Flemming Mikkelsen

Workers' Activism and Industrial Democracy in Denmark in the 20th Century

Abstract

The breakthrough of capitalism intensified the struggle between workers and employers over the control of the work process. The historical record reveals that worker participation in Denmark has fluctuated in intensity following economic and political cycles. Major actors have often been informal work groups and the left-wing opposition, which have forced the trade unions and even sometimes the Social Democratic Party to put workers' participation on the industrial agenda. Overall, Danish workers and employees have enjoyed a significant influence on work place decision making mainly due to small production units and a large sector of skilled workers.

Keywords: *workers' activism; industrial democracy; industrial relations; labour history; social history; social movement; Denmark*

Introduction

Labour is not meant to be sold on a free market as long as people possess their own means of production. How labour is separated from the means of production, and how a free labour reserve could be created is one of the problems Karl Marx tried to solve with the help of the concepts of proletarianisation and proletariat. Recent historic-demographic research is inspired by these thoughts, and Charles Tilly defines the process of proletarianisation as "the set of processes which increases the number of people who lack control over the means of production, and who survive by selling their labour power."[1] It refers to the separation of labour from the control over the means of production (expropriation),

1 Charles Tilly: Proletarianization: Theory and Research, in: Charles Tilly: As Sociology Meets History, New York 1981, pp. 179–189, p. 181; Charles Tilly: Demographic Origin of the European Proletariat, in: David Levine (ed.): Proletarianization and Family History, New York 1984, pp. 1–85.

DOI: 10.13154/mts.58.2017.5-28 Moving the Social · 58 (2017) · p. 5–28

and the growing dependency on the workers' part of selling their labour power (wage work). Both aspects left their unmistakable mark on the Danish society in the 19th and 20th century.[2]

Increasing population pressure in rural districts caused by high fertility and declining mortality besides reorganisation of production and ownership, referred to as rural capitalism, led many people to migrate to the cities to seek jobs. The urban industrial sector was characterised by major changes, too. From the mid-19th century, the dissolution of corporate economy, introduction of free trade, and early industrialisation put the relationship between masters and journeymen under pressure. The production system was handled by guilds, hostels for travelling journeymen and migration networks, and enabled the journeymen to control the local and regional recruiting policy of workshops and companies, internal work processes and wage regulation. The capitalist market economy undermined the strongholds of artisans and craft workers. They responded with wage demands, strikes and organisation;[3] and when the economy was booming and the demand for labour increasing, they tried to regain their lost rights. It is clearly apparent from the big lockout and the succeeding September Agreement in 1899.[4]

After 1895, the economy expanded and strike activity increased with especially skilled workers at the forefront. In itself, it upset employers, but what worried them most was the workers' propensity to claim their right to a voice on the factory floor, or as it appears from an internal letter from the Danish Employers' and Masters' Association 29 May 1899:

> [C]onditions have evolved so that the worker claims his right to come and go as he pleases; the employer's criticism of work performance is met with the threat of leaving work together with workmates. […] The worker determines the distribution of workload, the use of labour force, etc. […] The employers' influence on the prize of work has nearly disappeared; if you cannot reach an agreement, work will not be done, and if the organisations come to an agreement, the workers decide by themselves on higher prices. […] Therefore, this fight is pure self-defence, it is a struggle for the existence of the employer and as such for trade and industry in this country; for no trade and no industry will exist, when the employer, who has obligations and

2 Flemming Mikkelsen: Workers and Industrialization in Scandinavia, 1750–1940, in: Michael Hanagan/Charles Stephenson (eds.): Proletarians and Protest: The Roots of Class Formation in an Industrializing World, New York 1986, pp. 21–54.

3 Georg Nørregaard: Arbejdsforhold inden for dansk håndværk og industri, 1857–1899, Copenhagen 1943; Knud Knudsen: Arbejdskonflikternes historie i Danmark. Arbejdskampe og arbejderbevægelse, 1870–1940, Copenhagen 1999; Jørgen Peter Christensen: Fabriksarbejdere og funktionærer, 1870–1972, Odense 2002, pp. 107–108.

