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The long path to international labour cooperation: Fifty years of cross-border trade union networks at Ford and General Motors (1953-2001)

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The growing significance and power of multinational companies (MNC) has undoubtedly become one of the most important challenges the trade union movement faces today. A plethora of academics, journalists and activists have taken up the issue during recent years, and have offered criticism and advice of how organised labour should deal with this challenge. Against this backdrop, and given that the growth of MNC has been a long-term historical process, it is rather surprising how little efforts labour historians have devoted to the topic. This neglect is particularly evident in the case of national trade union historiography. Yet, historians of the international union movement, too, have shown rather little interest in case studies, or more generic treatments of international networks in MNC – despite the existence of a rich sociological and industrial relations literature providing ‘snapshots’ about such networks during the 1970s, and again since the mid1990s.

The article sets out to contribute to fill this gap with a case study analysis of international trade union networks at Ford and General Motors, two firms in which such networks emerged early after the World War II, and which today, at least in Europe, again stand out as ‘best practice’ cases of international labour cooperation in the guise of European works councils. The paper inquires into the changes in the motives, forms, and practical results of cross-border cooperation initiatives at Ford and GM in Western Europe during the second half of the 20th century, and interprets these patterns against the backdrop of the broader development of trade

1 By way of introduction see Geoffrey Jones, Multinationals and the global economy – from the nineteenth to the twenty-first century, Oxford University Press 2005.
union internationalism during the post-war period, and the more specific challenges organised labour faced in these two multinational firms. I argue that attempts for international cooperation started already during the 1950s initiated by the American automobile trade union UAW. However, these attempts were frustrated not only because of management obstruction but also because of fears among major European unions that international bargaining at company level could weaken national union structures and solidarity notions. The late 1960s and early 1970s saw a repetition of this dynamic, this time however confined to Western Europe. It was only during the 1990s that the emergence of European works councils led to the first tangible results of international trade union cooperation, reflecting above all the much more threatening labour market consequences (employment, wages) of MNC development during the 1990s.

The article proceeds as follows: Section two provides a brief account of the growth of MNC in Western Europe in the post-1945 period, and the specific challenges this raised for the trade unions. Section three reviews the trade union responses as described in the literature about post-war international union organisations. The next four sections then portray the development of cross-border union networks at Ford and GM distinguishing between the periods between 1953-65, 1966-1974, 1975-1987, and 1988-2001. The paper concludes with reflections about the significance of the case studies for the future of international labour cooperation in multinational firms.

Multinational firms – a new challenge for the trade union movement after 1945

According to the most commonly used definition multinational companies (MNC) can be conceived of as firms that own and control operations or income-generating assets in more than one country. In contrast to simple portfolio investments MNC are not just capital movements, but involve management control and the transfer of a whole package of resources (technology, managerial know-how etc.) across borders.5

The history of multinational firms dates back to at least the mid19th century but the focus of this article is confined to post-1945 period, which was different from the pre-war era in a number of key respects. The bulk of MNC activity shifted from the exploitation of natural resources towards manufacturing, which meant that the biggest industrialised nations now also became the major MNC host countries.6 The strong growth of foreign direct investment was further encouraged by the emergence of regional free trade zones particularly in Western Europe enabling MNC to integrate their subsidiaries across borders without incurring the tariff penalties

6 Ibid. p. 29.
of the interwar period. Until the late 1950s many MNC had adopted a “multi-domestic” approach leaving their national subsidiaries a large degree of autonomy; in the cases of Ford and General Motors, for example, the British and German subsidiaries competed against each other on European markets, and, for a brief period during the late 1950s, also for the delivery of small cars to the US parent companies. However, from the mid1960s the situation changed dramatically: Like many other US firms Ford adopted a strategy that considered Western Europe as a single economic area. Between 1965 and 1972 the firm standardised its entire European product range and, in 1967, created the holding company “Ford of Europe” to co-ordinate all its future business on continental scale. General Motors with its subsidiaries Opel in Germany and Vauxhall in the UK belatedly followed Ford’s example in the mid1970s.

Against the backdrop of these developments critical public debates about “the multinationals” emerged in the late 1960s. In turn, these debates translated into attempts for comprehensive MNC regulation at the national and international level during the 1970s though it soon turned out that they would fall far short of the ambitious initial agendas. At the international level, various “codes of conduct” for MNC were adopted by the United Nations, the ILO, and the OECD yet these had a voluntary character, and remained without much practical effect. At the national level, many governments actively promoted the creation of “national champions” to contain the influence of MNC in key sectors, and to varying degrees also stepped up the screening of MNC investment policy itself. However, such attempts had only limited success not least because national governments, particularly in integrated regional blocks like Western Europe, found themselves increasingly drawn into “regime competition” for internationally mobile capital.

This trend was magnified from the late 1970s onwards with the shift towards neo-liberal economic policies in many countries, and, from the late 1980s, with the opening up of new investment opportunities for multinational firms in Eastern Europe and Asia. New regional free

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8 For Ford see Mira Wilkins, American Business Abroad. Ford on Six Continents, Wayne State University Press, Detroit 1964, pp. 360ff.
trade areas (e.g. NAFTA) were created, and existing ones deepened (e.g. Single Market in the EC/EU). At the global level, too, the liberalisation of economic exchange accelerated through GATT and later WTO agreements.\textsuperscript{15}

Against this backdrop the volume of MNC activity rose to unprecedented levels, towards the end of the 20\textsuperscript{th} century the growth rate of FDI outflows reached 40 percent annually.\textsuperscript{16} Geographically, there was a shift towards more investment in Eastern Europe and China though Western Europe and North America continued to attract more than half of global FDI. Corporations now had a much greater flexibility to locate different parts of their value-added activities in different parts of the world, and worldwide market liberalisation also encouraged a shift from regional to global integration of corporate activities though still today most MNC generate the large majority of their revenues through sales within one of the three major economic areas (North America, Western Europe, Japan). The cases of Ford and General Motors again reflect the wider trend. Both firms began to pursue schemes of global product standardisation and production integration during the 1980s yet due to sales setbacks with “world cars” this shift remained partial. By the year 2000 both companies combined regional and global elements in their corporate strategies.\textsuperscript{17}

The post-war growth and changing character of multinational firms posed serious challenges for the trade union movement. One key aspect was employment security. The trend among MNC to integrate subsidiaries across borders increased their capacity to shift assets, and hence employment, across borders though ‘sunk costs’ of past investments and the commercial importance of national markets continued to place limits on this capacity.\textsuperscript{18} Moreover, a distinction needs to be made between the period up to the mid1970s when strong economic growth ensured that employment security remained an ephemeral concern, and the 1980s and 1990s when international investment competition in many MNC became linked to actual and massive cuts of jobs in North America and Western Europe.

