectives (Washington, D.C., 1969): 221

27. Hugh Armstrong Clegg, The System of Industrial Relations in Great Britain 3rd ed. (Oxford, 1976); Stuart Jamieson, Industrial Relations in Canada, 2nd ed., (New York, 1973).

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29. Gitelman, "Perspectives", 21.

30. Jerry M. Cooper, "The Army and Civil Disorder: Federal Military Intervention in American Labor Disputes, 1877-1900" (Ph.D. diss., University of Wisconsin, 1971); Robert Justin Goldstein, Political Repression in Modern America (Cambridge, 1978); David Brody, Labor in Crisis: The Steel Strike of 1919 (Philadelphia, 1965); Jeremy Brecher, Strike! (Greenwich, 1972).

31. James Weinstein, The Corporate Ideal in the Liberal State, 1900-1918 (Boston, 1968); Samuel P. Hays, "The Politics of Reform in Municipal Government in the Progressive Era", Pacific Northwest Quarterly, 55 (??? 1964): 157-169.

32. John R. Commons, Labor and Administration (New York, 1913): 153.

33. Irving Bernstein, The Lean Years (Boston, 1960): 221; Sanford M. Jacoby, "The Duration of Indefinite Employment Contracts in England and the United States: An Historical Analysis", Comparative Labor Law, 5 (Winter 1982): 85-128; Howell John Harris, "The Snares of Liberalism? Politicians, Bureaucrats, and the Shaping of Federal Labour Relations Policy in the United States, ca. 1915-1947" in S. Tolliday and J. Zeitlin (eds.), Shop Floor Bargaining and the State (Cambridge 1985).

34. Vogel, "Businessmen Distrust", 64.

35. Seymour Martin Lipset, "Trade Unions and Social Structure:II", Industrial Relations, 1 (February 1962): 89-110.
36. Sutton et al., Business Creed. This accounts for the dominance of neoclassical economics in the United States as compared to continental Europe.
37. Seymour Martin Lipset, "Trade Unions and Social Structure: I", Industrial Relations, 1 (October 1961): 78.
38. Ely Chinoy, Automobile Workers and the American Dream (Garden City, 1955); Richard Sennett and Jonathan Cobb, The Hidden Injuries of Class (New York, 1972).
39. Peter R. Shergold, Working-Class Life: The "American Standard" in Comparative Perspective, 1899-1913 (Pittsburgh, 1982); Reinhard Bendix and Seymour Martin Lipset, Social Mobility and Industrial Society (Berkeley, 1959).
40. Daniel J.B. Mitchell, "Inflation, Unemployment, and the Wagner Act: A Critical Reappraisal", Stanford Law Review, 38 (April 1986): 1065-1095.
41. Henry Phelps Brown, The Origins of Trade Union Power (Oxford, 1986): 116.
42. Edward Shorter and Charles Tilly, Strikes in France, 1830-1968 (London, 1974). Edwards attributes the persistent length of American strikes to the intensity of labor-management conflict in the United States, which, he argues, is largely due to the unwillingness of American employers to accept unions and collective bargaining. As a result, each strike becomes a contest of strength that could (dangerously or hopefully) undermine unionism. Edwards, Strikes, 238.
43. Quoted in Alan Fox, History and Heritage: The Social Origins of the British Industrial Relations System (London, 1985): 128.
44. Kenneth D. Brown, Essays in Anti-Labour History: Responses to the Rise of Labour in Britain (London, 1974); W.R. Garside and H.F. Gospel, "Employers and Managers" in Chris Wrigley (ed.), A History of British Industrial Relations, 1875-1914 (Brighton, 1982).
45. Fox, History and Heritage, 189.
46. Quoted in *ibid.*, 217.
47. Ronald Dore, British Factory-Japanese Factory: The Origins of Diversity in Industrial Relations (Berkeley, 1973).
48. James Holt, "Trade Unionism in the British and U.S. Steel Industries, 1880-1914", Labor History, 18 (Winter 1977): 30.
49. Donald N. McCloskey, Economic Maturity and Entrepreneurial Decline: British Iron and Steel, 1870-1913 (Cambridge, 1973).
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51. Phelps Brown, Origins, 211. Also see Fox, History and Heritage; and Martin J. Wiener, English Culture and the Decline of the Industrial Spirit, 1850-1980 (Cambridge, 1981).

52. Lloyd Ulman, "Connective Bargaining and Competitive Bargaining" Scottish Journal of Political Economy, 21 (June 1974): 103; Jonathan Zeitlin, "From Labor History to the History of Industrial Relations", Economic History Review, 40 (May 1987): 159-184.

53. Sanford M. Jacoby, Employing Bureaucracy: Managers, Unions, and the Transformation of Work in American Industry, 1900-1945 (New York, 1985).