4 See Flemming Mikkelsen: Arbejdskonflikter i Skandinavien 1848–1980, Odense 1992.

> responsibilities towards the public, and must fight with competition from inland and abroad, does not have the necessary right to decide over the organisation of production.[5]

The September Agreement centralised industrial negotiations, guaranteed workers' right to organise, and recognised employers' managerial rights. But, as the above review and quotation indicate, the struggle for self-determination must be seen as both an attempt on the workers' part to regain lost rights, to protect themselves against the arbitrariness of the capitalist market, and as an expression of a new position of power based on organisations. These conditions played a major role after the turn of the century, too. For although the September Agreement—the constitution of the labour market—had confirmed and was on its way to institutionalising managerial rights, changes in mode of production, international business cycles and shifts in political power structures instigated a recurring struggle for self-determination, i. e. industrial democracy. To understand how these forces and mechanisms interacted it is necessary to introduce some theoretical considerations.

A Historical Theory of Industrial Democracy

There are many definitions of industrial democracy.[6] Some are based on ideological beliefs or political pragmatism. My approach to industrial democracy is based on social movement studies with special reference to labour history and organisational theory. In addition, I draw on economic history (i. e. business cycles, introduction of new technologies), and political history. This makes it possible to embed the analysis of industrial democracy in a rich and multifaceted historical context. In other words, the basic inspiration comes from macro-history and the study of *la longue durée*; but in order to handle the complexity of historical facts and episodes, I have constructed a model with three key concepts: mode of production, power and resource exchange.

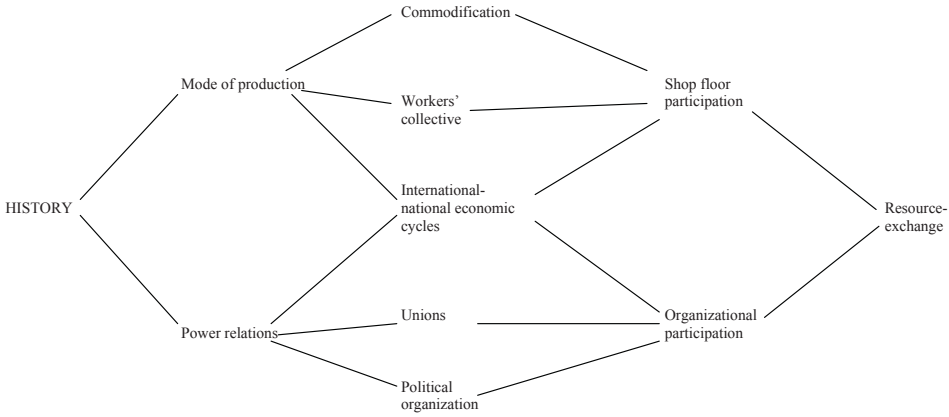
In figure 1 (Industrial Democracy—a Model of the Argument), I have chosen to specify the most important elements in order to explain the development and degree of self-determination on the 'floor' (workplace democracy), and in society (organisational participation), besides a resource exchange model describing how power, resources and influence obtained at one level interchange with power and influence at another level.

5 Arbejderbevægelsens Bibliotek og Arkiv, LO arkivet, kasse 904, reg. nr. 220. Translated by the author.

6 See Charles D. King/Mark van de Vall: Models of Industrial Democracy: Consultation, Co-determination and Workers' Management (New Babylon: Studies in the Social Sciences 29), The Hague 1978.

All these factors and relations change over time—therefore the *historical dimension*: past experiences, traditions, cultural patterns and identities help to position the actors (workers, employers, organisations and the state), and keep them in a path dependent process.[7]

Industrial Democracy—a Model of the Argument



Source: Own illustration

In general, 'mode of production' refers to the way a given society organises its production, in which connection I emphasise the concentration of technology, skills of the labour force, plant size and market economy. It is assumed that large-scale organisations and technological specialisation further the division of labour and plant level hierarchies. This in many ways correct assumption must be weighed against the skills of the employees, and not the least their ability to construct strong social networks with the capacity to mobilise.[8] Market economy enhances *commodification* and describes how social relations are subject to the same conditions of buying and selling of products on a free market.[9] Workers, whose livelihood depends on some anonymous national and international

7 James Mahoney: Path dependence in historical sociology, in: Theory and Society, Vol. 29, No. 4 (2000), pp. 507–548.

8 Geoffrey K. Ingham: Size of Industrial Organisation and Worker Behaviour (Cambridge Papers in Sociology 1), London 1970; Arthur L. Stinchcombe: Economic Sociology, New York 1983; M. Granovetter/Charles Tilly: Inequality and Labor Processes, in: Neil J. Smelser (ed.): Handbook of Sociology, London 1988, pp. 175–221; Chris Tilly/Charles Tilly: Work Under Capitalism, Oxford 1998.