The second key challenge for trade unions was collective bargaining. In many MNC techniques of “benchmarking” between different units of the firm were used to put pressure on trade union negotiators – backed by investment promises and/or threats of investment switching. Again, the impact of such management tactics was much more limited in the period up to the mid1970s not only because of the weaker job threat potential but also because bargaining

\textsuperscript{15} See Peter Dicken, Global Shift: mapping the changing contours of the world economy. 5th edn., London 2007.
\textsuperscript{16} Jones, Multinationals and Global Capitalism, p. 39.
\textsuperscript{18} Dicken, Global shift, pp. 150-153.
pressure concentrated on productivity improvements, which were often coupled to wage premiums. Studies of industrial relations in MNC during this period often reported that foreign-owned firms paid higher wages and benefits than their domestic competitors.\textsuperscript{19} It was only during the 1980s and 1990s that collective bargaining in many MNC turned into “concession bargaining” whereby unions in different countries were pitted against each other in their struggle to guarantee employment security.\textsuperscript{20}

Regarding the prospects for cross-border union cooperation these challenges were of course as much threats as they were opportunities - fears of job losses and concession bargaining could be powerful incentives to step up international cooperation. Moreover, at the micro level of a multinational firm such cooperation was relatively easy to institutionalise. The existence of international management structures also gave the opportunity to push for consultation schemes, or even collective bargaining, at the international level.

How did the trade unions react to this mix of challenges and opportunities? Before turning to the case study analysis related to Ford and General Motors the article will first provide a brief review of the scholarly answers to this question advanced in the literature about international trade union cooperation in the post-1945 period.

\textbf{International trade union cooperation in MNC in the post-1945 period: A review}

Over the last decades research related to the post-war development of international trade union organisations has grown impressively not only with regard to the global level, but also related to the rise of additional regional (continental) organisations.\textsuperscript{21} In terms of their roles and activities most studies confirm Windmuller’s classic account from 1967, which distinguished between three key tasks of post-war international trade union bodies, namely the representation of labour interests in intergovernmental and supranational agencies, the missionary propagation of a particular type of trade unionism to areas where it does not or only weakly exist, and the services carried out in supporting and coordinating activities of the national affiliates.\textsuperscript{22} However, there was a great deal of controversy about whether to interpret Windmuller’s categories in a wide or

\textsuperscript{19} For the UK see for example H. D. Steuer, The impact of foreign direct investment on the United Kingdom, London 1973, pp. 48-67.
\textsuperscript{20} For the motor industry see Bob Hancké, Industrial Restructuring and Industrial Relations in the European Car Industry. Instruments and strategies for employment, discussion paper Wissenschaftszentrum Berlin, 1998
\textsuperscript{21} See for example Marcel van der Linden (ed.), The International confederation of free trade unions, Bern 2000; for a regional European focus see Corinne Gobin, Consultation et concertation sociales à l’échelle de la Communauté économique européenne. Etude des positions et strategies de la Conféderation européenne des syndicats (1958-1991), Brussels 1996.
narrow sense, whether to conceive of international union bodies as powerless appendices of national organisations, or as international actors in their own right. With regard to the “missionary” component, for example, much depends on whether one sees the rivalry between Communist and “Free” Internationals simply as extension of the Cold War between the two superpowers, or at least partly also as an expression of a global ‘civil war’. Likewise, representation in intergovernmental agencies can be conceptualised as inconsequential “travel internationalism”, or as active participation in international norm-setting (“governance”) processes. Support and coordination activities can be interpreted as confined to practical assistance and the provision of platforms for information exchange, or as instruments for more far-reaching schemes of cooperation; the fruitfulness of the latter approach was clearly demonstrated in the various studies about the International Transport Worker’s coordination activity to regulate the maritime industry. 

Judging from the available literature multinational companies became a concern for international trade union organisations from the mid1960s onwards, involving both the representation and the support/coordination dimensions. As for representation, international confederations like the ICFTU were involved in the establishment of “codes of conduct” for MNC by the United Nations, the ILO, and the OECD during the 1970s, and, subsequently, in the screening of the codes’ observance. In parallel, and of more importance for the purpose of this article, the sector-specific organisations made efforts to coordinate union contacts within single MNC through so-called “world company councils”, which were set up in many multinational firms notably in the motor, electrical, chemical and food processing industries since 1966. Similar committees were created by European industry federations, initially only in a few selected firms like Philips, but more broadly from the mid1980s - in anticipation of and contributing to the statutory introduction of European works councils in the mid1990s.

A glance at the relevant industrial relations literature suggests that international trade union bodies in MNC were for a long time confined to a shadowy existence. Despite hopes in the early 1970s that world company councils would become the nucleus for an emerging system of international collective bargaining, or even spearheading a new rank-and-file-led

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25 See for example Sigrid Koch-Baumgarten, Gewerkschaftsinternationalismus und die Herausforderung der Globalisierung: das Beispiel der Internationalen Transportarbeiterföderation (ITF), Campus, Frankfurt/M. 1999.
27 For an overview see Northrup/Rowan, Multinational Collective Bargaining, op. cit.
internationalism\textsuperscript{29} it soon became clear that council activities were dominated by much more modest tasks such as research support and information exchange.\textsuperscript{30} During the 1980s many councils even seem to have fallen into disarray. A more dynamic development only set in from the mid 1990s. At the global level the company councils now started to negotiate “International Framework Agreements” with numerous MNC designed primarily to ensure the observance of the ILO’s core labour standards.\textsuperscript{31} At the regional level European works councils turned into bargaining agents over corporate restructuring in a number of firms.\textsuperscript{32}

How can we account both for the long stagnation and the belated breakthrough? Many industrial relations scholars inquiring into the former question during the 1970s displayed a tendency of determinism; some even suggested that the historical process of trade union integration into Nation-States or, in Marxist terms, “national systems of reproduction”, rendered effective international union cooperation impossible.\textsuperscript{33} This stood not only in uneasy contrast to the great hopes placed on trade union bodies in MNC earlier, but also neglected evidence of more contingent impeding factors, for example fears among powerful national affiliates that international coordination in MNC could reinforce syndicalist tendencies at the expense of overall national cohesion.\textsuperscript{34} Perceptive observers like Lloyd Ulman provided a much more complex picture. In his view national unions did have incentives to step up cross-border cooperation in MNC since the late 1960s, in particular the containment of whipsawing potential arising from the multinationals’ ability to switch assets across frontiers. Competition between locations could thus encourage rather than impede international trade union action. However, the salience of this incentive was reduced not only by full employment and a number of obstacles (e.g. interference of coordination with national wage differentials and bargaining structures), but also by the perceived availability of alternative national strategies to deal with multinational companies.\textsuperscript{35}

As much as of deterministic explanations of failure during the 1970s and 1980s we should be wary of claims that the more recent successful dynamic heralds a new era of “transnational” trade unionism beyond the “national internationalism” of the past.\textsuperscript{36} Rather than the emergence of