54. Phelps Brown, Origins, 117.

55. Fox, History and Heritage, 78.

56. Roger Davidson, "Government Administration" in Chris Wrigley (ed.), A History of British Industrial Relations (Brighton, 1982).

57. Even after the Wagner Act, an organizing drive was expensive, and, although recognition strikes in theory were made unnecessary by the Act, strikes during organizing drives or to win first contracts still occurred.

58. Goldstein, Political Repression, 550. Also see Daniel Fusfeld, "Government and the Suppression of Radical Labor" in Charles Bright and Susan Harding (eds.), Statemaking and Social Movements (Ann Arbor, 1984).

59. Davis, Prisoners.

60. Mary Jackman and Robert Jackman, Class Awareness in the United States (Berkeley, 1973).

61. Selig Perlman and Philip Taft, History of Labor in the United States, 1896-1932 (New York, 1935): 5.

62. Samuel Gompers, Seventy Years of Life and Labor: An Autobiography, vol 1. (New York, 1925): 97.

63. Perlman and Taft, History of Labor, 5. A similar analysis was made by Slichter, Healy, and Livernash who noted that "The American environment has produced strongly individualistic and highly competitive employers who have been aggressively hostile to unions and who have been willing to go great extremes to destroy them." Along with labor exceptionalism, they argue, this produced "business unionism - that is, unionism which has little or no interest in social reforms but which is frankly out to advance the selfish aims of its members." Summer Slichter, James J. Healy, and E. Robert Livernash, The Impact of Collective Bargaining on Management (Washington, D.C., 1960), 34.

64. Note that this is rather different from the analysis of Christopher Tomlins in The State and the Unions: Labor Relations, Law, and Organized Labor in America, 1880-1960 (New York, 1985). Today, however, there is again distrust of government reemerging as a result of labor's experiences with Reagan-appointed circuit court judges and NLRB members.

65. This is the argument made by Friedman in "Politics and Unions."

66. Val R. Lorwin, The French Labor Movement (Cambridge, 1954); Henry W. Ehrmann, French Labor from Popular Front to Liberation (New York, 1947).

67. Howell John Harris, The Right to Manage: Industrial Relations Policies of American Business in the 1940s (Madison, 1982).

68. One might have expected French labor to rebound at the end of the war, since many workers perceived their employers as collaborators and the CGT was taken over by the Communists, who were associated with the Resistance. But this failed to happen, in part because the labor movement was sharply divided and in part because the economy was a wreck for a long time after the war. Duncan Gallie, Social Inequality and Class Radicalism in France and Britain (Cambridge, 1983). Note that, just as France had looked to the Wagner Act as an industrial relations model in the 1930s, it did the same thing in 1945. Making reference to the labor-management production committees that were created in the U.S. during the war, the preamble to a 1945 ordinance that legalized plant-level worker committees in France said, "No doubt - as the experiences of the last four years in ... the United States and Canada have shown - the participation of the personnel in committees of this kind can have the happiest effect." Adolf Sturmthal, Workers Councils: A Study of Workplace Organization on Both Sides of the Iron Curtain (Cambridge, 1964).

69. Sylvia K. Selekman and Benjamin M. Selekman, Power and Morality in a Business Society (New York, 1956).

70. Douglass V. Brown and Charles A. Myers, "The Changing Industrial Relations Philosophy of American Management" Ninth Annual Proceedings of the Industrial Relations Research Association, Madison, 1958; Clinton S. Golden and Virginia D. Parker, (eds.) Causes of Industrial Peace Under Collective Bargaining (New York, 1955).

71. Daniel Nelson, "History of the Rubber Workers", unpublished ms., 1986.

72. James A. Gross, The Reshaping of the National Labor Relations Board: National Policy in Transition, 1937-1947 (Albany, 1981).

73. Sanford M. Jacoby, "Employee Attitude Testing at Sears Roebuck, 1938-1960" Business History Review, 60 (Winter 1986): 602-632; Jacoby, "Norms and Cycles: The Dynamics of Nonunion Industrial Relations in the United States, 1897-1985" in Katherine Abraham and Robert McKersie (eds.), New Developments in Human Resources and Labor Markets (Cambridge, forthcoming 1988).

74. Herbert Northrup, Boulwarism (Ann Arbor, 1964). Two other props (more accurately permissive factors) were the shift in public opinion after the war in favor of business and against unions, and the industrialization of the south that started during the war.

75. Jacoby, Employing Bureaucracy.

76. Henry Farber, "The Decline of Unionization in the United States: What Can Be Learned from Recent Experience" National Bureau of Economic Research, Working Paper No. 2267, May 1987; Richard Freeman and James Medoff, What Do Unions Do? (New York, 1984).