9 Joachim Israel: Alienation: Från Marx till modern sociologi, Stockholm 1968, p. 211.

market forces, appear to be atomised, individualised and fragmented. They create high uncertainty, which workers try to counteract through individual and collective strategies, where workplace democracy belongs to the latter category.

A precondition for collective strategies is the existence of dense social networks at the workplace referred to as *workers' collective*, action network or base organisations. Thus, the strength of a workers' collective depends on a common identification of problems, closeness and interaction, and equality, i. e. the consciousness of being subject to the same exploitative working conditions and the same authority, and being in close daily contact with fellow workers of the same status.[10] As a rule, strong workers' collectives are a prerequisite for achieving workplace participation, but workplace participation also depends on external *power relations* - above all economic conditions, trade unions and political power.[11]

In most countries, demand for workers' participation, especially at the plant level, manifests itself in cyclical movements, which closely follow the *business cycle*.[12] It is basically connected to the fact that rising prices and scarcity of labour radicalise the workers and strengthen their position *vis-à-vis* the employers, and *vice versa*. Economic prosperity is often followed by radical demands because the decision to go on strike moves down the hierarchy during strike waves: from centralised unions, tied into long-term wage contracts at the national level, to the shop-floor with shop-stewards in a central position. For some time and under certain conditions informal action networks known as *social movement unionism* dominated the labour market.[13] The growing power of *trade unions* makes it legitimate and rational to carry demands for industrial democracy through institutional channels, which guarantee that employers do not try to roll back the benefits when the cycle turns. It should be noticed, however, that when trade unions grow, the

10 Sverre Lysgaard: Arbeiderkollektivet, Oslo 1967; Doug McAdam/John D. McCarthy/Mayer N. Zald: Social Movements, in: Neil J. Smelser (ed.), Handbook of Sociology, pp. 695–737, p. 711.

11 Bernt Schiller: Workplace Democracy: The Dual Roots of Worker Participation, in: M. Donald Hancock/John Logue/Bernt Schiller (eds.): Managing Modern Capitalism: Industrial Renewal and Workplace Democracy in the United States and Western Europe, New York 1991, pp. 109–120.

12 Harvie Ramsay: Cycles of Control: Worker Participation in Sociological and Historical Perspective, in: Sociology 11:3 (1977), pp. 481–506.

13 Eric J. Hobsbawm: Labouring Men: Studies in the History of Labour, London 1968, pp. 126–157; Pierre Dubois: New Forms of Industrial Conflict, 1960–1974, in: Colin Crouch/Alessandro Pizzorno (eds.): The Resurgence of Class Conflict in Western Europe since 1968, Volume 2: Comparative Analysis, New York 1978, pp. 1–34.

leaders withdraw from the members and their immediate interests. The phenomenon is well known, and, with Robert Michels's "das eiserne Gesetz der Oligarchie", acquired a scientific and ideological expression.[14]

Political power relations both directly and indirectly influence the extent and under what conditions workers' participation takes place. The argument is that the stronger the working parties, and the greater the control of the government, the more they are capable of keeping employers in check and of promoting workers' rights and redistributing economic resources.[15] This constellation reduces workers' dependency on the market and the employers equal to a *decommodification* of the workforce.[16] These aspects lead to the idea of *resource exchange*.[17] It says, in short, that resources and power obtained at one level, under given conditions, exchange with resources and power obtained at other levels: The general trend has been that organisations at a lower level have transferred skills and expertise to organisations at a higher level because superior formal bodies are better equipped to secure collective benefits and rights compared to informal and more *ad hoc* organisations, in the longer term.[18] In addition, it should be noticed that informal and network-based organisations, including many oppositional groups, often were sought ousted and evicted because they posed a threat to the established organisations.

The bulk of the literature and source material on industrial democracy are directed towards the organisational and political level, whereas it is far more difficult to document the conditions at the workplace and in the companies.[19] Therefore, I focus on local conditions on the shop floor, and how they interact with formal organisational and political institutions—from the September Agreement up to today's global labour market.

14 Robert Michels: Zur Soziologie des Parteiwesens in der modernen Demokratie [1911], Stuttgart 1970. For a more contemporary introduction see Stuart Clegg/David Dunkerley: Organization, Class and Control, London 1980; Göran Ahrne: Social Organizations: Interaction Inside, Outside and Between Organizations, London 1994.

