Ideeology and Industrial Relations in New Zealand

*JOHN DEEKS

INTRODUCTION:

It is a truism that there is in New Zealand culture a widespread if inarticulate suspicion of ideas, of theory, of ideology and a general preference for the practically useful, for the matter-of-fact treatment of things, for the pragmatic. While the polarisation of theory and practice is not a logically sustainable one — pragmatism after all is based on some theory, some system or principle purporting to explain or predict relationships between events — nevertheless it has in New Zealand a strong emotive appeal that can be used to stigmatisse those who profess a particular ideology or who dabble in the 'unreal' world of ideas.

The analysis of industrial relations in New Zealand has traditionally reflected this dichotomous approach with discussion of tautological questions played down in favour of predominantly historical and descriptive studies. Indicative of this general lack of interest and of the frustration is the pretence that ideology plays no part in industrial relations in New Zealand, what I will call the 'ideology of no ideology.' In contrast the main thesis of this article is that ideological questions are central to the practical aspect of industrial relations and that we cannot adequately understand industrial relations behaviour if we persist with the view that it is not influenced by beliefs, value systems, ideas, theories.

THE NATURE AND FUNCTION OF IDEOLOGY

What, however, is the nature and function of ideology? If we define ideology as "any system of beliefs publicly expressed with the manifest purpose of influencing the sentiments and actions of others,"¹ then it exemplifies points arising.

First, the public expression of belief is not aimed solely, or even predominantly, at influencing those who do not share the beliefs being espoused; it also has the function of reinforcing the attitudes and opinions of those who already accept the ideology. In election campaigns, for example, the public expression of political beliefs may be designed as much to activate a party's own supporters as it is to persuade opponents to change their votes. Similarly we may look on union and management ideologies as being focused on union members and on managers respectively rather than on each other. Ideologies are seen as reinforcements for established positions rather than as bases for dialogue with other parties.

Second, and stemming both from the influencing function of ideology and from its reinforcement function, the public language of ideology is emotive and rhetorical. Symbols and images are used which engage the likes, dislikes and moral feelings of the audience. Industrial relations in New Zealand is replete with such language — "stirrers," "troublemakers," "militants," being the most publicly visible examples. Less visible are union images of fraternity, solidarity, the sovereignty of the rank and file, equity and fairness.² And management images of loyalty, team spirit, leadership, responsibility and control.

Third, the public presentation of ideology is highly selective in its subject matter and in its use of empirical evidence and logical argument. Thus issues of some complexity are presented in an oversimplified black-and-white form. Statistical information is used partially — not necessarily with any deliberate deception in mind — and contrary viewpoints are conveniently overlooked. Trade union publications ignore intimidation stories, management publicity purges the JBL affair, government assures us that Lockheeds business methods could not happen here. Such selectivity stems in part from the need to make ideologies publicly acceptable. Furthermore, there is assumed to be in the general public consciousness some notion that "free enterprise" is a good thing and "state control" is a bad thing, then union ideologies will not even be considered for the whole enterprise system even though union practices may be designed to curtail the effects of that system. In New Zealand, I suggest, we have in our unionism a significant material which the expression of ideology itself is not publicly acceptable in industrial relations matters.