\textsuperscript{29} See for example Kurt P. Tudyka (ed.), Multinationale Konzerne und Gewerkschaftsstrategie, Hamburg 1974.
\textsuperscript{30} Northrup/Rowan, Multinational Collective Bargaining, op. cit.
\textsuperscript{31} See Müller/Platzer/Rüb, Transnational Industrial Relations, op. cit.
\textsuperscript{32} See Whittall/Knudsen/Huijgen, Towards a European Labour Identity, op. cit.
\textsuperscript{34} Everett M. Kassalow, The International Metalworkers Federation and the Multinational Automobile Companies: A Study in Transnational Unionism, Unpublished Ph D dissertation, University of Wisconsin, Madison 1974, passim.
whatever type of transnational labour identity the growing interest in cross-border cooperation since the mid-1990s appears to reflect a situation of increased mutual interdependence between still nationally defined union movements, which was itself mainly the result of accelerated international economic exchange.\textsuperscript{37} Many scholars also pointed to the growing importance of international regulatory agencies both at the global and regional level as a factor “pulling” trade unions towards international action.\textsuperscript{38}

While the impact of these broad changes of the international political economy is undeniable, detailed research about European works councils (EWC) revealed the need for a more fine-grained analysis of the factors favouring cross-border trade union cooperation in MNC during the 1990s. Confirming Ulman’s analysis from the 1970s EWC seem to have turned into active negotiation bodies only in firms where a high level of inter-plant competition for investment orchestrated by European management structures translated into cutback threats and concession bargaining in several countries. The dynamic was strongest when MNC operations were scattered throughout the continent, which reduced the likelihood that trade unions could rely on alternative national influence channels.\textsuperscript{39}

With these insights in mind the article will now turn to the case study of Ford and General Motors – two “pioneers” of international union cooperation in multinational firms.

**International trade union cooperation at Ford and General Motors (1953-2001)**

**1953-1965**

At the outset of the case study analysis one is struck by the fact that international trade union cooperation attempts at Ford and GM date back much further than assumed in the more general literature reviewed above. Already in 1953 a conference organized by the relevant sector organization, the International Metalworkers Federation (IMF), adopted a resolution calling for the creation of international company councils in the two firms, and even though the councils were not to be institutionalized until 1966 key debates already took place during the regular IMF automotive conferences in the late 1950s and early 1960s.


\textsuperscript{38} Burgoon/Jacoby, Patch-work solidarity, pp. 852-53.

The initiative for these first attempts came from the American United Automobile Workers (UAW). To an extent, the US union was motivated by a Cold War agenda to bolster “free” trade unions in Europe against their Communist rivals. More importantly, however, there was concern about growing investments of Ford and GM in Western Europe. UAW leaders believed that this acceleration of foreign investment would endanger employment security in the United States and that it was motivated at least partly by inferior European wages and working conditions. Fears were brought to a head in the late 1950s and early 1960s when the US economy repeatedly slid into recession, while, at the same time, automobile imports from Western Europe increased dramatically, including a sizeable volume of “tied” imports by Ford and GM themselves.

The UAW adopted a twin-track strategy to counter these perceived threats. On the one hand, the union promoted the concept of “international fair labour standards” (IFLS), to be monitored by international organisations such as GATT or ILO. Most of the discussions about IFLS took place between 1958 and 1961, yet by the mid 1960s they had largely failed.

On the other hand, and more importantly for this paper, the UAW sought direct contacts with European trade unions with a view to improve wages and conditions in the Ford and GM plants across the Atlantic. UAW representatives dominated the IMF automotive department during the 1950s and 1960s, and used this influence to push for special Ford and GM company councils that were to serve as vehicles for transatlantic coordination. In the second half of the 1950s much energy was spent to convince European delegates to fight for the 40 hours working week along US lines, in the early 1960s the emphasis shifted towards action aiming at the upwards harmonisation of relief breaks, sick pay, and other fringe benefits. Throughout the period American unionists were anxious to persuade their European colleagues to bring wages up in line with productivity growth. Moreover, while UAW leaders downplayed the potential for solidarity strikes in the US to assist European campaigns, the American union set up a special fund to support industrial action abroad.

Usually these sweeping agendas found their way into the resolutions adopted by the regular IMF automotive conferences since 1953 yet still by 1965 little practical progress had been made. It is not improbable that the IMF proceedings did have an indirect impact on union politics in different European countries – the 40 hours agenda, for example, appears to have influenced the

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42 See Kassalow, International Metalworkers, pp. 130-142.
43 See ibid. pp. 143-182.
campaign for the reduction of the working week by the German IG Metall from the late 1950s onwards. However, in terms of international coordination, hardly any action had taken place.

To account for this lack of practical progress it is of little help to invoke the very general inhibiting factors put forward by many authors during the 1970s. Neither the integration into different national legal and political systems, nor language barriers and notions of national pride and identity appear to have been major obstacles. At the international level, ideological rivalry was a nurturing rather than restraining force given that the Communist WFTU made serious attempts to organise international meetings in the motor industry, too.

Perceptions of competition for jobs and investments were a more serious inhibiting factor. On the part of the UAW, to be sure, such perceptions were actually at the origin of cooperation initiatives because in the United States they were linked to fears of unemployment and downward pressure on wages. The latter aspects were completely absent in Western Europe, however, and international union cooperation could thus not become associated with the setting of minimum standards to contain employer whipsawing. From a European perspective, pushing up wages and reducing hours as a result of IMF involvement could be seen as hampering future investment perspectives. In Germany, for instance, IG Metall came under heavy employer attacks for being the “agent of the UAW” at the expense of domestic economic growth and employment, prompting union leaders to publicly downplay any ambitions for international coordination.

It is easy to exaggerate the importance of these considerations, however. By the late 1950s Western Europe enjoyed full employment, and trade unions faced increasing membership pressure for more assertive wage policies, not least expressed in the revival of industrial unrest across the continent. Against this backdrop it is perhaps not surprising that the UAW initiatives were warmly welcomed among the local union organisations in Ford and GM’s two major European locations Germany and Britain. Indeed, local union and works council leaders echoed UAW arguments about the need to couple pay more strongly to productivity growth, and claims for higher wages and benefits were repeatedly justified with direct references to bargaining agreements in the United States.