15 Michael Burawoy: The Politics of Production: Factory Regimes under Capitalism and Socialism, London 1985; W. Korpi: The Working Class in Welfare Capitalism: Work, Unions and Politics in Sweden (International Library of Sociology), London 1978.

16 Gøsta Esping-Andersen: Politics Against Markets: The Social Democratic Road to Power, Princeton 1985.

17 Alessandro Pizzorno: Political Exchange and Collective Identity in Industrial Conflict, in: Colin Crouch/Alessandro Pizzorno (eds.): The Resurgence of Class Conflict in Western Europe since 1968, Volume 2: Comparative Analysis, New York 1978, pp. 277–298.

18 Edward Shorter/Charles Tilly: Strikes in France, 1830–1968, New York 1974.

19 Niels Dalgaard: Ved demokratiets grænser: Demokratisering af arbejdslivet i Danmark 1919–1994, Copenhagen 1995.

From the September Agreement to the First World War

The period from the mid-1890s until 1914 was characterised by sustained economic prosperity and considerable structural alterations especially in the industrial sector.[20] The number of industrial workers increased drastically, and although the craft sector experienced a slight relative decline, it could in fact muster a small factual growth. The small-scale character of the Danish production structure did not change much in spite of a concentration of workers in larger firms. Technologically big investments, new engines, new methods of production, and new production concepts marked the industry. Faced with this industrial transformation part the craft sector came under serious pressure.[21]

Craftsmen such as weavers, spinners and blacksmiths were ousted by the industry, whereas others, such as shoemakers, plumbers and bread bakers experimented with some mechanisation before they were swallowed by the industry. However, the majority of traditional crafts and light industry managed to survive by incorporating part of the industrial production design. They composited an assembly of machinery closely matching the industrial sector.[22] In his description of this development, the economic historian Bjarne Hastrup says that the workers' attitude to the machineries "had not been marked by any hostility. In most crafts journeymen agreed to their terms, and there was not the sharp rejection of the 'iron monsters' as in the big European countries in the early phase of industrialization."[23] According to Hastrup, the lack of resistance in Denmark is due to the slow and long process of mechanisation. Add to this the rapid expansion of the Danish economy, rising real wages and stable international conditions, which made it easier for the employers to compensate for the implementation of new technology.

However, the movement towards larger companies affected the relationship between employers and workers.[24] The expansion and formalisation of workplace hierarchies continued, reducing contacts between workers on the shop floor and middle managers.[25] In an engineering factory, Frichs, established in 1913:

> foremen had craft masters as their closest subordinates with whom they agreed how to perform a given task. It was also the foreman's responsibility to ensure that the craft masters continually monitored the workers, to supervise that work performed

20 Svend Åge Hansen: Økonomisk vækst i Danmark, Volume 1: 1720–1914, Copenhagen 1972.
21 Ole Hyldtoft: Den teknologiske udvikling i Danmark, in: Flemming Mikkelsen (ed.): Produktion og arbejdskraft i Danmark gennem 200 år, Copenhagen 1990, pp. 35–56, p. 43.
22 Bjarne Hastrup: Håndværkets økonomiske historie 1879–1979, Copenhagen 1979, ch. 5.
23 Ibid., p. 151.
24 Svend Åge Hansen: Økonomisk vækst i Danmark, Volume 1: 1720–1914, p. 288.
25 Lars K. Christensen: Smedesvend og friherre: Maskinarbejde og arbejderkultur i Copenhagen 1890–1914, Copenhagen 1995, p. 72.

> appropriately and was done properly and professionally satisfying, and that work proceeded quickly from one master's unit to the other. The craft master was exempted from any written work, and should fully devote himself to supervision of workers, including controlling the quality of work. Before work started, the craft masters should negotiate with the single worker about piece-work rate. There was thus a centralised process of decision in the upper part of the hierarchy, whereas the organisation of work was decentralised. This was done with the involvement of craft masters and workers, but with quite extensive control functions including a workshop clerk, who kept record of each worker, and was expected to evaluate each worker's time schedule.[26]

It is these hierarchical control systems and structural changes in the manufacturing sector, which prompt the labour historian Knud Knudsen to talk about "the real subsumption of work under capitalism in this period,"[27] but as he later states, and other studies confirm[28], it does not mean that the penetration of capitalism and technology entailed factory production. Craftsman-like procedures retained their significance in most manufacturing industries, and "in general the crafts seem to have maintained their position in a wide range of trades and manufactures during the process of industrialisation."[29]

