Introduction

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The transnational firm is increasingly emblematic of the forces of globalization. Producing at least 25% of the world’s Gross Domestic Product and accounting for as much as two-thirds of world trade, employing at least 75 million workers (of which more than half are outside the country of origin), and increasingly integrated into complex global production networks, the spectacular growth and tentacular reach of the transnational firm to all corners of the globe raises key questions for the study of the organization of work and employment relations.

This is especially the case for labour law. National labour laws must contend with a basic tension between global production networks that transcend national boundaries and the fact that the subsidiaries of transnational firms are embedded in specific national territories and subject to the law of these “local” jurisdictions. Of particular concern is how to reach real levels of corporate decision-making when decisions, taken in one part of the planet, affect employment relations in quite different jurisdictions elsewhere in the world. While decisions about employment relations sometimes might be “local” in nature, they are often also transnational. Drawing on a November 2000 colloquium on this same theme organized by the Québec Society for Labour Law and Social Security, the inspiration for which we must thank our RI/IR Editor, Pierre Verge, and other members of this Society, this issue of RI/IR brings together two significant efforts to systematize our knowledge on this question.

First, Pierre Verge and Sophie Dufour focus on this “contradictory dualism”, between national boundaries and transnational realities, in order to give an overview and assess the current state of labour laws vis-à-vis the transnational firm. While they conclude that there is currently not a labour law able to fully take account of transnational firms, they do identify several evolving areas in which labour law, to a degree at least, is able to transcend national boundaries and take some measure of the activities of transnational firms.

Second, given the broader pattern of uneven economic development that characterizes the international political economy, most transnational firms are in fact headquartered in a limited number of countries, none more so than in the United States of America. This geographic concentration of
transnational firms and the relative permeability of U.S. courts to class actions lead Lance Compa to assess the case law evidence for the promotion of international labour rights in the U.S. courts. Despite the considerable obstacles to such actions detailed in this article, Compa makes the case for this kind of judicial strategy as one of several that might sometimes prove effective in the promotion of workers’ rights in the global economy.

Together, these two articles highlight the current fluidity of the labour law framework and its likely evolution in an effort to come to terms with the transnational firm. They also provide a telling demonstration of the importance of research that encompasses both the national and the transnational in their research designs and explanations.

In the third article of this issue, Philippe Bernoux, one of France’s leading organizational theorists, responds to an important theoretical challenge: how do we explain change in organizations? In a context in which the management of change has been the leitmotiv for organizational survival, Bernoux argues that only an interactionist perspective provides an adequate analytical framework for the understanding of change. Drawing on both a wider theoretical literature and recent empirical work, he seeks to demonstrate that innovation is neither driven by external factors nor inevitably the result of new managerial systems. Rather innovation is constructed through daily interactions in the workplace, on the basis of workers’ consent and forms of autonomous regulation, and that it is from these factors that organizational performance is generated and change can be explicated.

In our fourth article, Joe Rose offers a compelling test case of government efforts to restructure public spending: that of schoolteacher bargaining in Ontario over the last decade. Were changes to the structure and practice of collective bargaining in this public-sector industry driven by cost considerations, ideology or problems related to the performance of that particular collective bargaining system? In examining the evidence, Rose concludes that ideology and cost considerations appear to have been at the root of the search for change. In a context in which governments in other provinces in Canada and elsewhere are seeking to reduce costs in education, he also points to a number of intended and unintended consequences of these changes in Ontario, which should incite some caution before embarking on a wholesale re-regulation of this sector.

In examinations of comparative union growth and/or decline between Canada and the United States, two of the ideas with the greatest currency concern the evolution of a more favourable set of labour laws and the existence of different social values informing less virulent employer opposition to unions in Canada. The final two articles in this issue of RI/IR provide scope for some revisionist history on these questions.
First, while John Logan tends to confirm the evolution towards more favourable labour laws in Canada, he demonstrates a considerable historic irony. For several decades after the consolidation of the modern post-war regime of industrial relations in Canada, Canada’s labour laws were seen as less favourable to unions than those in the United States. However, although initially more onerous for union certification and strike action, it was the more restrictive character of these Canadian labour laws that seemingly afforded less scope for employer opposition to unions. Drawing on his historical research, Logan traces employer positions on the evolution of the Canadian legal framework, their consistent opposition to a framework more favourable to unions and recent modifications likely to prove less amenable to unionization.

Second, in a major empirical contribution to this debate, Karen Bentham examines the existence of employer opposition to unionization in Canada. A significant finding is the depth and breadth of employer opposition to unionization. Moreover, in seeking to shed light on the impact of different forms of employer opposition over several bargaining rounds, she demonstrates that employer opposition not only affects the initial possibility of certification but that it has a longer-term impact on the prospects for establishing a stable bargaining relationship.

Finally, it is with great sadness that we note the death in January 2002 of the Chairman of RI/IR’s Editorial Board, Professor Noah Meltz, long associated with the University of Toronto’s Centre for Industrial Relations. Apart from his other outstanding contributions to the industrial relations community in Canada, Noah has long been a great friend of RI/IR. His numerous contributions to the journal will be greatly missed. We extend our heartfelt condolences to his family, friends and colleagues for the loss of this most generous teacher and scholar.

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