44 Ibid. p. 41.
46 Frankfurter Allgemeine Zeitung, 18 November 1964.
Clearly, these attitudes created favourable rather than inhibiting conditions for the advance of international coordination, yet the problem was that the positions of local GM and Ford unionists were linked to broader conflicts about bargaining and union structures within the German and British movements, which dealt the perhaps decisive blow to such an advance. In the UK, one issue was that prospects for international cooperation attracted left-wing militants who were dissatisfied with official union policy and hoped for UAW support for their campaigns. This became particularly visible during a crisis over a union-tolerated dismissal of activists at Ford’s Dagenham plant in 1962/63 when shop stewards directly approached UAW officials at the national and local level for help, thereby causing a stir in the leaderships of the two main blue-collar unions AEU and TGWU.49

Secondly, the UAW model and some tentative IMF discussions about the potential creation of separate collective bargaining channels for the motor industry in Europe appear to have encouraged attempts to form a break-away union in the UK.50 At Ford, there were two such attempts in 1957 and in 1963, and both times the UAW model of industrial unionism was explicitly mentioned as a pattern that should be imitated in Britain.51 It is hard to gauge the seriousness of these initiatives, yet they were serious enough to raise anxiety about the consequences of international coordination particularly among AEU leaders.52

In Germany, the stakes were still higher because the UAW quite openly advocated a shift of IG Metall bargaining structures from the regional to the company level as an implication of cross-border cooperation at Ford and GM.53 This coincided with similar reform initiatives from within IG Metall known as betriebsnahe Tarifpolitik, which were popular not least among unionists at Opel and Ford, as they were designed to “capture” the increasing wage drift in high-productivity sectors. In practice, however, the majority within the union leadership merely wished to overhaul regional bargaining structures, and opposed a radical decentralisation towards company bargaining, which was perceived to imply the danger of growing inter-industry wage differentials, and hence tensions within the union membership.54 The advocates of company bargaining were ultimately defeated during a UAW-supported recruitment campaign at Ford in 1962-64, which

51 Dagenham Post, 5 June 1957.
52 Letter William Carron, AEU to Ken Bannon, Director UAW Ford Department, 5 April 1962, in: Archives of Labor and Urban Affairs Detroit, UAW International Affairs Department, Victor Reuther and Lewis Carliner Files 1955-1962, Box 95-18.
53 Kassalow, International Metalworkers, p.122.
failed to create a precedent for decentralised company bargaining as the German-American reform coalition had hoped for.  

Clearly, the prospects for IMF action at Ford and GM would have been better had decentralisation in Germany been successful. As events unfolded, however, the connection between the debates about decentralisation and internationalisation turned from a potential virtuous into a vicious cycle since it caused recurrent anxiety in the IG Metall leadership about the consequences of IMF initiatives for domestic union policy. This was particularly so because company bargaining advocates at Ford and Opel often also championed a separate trade union for the car industry. There was a serious movement in this direction at Opel during the mid-1950s and at Ford during the recruitment campaign in 1963/4. As in the UK, both were inspired by the UAW model, and in the Opel case the initiative was even encouraged by UAW representatives.  

At Ford, the affair coincided with (later denied) press reports that Walter Reuther had plans to set up a global automobile trade union.  

Against this backdrop it was hardly surprising that IG Metall representatives, along with their British counterparts, strenuously opposed renewed proposals for the creation of international company councils at Ford and GM, which were brought up in the IMF automotive conference in 1964. It was only due to strong UAW pressure, including the “near-threat to abandon the IMF”, that the resolution was passed. Far from being reassured, IGM chairman Brenner warned in 1965 that the councils would lead to pressure for the creation of an international organisation for automobile workers with divisive implications for German union structures. He also outlined how this danger had to be countered: The councils should not become strongly institutionalised, they should meet only if need arose, and delegates should be sent from the union headquarters only. Clearly, this attitude did not bode well for the future development of international trade union cooperation at Ford and General Motors.  

56 „Das Fliesband“, KPD leaflet, March 1954, in: Stadtarchiv Rüsselsheim; Interview with Otto Zinn, former Opel works council member.  
All past difficulties notwithstanding the year 1966 seemed to mark a breakthrough towards international union action at Ford and GM as a IMF meeting in Detroit eventually gave birth to the long-debated international company councils. And contrary to fears it would remain a one-off event subsequent years witnessed a proliferation of cross-border encounters not only under the auspices of the IMF, but also between local trade union delegates at the shop floor level. At the origin of this development lay a transformation of public and trade union perceptions of multinational companies in Western Europe. It was in the late 1960s that the term “multinational” started to be widely used in public debates, and “the multinationals” became thus a major new issue for the West European trade union movement. Chief among union concerns was the growing tendency among MNC to integrate their European subsidiaries across borders, which enhanced the potential to switch investments between countries, and also the opportunities for management to use whipsawing tactics in bargaining processes. There was a strong groundswell of trade union opinion across Western Europe that organised labour needed to step up its efforts for cross-border cooperation to meet these new challenges, and consequently international company councils were created not only in the automobile industry, but in a numerous other sectors, too.

Along with the higher attention paid to the MNC problem came a number of qualitative changes, which were well reflected in the Ford and GM cases. Perhaps most importantly, there was a shift from the previously exclusive focus on bargaining coordination, towards a wider agenda featuring the exchange of information about investment and production issues, ideas for regular union-management consultation over multinational corporate planning, and initiatives for mutual strike support to counter potential employer whipsawing strategies. This agenda widening was clearly a response to company strategies of cross-border rationalisation, particularly in the case of Ford with its far-reaching integration scheme under the new “Ford of Europe” holding since 1967.

As for bargaining coordination itself more thought was given to the ways in which such a coordination could be brought about. Since the IMF automotive conference in 1968 the

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62 See Northrup and Rowan, Multinational Collective op. cit.
63 See Tolliday, The origins of Ford of Europe, pp. 182ff. It is noteworthy that the IMF Ford council was much more active in the late 1960s and early 1970s than its GM counterpart – reflecting the slower process of internationalisation in the latter company.
core idea in this respect became the synchronisation of contract expiry dates and bargaining “rounds” in the different countries/subsidiaries.64

All these changes went hand in hand with a trend towards regionalisation. From 1969 most Ford and GM company council meetings were held on a regional basis, and the larger IMF conferences often allowed European delegates, as well as their counterparts from other world regions, to gather separately to discuss their specific problems. Likewise, the coordination of bargaining was now planned to occur first on a continental scale, as were consultation meetings with management. In 1972, for instance, IMF pressure on Ford to institutionalise regular consultation over corporate planning were not directed at the Dearborn HQ but at the regional Ford of Europe holding.65

Despite all these new developments, however, little progress had been made in any of the envisioned directions by 1974. As in the period up to 1965 international meetings were largely filled with the exchange of information, the focus of which increasingly shifted from wages and collective bargaining, to investment and production-related aspects. To varying degrees these exchange were useful for national delegates, as they could help to underpin domestic strategies. In the UK, for example, unions started to regularly use IMF wage comparisons to underpin their domestic claims for higher pay since 1970.66

In terms of international action, however, the more ambitious aims of bargaining coordination, strike support and union-management consultation remained unfulfilled. As for bargaining successive IMF meetings generated the usual “shopping lists” of priority items, and the idea to synchronise contract expiry dates remained an “evergreen” in conference resolutions. However, still in 1972 Ford and GM delegates had not gotten further than to discuss the possible advantages and difficulties of synchronisation.67 With regard to consultation only the Ford council made a half-hearted attempt, which was flatly rejected by the company in 1973.68 Cooperation in situations of industrial dispute usually did not exceed solidarity telegrams and some token support. During the nine week-long strike in the UK in 1971, for example, an IMF meeting in London expressed general messages of international solidarity while in parallel overtime was worked regularly in Cologne, not least to compensate for the lack of British engine supplies, which had caused mass lay-offs in the second German assembly plant in Saarlouis.69