In spite of gradual industrialisation and adjustment of the manufacturing sector, there is no doubt that the employers had the upper hand in the struggle over the control of the production process. The September Agreement had sanctioned this arrangement, and in the years to come, the parties tried to advance their interests through contracts and agreements. In 1900, the Danish Blacksmiths and Operator Association (DSMF) and the employers of the iron industry signed a new collective agreement, which introduced the first shop steward instructions: "With the shop steward regulations the employers accepted workers' right to workplace participation—although it was within the overall guidelines of the agreement, and thus in respect of managerial prerogatives."[30] From the metal industries, the shop steward institution spread to other branches where workers were professionally and organisationally strong.

26 Per Boje: Ledere, ledelse og organisation: Dansk industri efter 1870, Odense 1997, pp. 204–205. Translated by the author.

27 Knud Knudsen: Arbejdets historie i Danmark, in: Flemming Mikkelsen (ed.): Produktion og arbejdskraft i Danmark gennem 200 år, Copenhagen 1990, pp. 85–121, p. 108. Translated by the author.

28 Jan Pedersen: Teknologisk udvikling i maskinindustrien: Burmeister & Wain 1875–1939, Lyngby 1999.

29 Knud Knudsen: Arbejdets historie i Danmark, p. 109. Translated by the author.

30 Jesper Due/Jørgen S. Madsen: Septemberforliget og den danske model, Copenhagen 1999, p. 23. Translated by the author.

In 1910, a further regulation of the labour market occurred with the "Standard for handling of industrial disputes." It distinguished between legal conflicts and interest conflicts and codified a nearly 'universal' truce during agreement period. In the same year, a state conciliation board was instituted with the aim of reducing the risk of 'anti-social' conflicts. Together with trade unions' regulation of strike activity, this development meant that important decisions affecting the relationship between employees and employers moved from the workplaces to the organisations and their leaders.

The employers wanted a further centralisation of the negotiation and conflict system, while the trade unions would "move the positions forward" without the sacrifices caused by work stoppages;[31] and apparently, it worked. Because, after rising strike activity during the 1890s, work stoppages stayed at a moderate level until 1917, interrupted only by a big lockout in 1911, when several agreements expired. However, it turned out that the established industrial relation system was very vulnerable to the business cycle, especially rising consumer prices and changing power relations in the labour market. From 1917, the number of industrial conflicts rose to unprecedented heights.

Decentralised Actions, New Forms of Organisation and Workers' Councils, 1917–1920

The strike movement enhanced the trade unions' opposition, which achieved some influence on the introduction of an eight-hour working day. It was striking workers, who, often in opposition to their own organisations, put working time on the agenda. They used Syndicalist actions—detached from Syndicalist ideology—and thereby pressed the established organisations to carry the claims into the formal system of negotiation.[32]

In 1919, a growing interest in industrial councils in countries like Germany, Sweden and Norway and pressure from the trade union opposition motivated the Social Democratic Party to set up a *Socialisation Commission* with the aim of identifying industrial branches ripe for nationalisation. That employers were disorganised and hesitant about the international political and revolutionary occurrences at the end of the war, also says something about the timing of the Commission and its fate, when the business cycle and power relations changed.[33] In October 1919, the Social Democratic Congress passed a "Report and Proposal on Public Oversight of Trade, the Participants of Workers in the

31 Flemming Mikkelsen: Arbejdskonflikter i Skandinavien 1848–1980, p. 279.

32 Poul Vitus Nielsen: De tog, De fik, De Otte Timer: Arbejdsgivere og arbejdere, socialdemokrater og syndikalister i kampen om 8 timers arbejdsdag, in: Årbog for Arbejderbevægelsens Historie 22 (1992), pp. 263–313.

33 Lars K. Christensen/Søren Kolstrup/Anette Eklund Hansen: Arbejdernes historie i Danmark 1800–2000, Copenhagen 2007, p. 133.