MANAGEMENT IDEOLOGIES

It is clear from the definition of ideology adopted and from the functions that ideology serves that our theory is one that sees ideologies as the expressions and rationalisations of self-interest, particularly of economic self-interest. Within this framework management ideologies can be viewed as "attempts by leaders of enterprises to justify the privileges of voluntary action and association for themselves, while imposing on all subordinates the duty of obedience and the obligation to serve their employers to the best of their ability."³ The justifications made for management authority and employee obedience change in response to shifts in the structure and technology of industry and to changes in the economic conditions and social values of the wider society. Thus, historically, the Social Darwinist justification crowd into the management — that only the fittest survive to hold power and therefore those who hold power must be the fittest — gave way to the Scientific Management justification that management's authority was based on its superior rationality, and then to the Human Relations justification which viewed management as to be able to obtain co-operation among different groups in an enterprise. Whilst changes in management ideologies respond to shifting social norms and to shifts in society's expectations as to what constitutes acceptable business practice and ethics, they generally do so with some time lag. Current ideologies, therefore, may not reflect current realities. This is particularly so in New Zealand where unionism has been so managed and that any member activities that upset or block the achievement of management's policies and objectives are irrational. Since management's goals are presumed to be rational there is no need to expend energy in winning employee consent, and sanctions and coercive power can justifiably be used against those few malcontents who contest the legitimacy of management authority. Images of the unitary management ideology are of the firm as a football team or as a family in which all must pull together if their collective interests are to be served. Such an ideology creates management's viewpoint on trade union and industrial relations activities: since management takes the total view and represents all interests in the enterprise whereas the trade union only takes a sectional view, the union is viewed as merely a mechanism for the expression of employee greed, an anarchism that has survived from the days when employers were less enlightened. Industrial relations are just human relations and, since all managers know that good human relations equals good business, can safely be left in management's hands. Trade unionism can be managed, that is controlling the communicating with employees, in regulating procedural systems and in disciplinary matters, but a staff association would be better and trade union membership should

---

⁴—Here I am summarising some of the work of Alan Fox who has focused on this question in a variety of publications, initially in 1966 in Industrial Sociology and Industrial Relations, Research Paper 3, Royal Commission on Minority Groups and Employers' Associations, London. Industrial relations continues: see for example, Clegg, H.A., Pluralism in Industrial Relations, British Journal of Industrial Relations, 13 (3), November 1975, pp. 309-316.
certainly not be compulsory; trade unions are power vehicles for troublemakers, for those who want to subvert the existing order. If these pressures cannot be suppressed then they must be controlled. Such a unitary ideology can be useful to management in a number of situations — in small family firms, in paternalistic companies, in companies with strong employee loyalties, in military and quasi-military organisations that are dependent on member loyalty and discipline for their effective functioning, in firms operating in isolated areas where there are no alternative job opportunities or career opportunities for their employees. It is not surprising, therefore, that such an ideology should be strong in New Zealand where the scale of business enterprise is relatively small, where there is no trend towards powerlessness. In so far as the prevalent managerial ethos is an unitary one, then those managers who operate within the pluralist framework are likely to find themselves in a situation of some conflict with those companies that would speculate that the ‘ideology of no ideology,’ the desire to play down the importance or relevance of ideology in industrial relations, is one method adopted by managers in their attempts to dissonance industrial relations. To understand this process, however, it is necessary to look at a little more closely at expressions of the managerial interest within the pluralist system.

Management Prerogatives

If you ask a manager on what grounds he believes that someone else should accept the decisions that he as a manager makes, you may well receive a clipped response in terms of ‘management’s right to manage.’ Ask what that means and a number of apparent sources of managerial authority and justifications that management’s rights stem from the property rights of the owners of the business, or that they stem from the special knowledge and expertise of the manager, and you will have very functional need for co-ordination and order giving. Chamberlain5 has suggested that legal justifications of management prerogatives have gradually given way to functional justifications and that collective bargaining and the activities of trade unions have been one mechanism prompting this change. The legal position of the


traditional union values of solidarity and the brotherhood of man. What is perhaps unusual about New Zealand is the way in which these contradictions are masked or blurred by the rejection of ideological consciousness and the consequent reluctance of its institutions and institutions in terms of conflicts of interest and of ideology. Differences can thus be “kept at brush-fire level by the refusal of either side to resort to the ultimate deterrent of ideology.” New Zealanders of any age, adopting an ideological stance is akin to exposing oneself. People may eschew and even employ ideologies, but they should keep them covered in public.”