64 See Kassalow, International Metalworkers, pp. 214-31.
65 Ibid. pp. 297-301; in the following the analysis concentrates on developments in Western Europe.
67 Kassalow, International Metalworkers, pp. 297-301.
68 „Account of IMF meeting with Ford Executives, 9 February 1973“, in: Archives of Labor and Urban Affairs, Detroit, UAW International Affairs Department, Herman Rebhan Collection, Box 15-15.
69 Besprechung zwischen den shop stewards und den Vertretern der Ford-Werke Saarlouis
Based on Lloyd Ulman’s analysis presented above we can interpret this lack of progress as a mix of missing inducements, inhibiting factors, and the perceived availability of alternative national strategies. Like Ulman it seemed to many contemporary observers that enhanced management whipsawing potential in MNC was a sufficiently strong threat to national unions to pull them towards international action in the early 1970s. However, at least at Ford and GM, this threat potential was far from being the same for the different national organizations. If we take the case of Ford there was a strong contrast between the UK where investment boycott threats by the company became a collective bargaining “staple” from 1968 onwards, and Germany where hardly any such pressure was applied. In fact, Germany’s share of Ford’s European output increased between 1967 and 1973 directly at the expense of the British subsidiary. Moreover, even in the British case the labour market impact of Ford’s concession bargaining tactic was limited – at a time of strong overall growth this tactic merely resulted in a slower rise in employment compared to the rate in Germany. In the absence of actual job losses British unions were also able to fend off much of the company pressure in wage negotiations, most clearly expressed in their successful campaign for parity with Midlands motor firms in 1971.

These experiences undoubtedly also nurtured the belief that traditional national instruments of action provided unions with leverage to deal with multinational firms. Even where they manifestly did not unions often sought to tap new channels of influence at the national level. In Britain, for example, Ford trade unionists invested much efforts into public and government lobbies for more state control over multinational firms in the late 1960s and early 1970s. Their counterparts in Germany placed their hopes in new legislation for supervisory board co-determination. In themselves these positions did of course not preclude participation in international union cooperation yet the perceived availability of national alternatives turned that option into a secondary matter. There were unionists who criticized these attitudes as short-sighted yet they remained a small minority.

These obstacles notwithstanding international strategies might still have been pursued more actively had there not been further inhibiting factors, some of which were new while others went back to the pre-1965 period. Among the new ones difficulties arising from national labour law restrictions did matter but could have been overcome relatively easily. Of a more serious nature


70 Fetzer, International challenges and national allegiances, op. cit.
72 Fetzer, International challenges and national allegiances, op. cit.
73 For example, German Ford union representatives often pointed to the legal restrictions they faced in organising measures of support for the British strike in view of the legal prohibition for works councils to call industrial disputes. However, contemporary reports by Fordwerke management suggest that the works council might well have
was management resistance given that in contrast to the pre-1965 period union initiatives now included attempts for consultations or even negotiations at the international level. As we saw in the case of Ford management strictly opposed such attempts and also prepared plans to prevent unions from the synchronization of bargaining rounds in the different subsidiaries. In countries where labour representatives were company employees (e.g. works councilors in Germany) managers at times also exerted direct pressure to prevent attendance of international union meetings.\footnote{\textit{Ibid.}; Interview of the author with Günther Middell, IR staff Ford Germany 1950-1987, and Peter Nottelmann, IR staff Ford Germany 1968-1989, 5 September 2003, Cologne.}

The other major new obstacle was a clash about different national “ways” of trade union representation. This would not have been a major problem had these differences simply been mutually acknowledged as a condition of different national histories and institutions. However, delimitation from the respective other country became a prominent part of the self-understanding of British and German unionists from the late 1960s onwards. On the one hand this reflected broader national debates. In the UK frequent employer praise of German industrial relations reinforced already widespread skepticism towards works councils, in Germany union leaders started to use the ”British disease” notion as a contrast to their own ‘responsible’ behavior to underpin ambitions for parity co-determination.\footnote{See Andreas Hoff, ‘British Sickness’ in Germany. An Inquiry into some international components of the current trade union debate in the Federal Republic of Germany, Unpublished M. A. Dissertation, University of Warwick, 1977.} On the other hand, these views were accentuated by plant-level experiences. Among Ford UK unionists the lack of militancy in Germany could easily be perceived as a factor undermining union campaigns in Britain, while German labour representatives often complained about the hardships workers had to suffer as a result of lay-offs caused by frequent strike action in the UK.\footnote{Fetzer, International challenges and national allegiances, op. cit.}

In continuity with the pre-1965 period perceptions of investment competition also inhibited progress. Indeed, these became stronger against the backdrop of the new pattern of double or triple sourcing of identical vehicles particularly at Ford, which made plants in different national subsidiaries more comparable and substitutable.\footnote{Ibid.} On the other hand there were few signs of recognition that these rivalries played into the hands of management mainly because, as we have seen, inter-plant competition affected national subsidiaries to different degrees, and was nowhere linked to job cuts or downward pressure on wages.

\footnote{Operated overtime bans: “There is […] practically no way to enforce the works council’s approval on overtime […] This means, that the works council can, for a period of time, reject any request for additional working time. This would be a form of support for unions in other Ford plants in Europe” – cf. Letter Dr. Blaeser, Labour Affairs Planning Fordwerke AG, to Mr. Court, Ford of Europe, 15 June 1972, in: Archiv Fordwerke AG, Abteilung HRM, file “FoE”.

Ibid.}
Finally, there was the old problem of national bargaining and union structures. In the UK a Left shift within the TUC relaxed former anxieties about international Communist infiltration but fears that notions of international wage “parity” could erode national solidarity were still present. In 1970 TUC General Secretary Feather warned against “premature moves” towards international harmonisation, which would create a new “elite” of workers and thus much increased wage differentials within the countries concerned. In the German Ford and GM branches the idea to boost domestic wages through international coordination enjoyed renewed popularity in the late 1960s and early 1970s, again connected to broader domestic decentralisation debates and half-secret schemes to create a separate trade union for the car industry. Yet again, the IG Metall leadership took determined steps against these aspirations as it came out openly against international bargaining coordination in MNC. Indeed, by 1974 the German union even declined to participate in further attempts to institutionalise regular consultation meetings with Ford of Europe, fearful that such consultation could turn into collective bargaining, and hence encourage “separatist” developments within the union. Facing resistance from the company and one of the most important national centres the IMF was forced to abandon the project.