Management of Companies and on Trading Profit."[34] The Social Democrats' aim was not nationalisation but control and democratic influence, or as it was formulated by Frederik Borgbjerg in Parliament during processing of the radical 'trust law' in February 1920:

> We do not want to abolish property but to make it equal and universal like the right to vote has been equal and universal. We draw the consequence of political democratisation in our society in generations, we demand these consequences transferred to the economic area, too.[35]

The objectives behind the proposal for control and work councils were to obtain greater insight in corporate finance and accounting, and partly to extend the shop steward institution; however, the real political intent was to limit the influence of the Syndicalists in the labour movement. For the Social Democrats, the idea of workers' councils was closely linked to international revolutionary movements that were strongly condemned. The bill was also quickly removed from the parliamentary table and transferred to collective bargaining. Here, the employers ignored the proposed law and, after economic conditions had improved, their main organisation had been restructured, and a new Liberal government had taken office, they were prepared for an offensive against the strike movement, the massive wage demands, the labour movement and the Social Democrats.[36] Workers' participation was no longer on the agenda, but lockouts, unemployment and wages.

Rationalisation, Business Cycles and Unemployment, 1921–1939

The First World War caused a minor recession in industrial growth, but it was only in 1917–18 that production volume decreased followed by the economic boom years 1919–1920. After 1920, the peace crisis hit Denmark that was marked by drastic business

34 Niels Dalgaard: Ved demokratiets grænser: Demokratisering af arbejdslivet i Danmark 1919–1994, pp. 21–64.

35 Rigsdagstidende 1919–20, sp. 4081, quoted from Niels Dalgaard: Ved demokratiets grænser: Demokratisering af arbejdslivet i Danmark 1919–1994, p. 37. Translated by the author.

36 Adda Hæstrup: Generalstrejken i 1920: Dens baggrund, forløb og efterspil (speciale, Århus Universitet: 1979).

fluctuations, stagnation and high unemployment.[37] This trend affected workers' demand for participation, which was shaped by industrial rationalisation and shifts in the balance of political power, too.

There are many uncertainties concerning the pace of productivity in the inter war period, but there is no doubt that part of the Danish industry was exposed to "American methods of production. Standardisation, specialisation and series production were common in parts of the industry."[38] Streamlining and efficiency of work processes became a daily reality for more and more workers. The economic historian Jørgen P. Christensen identifies four conflict areas that may be associated with rationalisations:

1. major changes in the process of production as a consequence of increased serial production or transition to production line,
2. introduction of time studies,
3. introduction of new Taylor-inspired wage systems,[39] and
4. use of a control clock and similar attempts to supervise work effort.[40]

However, one cannot speak of a united front facing the employers' drive for efficiency. In general, workers tried to get the best out of the expected production growth. They were most keen to ensure an increase in real wages and next, to counteract the tendency to boost the pace of work to protect themselves against attrition. During the high unemployment in the 1930s, workers laid particular emphasis on securing jobs.[41]

There is no indication that workers were exposed to an actual degradation equal to fragmented work, hierarchical forms of management, and a division of manual and mental labour, as argued by Harry Braverman.[42] On the other hand, many skilled and semi-skilled workers were subject to tighter time discipline and short-term wage settlement. After the First World War, the comprehensive mechanisation and standardisation of the iron and metal industry helped to increase the pace, but did not result in the loss of professional skills. Trade and craft requirements for blacksmiths and machine workers increased

37 Svend Aage Hansen: Økonomisk vækst i Danmark, Volume 2: 1914–1970, Copenhagen 1974; Vagn Dybdahl et al.: Krise i Danmark: Strukturændringer og krisepolitik i 1930'erne, Copenhagen 1975.

38 Jørgen P. Christensen: Rationalisering og arbejderne: Dansk industri i mellemkrigstiden, in: Flemming Mikkelsen (ed.): Produktion og arbejdskraft i Danmark gennem 200 år, Copenhagen 1990, p. 127. Translated by the author.

39 Taylorism, named after the industrial engineer Frederick W. Taylor, aims to achieve maximum job fragmentation to minimize skill requirements and job learning time.

40 Ibid., p. 137; Knud Knudsen: Arbejdets historie i Danmark, pp. 244–252; Søren Toft Hansen: Arbejdslede som udfordring til arbejdsledelsen, in: Arbejderhistorie 4 (2001), pp. 65–93.