These and perhaps analytically useful parallel to this notion of ideology without ideological consciousness in New Zealand attitudes to other potentially divisive issues, most notably issues of class and race. If class, for example, is used as a descriptive tool — that is, as a method of describing the structure of society in terms of the differential allocation of economic power and rewards then New Zealand society could, of course, be described in class terms. To do so, however, is likely to call down the wrath of those who uphold the image of one New Zealand, the classless society. The conditions of a classless society do not exist in New Zealand. What we have are the conditions of a society without class consciousness, that is a society in which people do not identify themselves or others with particular interest groups, but seek to pursue their own class interests by means of collective political action. If we make some distinction of this kind, between description of social structure and description of social action, then we can argue that New Zealand is a class society that has little or no class consciousness. Similarly, then, industrial relations practice can be rooted in ideological conflicts without ideological consciousness on the part of practitioners.

What purpose does it serve, however, for a society’s perceptions to be at odds with a society’s practices? The ideologically unconflicted ideology of no ideology functioning in some way for the society as a whole or does it work to the advantage of particular interest groups and the detriment of others? In the area of industrial relations such an ideology has a number of operational advantages: fixed and uncompromising postures can be avoided; emotive and rhetorical appeals to sectional interests can be reduced in number; the escalation of issues into matters of principle, reinforced by the public expression of constraints inhibiting the relative ‘rights’ of employees and ‘prerogatives’ of management or, at very least, accepted the distinction and the underlying conflict of interest it implies. Essentially, therefore, the ideology of no ideology must be seen as a defence of the status quo and as such it is likely to serve those, whether in the unions or in management or in government, who see the present distribution of power and economic rewards in New Zealand society as something to be justified and preserved.

In the wider social context the ideology of no ideology strives to curtail the growing consciousness that New Zealand is a multi-cultural multi-ideological pluralist society, and the growing awareness that difference and the acceptance of difference need not inevitably lead to class or race or industrial conflict. Indeed such conflicts are more likely to arise if the legitimacy of the claims of various interest groups, and their rights to be heard, consulted with, bargained with, are persistently denied. In this respect the conservative ideology of no ideology may become counter-productive for New Zealand society — what is operationally functional in the short-term becomes dysfunctional long-term for the development of the system as a whole. Thus the constant qualification of the rights of minority groups of various kinds to express their points of view without fear of the consequences, is likely to create exactly the brand of militancy that the present system abhors. The aggressive rejection of alternative perspectives and viewpoints, whatever their ideological base, as the crack-pot notion of a few “stirrers” or “intellectuals,” inhibits the development not only of an equitable system of industrial relations in New Zealand but also of a mature society that can tolerate its own diversity.


ANNUAL GENERAL MEETING

The Annual General Meeting of the Industrial Relations Society was held at Auckland on Wednesday, 11 August, 1976. The meeting was attended by 30 members of the Society. The activities of the Society that were reviewed in the President’s Report delivered by Dr Jim Farmer. He noted that the Society had held throughout the year several successful seminars, which included an address to the Society by the Minister of Labour, Mr Gordon, on the issue of redundancy, and a panel discussion on the question of voluntary unionism. Dr Farmer also commented that the publication of the Industrial Relations Journal had provoked a great deal of interest in membership to the Society.

After the formal part of the meeting, there was an informal discussion by members with Professor John Young, Director of the Industrial Relations Centre, Mr Noel Woods, and Mr Don Turkelton, also of the Centre. Professor Young explained the purpose and activities of the Industrial Relations Centre. Of particular interest to members was the recent introduction of a Certificate course in Industrial Relations that is conducted by the Centre. It was the general feeling of the meeting that the Industrial Relations Centre fulfils a vital role through its teaching and research activities in the field of industrial relations.

The officers of the Society for the coming year elected at the meeting are as follows:

President: Mr H. Roth.
Vice-Presidents: Ms. M. Robinson, Mr K. Tuxford.
Secretary: Mr A. McNally.
Treasurer: Ms. J. May.
Committee: Dr J. Farmer, Mr L. Baldock, Mr S. Marshall, Mr A. Webster.
Editor: Ms. M. Wilson.