1975-1987

Some may describe the period following the recession of 1974/5 as the “dark age” of international union cooperation at Ford and GM, others may perhaps see the crucial difference in the fact that the gap between ambitions and reality was not as wide as in earlier decades. As a matter of fact, the activities of the IMF decreased, meetings of the Ford and GM company councils were now usually organised only in response to specific emergencies, e.g. the 1978 strike at Ford UK, the cutbacks operated by both firms during the 1981/1 recession, or GM’s creation of a new European headquarter in Zurich in 1986. The meetings themselves focused almost exclusively on the exchange of information, predominantly in relation to company investment and production planning, and they usually ended by adopting a resolution, which in very general terms expressed protest against Ford or GM policies. After the failure of the early 1970s attempts for the coordination of collective bargaining and for union-management consultation at the European level were abandoned, while the 1978 Ford meeting revealed once

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78 The Times, 22 October 1970.
more the inability of the unions to provide some effective means of international strike assistance beyond general messages of solidarity - no agreement could be reached on an overtime ban to support British workers.\textsuperscript{82} 

Local contacts at shop floor level continued to be organised more frequently after 1975, indeed in the case of GM, given the company’s belated internationalisation process, it was only now that such meetings were regularly held. However, agendas were largely confined to the exchange of information about company forward planning. For example, GM/Vauxhall shop stewards’ main motivation for meeting their Opel counterparts in the mid-1970s was to get a clearer picture about future GM plans in the UK.\textsuperscript{83} Moreover, shop floor exchanges suffered from the lack of financial assistance by union headquarters, at least in Germany still motivated by fears about potential negative consequences of international coordination for national union cohesion.\textsuperscript{84} 

Meetings at GM were for a long time organised and financially supported by industrial and social services of the Anglican and Protestant churches who performed the role national union federations declined to play.\textsuperscript{85} There also emerged some new independent grassroots initiatives, for example the “Transnational Information Exchange” and the left-leaning “European Ford workers combine”, but their activities had rather little practical effect.\textsuperscript{86} 

The relative decline of ambitions and activities after 1975 is perhaps little surprising in light of the failure of the far-reaching schemes of the late 1960s and early 1970s. Particularly during the late 1970s there was much disillusion as leading national organisations like IG Metall declared that international cooperation in MNC should be confined to information exchange, rather than going down the “wrong path” of bargaining coordination.\textsuperscript{87} Moreover, investment competition between European Ford and GM plants further intensified in the wake of the 1974/5 recession, and again after the second oil shock in 1980/81. By the mid-1980s Ford Germany’s works council chairman Kuckelkorn described the relations between Ford of Britain and Ford of Germany as “economic war” - including the respective trade union representatives.\textsuperscript{88} The dominant IG Metall group in the works council used the argument of European investment competition even in its election campaigns.\textsuperscript{89} Reports of international meetings revealed the helplessness of the unions to address these problems in a cooperative way. As a British Ford representative put it at a conference in 1985: “[…] at the end of the day we are having to deal

\textsuperscript{82} Northrup and Rowan, Multinational Collective Bargaining, p. 37.
\textsuperscript{83} Letter Mike West to Max Gutknecht-Stöhr, 12 May 1975, in: Private Archive Max Gutknecht-Stöhr, Rüsselsheim.
\textsuperscript{84} Letter Wilfried Kuckelkorn, chairman works council Fordwerke AG to Eugen Loderer, IG Metall, 7 November 1979, in: Archive IG Metall Cologne, file „VKL Ford 77-Dez 79”.
\textsuperscript{85} Rüsselsheimer Echo, 28 September 1976.
\textsuperscript{86} See for example TIE, GM Workers Voice, Nr. 1, 1984, in: Archive TGWU Liverpool, file “press cuttings”.
\textsuperscript{89} VKL Ford: „Konzeption für die Betriebsratswahl 1981“, in: Ibid., file „VKL Ford 1977-84“.
with this question of competition. I do not know the answer because in a strange way the capitalist Ford Motor Company is being more socialistic by spreading work around the world, than perhaps we as, I believe socialists, would do voluntarily.”

At this point it is worth recalling that competition for jobs and investment, while often constraining international union cooperation, has historically also been at the origin of some of the most successful instances of such cooperation because it came to be seen as necessary to limit a competitive spiral likely to damage all concerned trade unions. In this context, one may wonder why such a dynamic was not set in motion at Ford and GM during the 1980s given that inter-plant competition for investment now coincided with employment cuts for the first time. This question is all the more pertinent as there was a growing awareness that trade union actions to save jobs in one country could have negative repercussions in another. The local content and “Buy British” campaigns launched by British trade unions at Vauxhall between 1983 and 1985, for example, caused a great deal of anxiety in the Opel works council. In the case of Ford, British and German trade unions were involved in bidding for a new engine plant in 1984, not least through government lobbies for investment grants.

These episodes, however, did little to further interest in international trade union action. First of all, the impact of investment competition was still very different. Ford and GM union representatives were fully aware that German subsidiaries suffered much lower headcount reductions than their UK counterparts after British assembly plants had been by and large downgraded to the supply of the domestic market in the early 1980s. This limited the potential for international cooperation in both countries – in Germany the matter was of still limited urgency, while in the UK trade unions lobbied for the expansion of domestic production volumes, which was difficult to reconcile with union interests in other countries. The perceived availability of local and national strategies further reduced that potential. In Germany the works councils became more experienced in using co-determination to exert influence on European forward planning, in the case of Opel until 1986 facilitated by the fact that German management simultaneously coordinated GM’s European facilities. In the UK, unions concentrated on campaigns against tied imports from German, Spanish and Belgian Ford and GM plants, for which they mobilised employee, public and consumer support.

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91 Protokoll der Sitzung der Geschäftsleitung mit dem Wirtschaftsausschuß, 6 March 1985, in: Archive Betriebsrat Rüsselsheim, Adam Opel AG, file „Wirtschaftsausschuß Januar 1985 bis Nov. 85“.
92 Bericht des GBR Ford zur Betriebsversammlung IV. Quartal 1984, in: Archive IG Metall Cologne, file „BR Ford-N ab Jan 83“.
93 For Ford see Notes of proceedings at a meeting of the Ford NJNC, 23 November 1987, in: Archive AEEU Dagenham, file “NJNC Minutes”.
However, as is so often the case, a period of decline also sowed some seeds for future progress though this occurred largely as an unintended consequence of changes in company policies and the broader economic and political environment. Clashes about the “best way” of trade union representation, for example, were still very prominent between 1975 and 1979, in particular at GM where British representatives launched an ill-designed attempt to convert their German counterparts to the UK “brand” of trade unionism. Yet, such conflicts clearly diminished in importance from the early 1980s onwards. Under the pressure of more aggressive management strategies and the onslaught of Thatcherism British unions, though to different degrees in the two companies, slowly shifted towards a more moderate stance, best reflected in the drop of strike activity. This brought them not only closer to German-style partnership attitudes but also reduced conflicts arising from the cross-border repercussions of industrial action in the UK. At the same time, German perceptions of British trade unionism shifted from notions of “disease” towards sympathy with a victim of neo-liberal attacks.