41 Jørgen Peter Christensen: Fabriksarbejdere og funktionærer, 1870–1972, pp. 197–224.

42 Harry Braverman: Labor and Monopoly Capitalism: The Degradation of Work in the Twentieth Century, New York 1974.

as new types of machines, tools and measuring instruments gained ground.[43] Joiner's trade, for instance, saw a division in sub functions as unskilled and semi-skilled workers took over isolated tasks that originally belonged to the skilled carpenter. In addition, supervisors were introduced as necessary coordinators, who arranged for the planning and development of production.[44] Machines and semi-skilled workers took over part of the labour intensive and routine jobs, whilst skilled workers preserved the more complicated setups and functions of machine processing. According to the business historian, Carl Erik Andresen:

> Skilled workers in the factory milieus exercise a high degree of social control over the setting and operation of machines and the proper treatment of materials. This control was twofold: partly to exclude the management from exercising complete control over labour processes, and partly to exclude other workers, who would pose a threat to such controls.[45]

Furthermore, via the unions the joiners managed to gain control over recruitment to the profession, just as they preserved the right to negotiate for other groups of unskilled and semi-skilled in the field.

It is also not possible to speak of degradation and de-skilling in areas with far more low-skilled workers such as the tobacco and textile industry.[46] Although mechanisation and division of labour transformed job functions and partially the composition of the work force, it, at the same time, set higher standards of skills. It is also part of the bigger picture that for many unskilled and semi-skilled workers factory employment meant higher wages and a more intensive social life compared to farm workers, day labourers or servants.[47] On the other hand, unskilled workers were more dependent on the protection, the benefits and the influence they could get from trade unions and from a Social Democratic government.

43 Knud Knudsen: Smedens arbejde: Udviklingstendenser i smedearbejdet i Danmark, in: Årbog for Arbejderbevægelsens Historie 22 (1992), pp.183–214 ; Knud Knudsen: Dansk fagbevægelses historie frem til 1950: Fra arbejdets perspektiv, Copenhagen 2011, pp. 492–498.

44 Carl Erik Andresen: Ændringer i arbejdskraftens sammensætning og kvalifikationer ca. 1900–1940: Set ud fra dansk møbelindustri, in: Flemming Mikkelsen (ed.): Produktion og arbejdskraft i Danmark gennem 200 år, Copenhagen 1990, pp. 159–176.

45 Ibid., p. 172. Translated by the author.

46 Jørgen Burchardt: Arbejdsliv og ny teknologi-Vilh: Langes tobaksfabrik, Slagelse 1823–1966, Sorø 1995; Lars K. Christensen: Smedesvend og friherre: Maskinarbejde og arbejderkultur i Copenhagen 1890–1914.

47 Lars K. Christensen: Det moderne arbejde: Kulturelle og institutionelle forandringer af arbejdet i den danske tekstilindustri 1895–1940, Copenhagen 1998, p. 112.

Just after the First World War, one of the biggest federations, the Danish Goldsmiths and Operator Federation (DSMF), relied heavily on the scheme for workers' councils, but in response to the new economic, industrial and political conditions, the Federation offered a more moderate proposal for shop committees during the negotiations in 1922. Nevertheless, the employers were somewhat dismissive, and only in 1927 did the DSMF and the employers agree on the creation of a local technical consultation, which further consolidated the shop steward institution.[48]

With a proposal to ensure workers' participation at the plant level in 1924, the newly elected Social Democratic minority government tried to restrict employers' prerogatives.[49] The proposal did not contest employers' privileges, but was limited to obtaining greater insight into the financial transactions of companies, and "the right to make proposals", which affect workers' life, welfare and health.[50] Besides, the proposal must be seen as part of the Social Democratic election programme aiming at social reforms, property tax, price control, land reforms, etc. Furthermore, it was intended to curb the newly established Communist Party and strengthen the Social Democratic trade unions. As expected, the bill was met with great resistance from employers and liberal parties. Moreover, shortly after the liberal Thomas Madsen-Mygdal became Prime Minister in 1926, the proposal was taken off the table.

In 1929, the Social Democrats again formed a government and stayed in power for the rest of the decade but refrained from similar interventions. On the other hand, the government started to intervene directly in labour market conflicts to the employers' great annoyance, who believed the government favoured workers' wage demands.[51] Other state interventions, including the so-called 'Kanslergade Agreement' in 1933, helped to carry through numerous social reforms protecting wage earners against the arbitrariness of the capitalist market.[52]

The Arbitration Act of 1934, which adopted the concatenation of labour market agreements, set off a development that "step by step reduced direct member influence, widened the gap between top and bottom of the trade union movement, and finally weakened the interest of the members to participate in union activities."[53] However, this