The long-time difficulty related to the potential interference of international initiatives with national bargaining and union structures also lost some of its significance during the 1980s. Here, the crucial changes occurred in Germany where ideas to use international coordination to achieve a decentralisation of domestic bargaining had repeatedly led to clashes between the Ford and Opel works councils, and the IG Metall leadership. Decentralisation itself had previously been promoted on the assumption that it would enable local union organisations to exploit the two MNC’s superior ability to pay but by the mid1980s the correctness of that assumption became doubtful. Particularly in the case of Ford international transfer pricing translated into net losses of the German subsidiary on several occasions during the 1980s, and consequently Ford unionists abandoned decentralisation ideas, and started to appreciate the “safety net” of regional bargaining. In turn this reduced the salience of one of the crucial obstacles to international union action since the late 1950s.

Finally, despite heightened competitive thinking the 1980s also witnessed the emergence of a new “European” trade union discourse especially in the case of Ford. A new company alliance with the Japanese firm Mazda and other signs of a beginning process of global restructuring led German and British trade unionists in the product development to voice their concern about

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95 Report of a visit to Rüsselsheim by a party of trade unionists from Vauxhall Motors, 1-7 December 1975, in: Private Archive Max Gutknecht-Stöhr, Rüsselsheim.
97 Interview of the author with Wilfried Kuckelkorn, former chairman of the Fordwerke AG central works council, Cologne 11 December 2001.
“American and Japanese intrusion in European responsibilities”. In 1986, a joint approach was made to Ford of Europe management to lobby against a stronger role for Mazda in Ford’s product development division. Thus, the closer connection of Europe with other continents in terms of business strategy helped to create a sense of unity between British and German trade unionists – despite ongoing rivalries about the allocation of workloads. While this remained an isolated example during the 1980s it was to become much more significant in subsequent years.

1988-2001

The last decade of the 20th century witnessed the breakthrough to more effective international trade union cooperation at Ford and General Motors in the guise of European works councils (EWC). By 2001 these works councils had become negotiation partners of European group management, and had concluded several framework agreements related to company restructuring measures. In the case of the more active GM council the first agreement occurred in the summer 2000 pertaining to European power train operations, which were to be transferred into a joint venture with Fiat; it gave long-term employment and wage guarantees for the concerned workers. In the spring of 2001 the EWC negotiated a second European framework agreement in the wake of a crisis over the plant at Luton (UK). In October of the same year yet another agreement related to a European restructuring program was concluded, which guaranteed that restructuring would be carried out without plant closures and forced redundancies. In the case of Ford the EWC achieved two agreements in 2000/1 giving employment and wage guarantees to workers in processes of outsourcing.

There was nothing inevitable about these developments – the long time span it took until the first successful negotiations took place is sufficient proof of a process full of setbacks and contestation. It is also crucial to note that the achievements remained modest, a point to which I will return in detail below. One new key feature of the European works councils was that they emerged in response to supranational legislation by the European Union, which mandated their creation in 1994 though this legislation itself was partly triggered by the prior creation of voluntary councils in a number of companies. The importance of this new legal framework needs to be emphasised, highlighting by implication that its lack in previous decades had been a further

inhibiting factor for international trade union action in MNC. It is also true, however, that European Community initiatives related to statutory consultation bodies in MNC date back to the 1960s\footnote{See Armin Höland, Mitbestimmung in Europa. Rechtliche und politische Regelungen, Frankfurt/New York: Campus 2000.}, and while their failure was mostly due to employer resistance it also appears that they were not seriously taken up by the trade union movement. It was only by the late 1980s that the European Trade Union Confederation (ETUC) became an energetic supporter of a renewed Commission attempt to establish consultation bodies in MNC through EU legislation. At the same time, the sector-level federations, in the motor industry the European Metalworkers Federation (EMF), put pressure on individual firms to conclude voluntary agreements, which could be used as precedents for future legislation.

In the case of Ford and General Motors it was crucial that the major national organisations in Germany and the UK supported these moves. In Britain, the Amalgamated Engineering Union launched an initiative for the establishment of European works councils at Ford and GM already in the fall of 1988.\footnote{Financial Times, 10 October 1988.} Reactions at company level and in the wider movement were mixed initially but soon a majority shaped up in favour of the scheme, not least because there was a growing perception that the national strategies of the 1980s, especially the mobilisation of employees, public opinion and consumers to secure investment in the UK, could not anymore be pursued as effectively as before. Crucially, company responses to the 1986 Single European Act undermined the focus on the domestic market. Given that the Act set out to abolish a whole series of subtle mechanisms of national market segregation, such as technical standards or public procurement provisions, Ford and General Motors took the occasion to accelerate cross-border rationalisation. Truly pan-European sourcing arrangements were now even embedded in schemes of global production integration.\footnote{See Bordenave/Lung, The twin internationalisation strategies, op. cit.} British assembly units became essentially one-model plants with a much higher share of their output going into exports. From a union perspective this made local content campaigns or strike action against tied imports much less powerful instruments than in the early 1980s, quite apart from the fact that growing unemployment and Tory legislation made it generally more difficult to mobilise workers. Instead, it became of utmost importance to create regular channels of access to European management, and also to establish closer contacts with other national unions, the latter in particular because local concession bargaining – as reflected in
a wave of working time and shift agreements in European GM locations in 1987/88 - now often played a crucial role for investment decisions.  

Significantly, there was a similar re-assessment of the situation by the leadership of IG Metall in Germany – previously one of the main opponents of cross-border union-management meetings. The above mentioned wave of concession bargaining in European GM locations had led to major conflicts between the works councils of different Opel plants, and had caused uproar in the IG Metall leadership because of their implications for national collective bargaining standards. There was a strong resolve to contain such developments through the establishment of European-wide consultation bodies. The new IG Metall chairman Steinkühler emphasised that German unions, in contrast to earlier periods, were now to some extent dependent on the support of other European labour representatives in companies such as Ford and General Motors.

This evidence suggests that from the late 1980s some of the key factors that had previously constrained international trade union action slowly lost salience. Concession bargaining spirals affected national unions more negatively and more evenly than in the past. At the same time, national action channels appeared to be less effective to address these growing international challenges. Against the backdrop of these developments a series of international trade union meetings were held in both firms. In May 1991 representatives from all European Ford locations gave a mandate to the EMF to seek a voluntary agreement with Ford of Europe for the establishment of a transnational consultation structure, followed by a similar decision at GM in February 1992. During the meetings a concern for the defence of “European interests” in processes of global corporate integration became strongly discernible; leading Opel works councillors, for example, spoke about the necessity for a new “European thinking” when GM was investing large sums in other parts of the world.

In the face of management resistance the trade union efforts remained at first without success, however. Senior Ford and GM figures made it plain that they would not engage in European-level consultation unless they were forced to do so by EU legislation. On the union side itself, there were also still ambiguities as national organisations were not prepared to opt for European works councils at any prize. The German IG Metall was adamant to ensure that

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international consultation bodies would not tamper with domestic union structures even though there was now much less desire for such a course among local Ford and GM unionists than in the past. In Britain, union leaderships were wary that EWC election procedures through universal balloting could encourage non-union forms of labour representation. These concerns led to protracted negotiations even after management was forced to accept the establishment of EWC with the passage of the EU directive in 1994. It was only in 1996 that European works councils were finally created in both companies.

The existence of EWC did not mean an automatic breakthrough to negotiations at European level. According to EU law EWC were confined to information and consultation purposes, and to this day this has remained the prevailing practice in most firms.\footnote{See Whittall/Knudsen/Hujgen, Towards a European labour identity, op. cit.} That the Ford and GM councils turned into negotiation bodies by the year 2000 primarily reflected the emergence of what I have elsewhere described as “trade union risk community”.\footnote{Fetzer, European works councils as risk communities, op. cit.} This involved an international and an external dimension - both had been discernible since the late 1980s but were strongly reinforced in the second half of the 1990s. On the internal side, trade unions at Ford and GM were confronted with the acceleration of intra-European competition for investment linked to almost permanent pressure on employment and wage levels; in both firms major new investment projects were now organised as “tenders” between locations. Moreover, against the backdrop of their declining market shares Ford and GM embarked repeatedly on cost-cutting restructuring programs, which were routinely accompanied by public speculation about plant closures. Compared to EU-based firms like Volkswagen, Renault or Fiat, national unions were more evenly affected by these threats because of Ford’s and GM’s lack of a European “home country” – closure threats often hung over several plants at the same time.\footnote{Ibid. pp. 296-300.}

Between 1997 and 1999 this situation led national unions to seek unilateral and often secret negotiations with local/national management, deliberately designed to obtain investment at the expense of other locations. In exchange for management commitments with regard to future investment unions agreed to wage cuts and measures to improve labour productivity. At General Motors, for example, an agreement concluded by the central German Opel works council triggered a spiral of “domino” concession bargaining in Belgium, Spain and the UK. Continuing along these lines appeared to entail the danger of ever new rounds of concession bargaining, and hence a “race to the bottom” in terms of wages and working conditions in all locations. This strongly strengthened the belief in the need for cross-border understanding to protect national standards in a longer-term perspective. The practical “procedural” consequence was that national
representatives mutually committed themselves to refrain from unilateral concession bargaining in situations of European restructuring prior to the conclusion of a framework agreement by the EWC.\textsuperscript{112}

Next to this perception of \textit{mutual vulnerability within Europe}, Ford and GM labour representatives also developed a sense of \textit{shared (West) European vulnerability} vis-à-vis locations in other world regions, which gave additional momentum to EWC initiatives. As we have seen this concern had roots going back to the early 1980s yet it was now strongly reinforced against the backdrop of rapidly changing “production geographies” (Ford and GM investments in Eastern Europe and Asia), and the acceleration of global product standardisation, which meant that future investments could not anymore be taken for granted by virtue of the company’s need to sell a distinctly European model range.\textsuperscript{113} Against this backdrop the lobby for the “production location Europe” became a crucial EWC task particularly in the case of General Motors, translating into the advocacy of “European autonomy” in terms of products and production, but also into the promotion of a stronger role for European operations \textit{within} global schemes, for example greater export opportunities for European brands in other world regions.\textsuperscript{114}

The “risk community” perception underpinning this EWC development again highlights the ambiguous role of investment competition for international trade union cooperation in MNC – if competition affects locations evenly and in a strongly negative way it can be the decisive factor favouring rather than impeding cooperation. Even so the achievements remained modest. On the one hand, European works councils at Ford and GM took up only one dimension of the historical agendas of international cooperation, namely the set-up of union-management consultation organs, which were then turned into negotiation bodies with regard to restructuring and corporate planning. By contrast, the older ideas about coordinated wage bargaining and strike policies were not revitalized. On the other hand, EWC agreements never provided more than broad and defensive “safety nets” (e.g. no plant closures), leaving the majority of the detailed restructuring to be carried out at local or national level. In many instances, sites were affected to very different degrees, and the EWC was at best able to contain the continued competition between plants in different countries.\textsuperscript{115} Cross-border cooperation remained fragile, issue-specific, and dependent on the coincidence of local and national interests.

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\textsuperscript{112} Herber/Schäfer-Klug, How a European Works Council learned to negotiate, op. cit. \\
\textsuperscript{113} Fetzer, European works councils as risk communities, pp. 300-304. \\
\textsuperscript{115} Fetzer, European works councils as risk communities, pp. 299/300. \\
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Conclusions

At the beginning of the 21st century the European works councils at Ford and General Motors are widely regarded as the most outstanding examples of cross-border trade union cooperation on the continent, and it seems likely that their future development will have consequences far beyond the company itself. This article has attempted to reconstruct the history of international trade union networks in the two firms in a longer-term perspective. It has demonstrated that this history can not be read as a slow progress towards a transnational labour identity. The pattern of international cooperation evolved largely in response to shifting economic and political circumstances. Early attempts in the 1960s and 1970s might have been successful had labour market implications of company strategies been more threatening and had cooperation attempts not interfered with national bargaining and trade union structures. The 1990s would have brought little innovation had there not been a change in the “mix” of incentives and obstacles for international action, complemented by a growing perception that alternative national influence channels could not anymore be pursued as effectively as before. By implication, further progress in the future can not be taken for granted; indeed, the role of EWC may decline again if those challenges, which brought about the European trade union “risk community”, recede into the background.

There is of course the possibility that socialisation effects will make international networks more immune against future setbacks but little points to a scenario in which Ford and GM trade unionists will shed national allegiances in favour of a new transnational identity. In many ways, the environment of multinational firms tends to perpetuate these national allegiances, not least because of the powerful association of investment competition with the old notion the international economy was a sphere of competition between nations.\footnote{Fetzer, International challenges and national allegiances, op. cit.}

Essentially, these conclusions represent a warning against a reading of events as heralding a new age of labour transnationalism destined to overcome union parochialism. If anything, this parochialism, reflecting trade unions’ distinct logic of collective action\footnote{Claus Offe/H. Wiesenthal, “Two Logics of Collective Action: Theoretical Notes on Social Class and Organizational Form”, in Political Power and Social Theory 1/1980, pp. 67-115.}, seems to be in a process of transformation towards a new, geographically extended form: Eurocentrism. The Ford and GM case study material clearly suggests that European cooperation was in part achieved through a conscious juxtaposition of (West) European and non-European interests. Significantly, this process appears to have been accompanied by increasing tensions between European labour
representatives and the American UAW.\textsuperscript{118} From a longer-term historical perspective this development is ironic given that the US automobile trade union had played a pioneering role for international networks in both firms during the 1950s and 1960s. It also highlights the danger that European works councils increasingly turn into “protectionist” instruments defending parochial European interests against those of workers in other world regions.