48 Knud Knudsen: Smedens arbejde: Udviklingstendenser i smedearbejdet i Danmark, p. 206.
49 Niels Dalgaard: Ved demokratiets grænser: Demokratisering af arbejdslivet i Danmark 1919–1994, p. 68.
50 Ibid. p. 68.
51 Flemming Mikkelsen: Arbejdskonflikter i Skandinavien 1848–1980, pp. 276–277, p. 312.
52 Lars K. Christensen/Søren Kolstrup/Anette Eklund Hansen: Arbejdernes historie i Danmark 1800–2000, pp. 176–179.
53 Knud Knudsen: Arbejdskonflikternes historie i Danmark: Arbejdskampe og arbejderbevægelse, 1870–1940, pp. 308–309.

trend towards more centralisation was upset by the German occupation of Denmark. Trade union leaders were forced on the defensive and the decisions moved once again to the work places.

Occupation, Liberation and Work Place Democracy, 1940–1956

In September 1940, parliamentary adoption of the Working Conditions Act implemented binding arbitration by the renewal of agreements and for the most part prohibited workers from laying down their work. Thus, on the one hand, important decisions concerning the labour market were transferred to people of higher rank in the political hierarchy (ultimately monitored by the Germans), whereas disputes over wages, working conditions and strikes were delegated to the shop floor. Under these conditions, the role of formal labour market organisations was seriously constrained.[54]

Legislative intervention, increasing unemployment and some uncertainty about how the Germans would react to (especially prolonged) strikes reduced the number of industrial conflicts to a minimum until 1943.[55] The insurrection of August 1943 and favourable employment opportunities intensified strike activity, which continued unabated after the occupation in 1946. Kocik and Grünbaum describe the situation as follows:

> [A]fter the occupation decisions were delegated to the work places whereas the unions and their competent bodies were pushed into the background. This was a practice from the occupation, when the shop stewards from the large companies assembled and initiated actions the unions could not openly take responsibility for […]. After the end of the War, it was normal to continue in the same way with protest strikes, demonstrations in front of the Parliament, deputations, and mass fabrication of resolutions in all kinds of occasions.[56]

On 25 June 1945, 3,000 workers from B &W (a large shipyard at the centre of Copenhagen) gathered in front of the Parliament, demanding a 40-hour week, three weeks of holidays, and 25 per cent increase in wages, as well as the restoration of the right to strike and the establishment of work councils. It was the first demonstration of workers after the war,

54 Flemming Mikkelsen: Arbejdskonflikter i Skandinavien 1848–1980, pp. 313–320.

55 The so-called 'August-uprising' was directed against cooperation during the war, lasted from 9–29 August 1943 and comprised strikes and demonstrations in ca. 30 provincial towns, but never reached Copenhagen.

56 Under Samvirkets Flag: Udgivet i Anledning af De Samvirkende Fagforbunds halvtreds-aars Jubilæum den 3. Januar 1948, Copenhagen 1948, p. 219. Translated by the author.

and was, nine days later, followed by a demonstration at Christiansborg Palace Square with more than 100,000 participants, who made similar claims.[57] Hans Hedtoft's Social Democratic Ministry was far more concerned with industrial peace, but was pressured by the national and international political situation, including the Communists' strong position, as well as striking and demonstrating workers. Thus, the Social Democrats felt compelled to include the idea of work councils in their programme *Denmark's Future* (Fremtidens Danmark). It was certainly not without importance that planned economy and Keynesian economic policy were on the public agenda in most European countries just after the war.

The idea was to create work councils by law, and their most important mission should be to operate as "production committees through which workers and employees can make suggestions and ideas concerning technical and organisational matters which can increase production efficiency, and contribute to the ongoing improvement of the nation's economy."[58] However, the leading persons in the Social Democratic Party and the trade union movement were extremely sceptical of the idea of workers' councils, or as it has been put forward by the historian Niels Dalgaard, "The necessary democratic control of business operations should be in the hands of the state, not the workers, and the impact on individual companies should be exercised by the trade unions and the shop stewards, not the work councils."[59] The result was that when the Social Democrats were in opposition or again formed the government in 1947, the proposal was not presented to parliament. At that time, the Communist threat was also abating.

More in accordance with the Social Democrats' and the trade unions' mind-set was a consensus between DSMF and the employers on strengthening the role of shop stewards in connection with agreement on extended technical consultation particularly with regard to the modernisation and efficiency of the production apparatus. During the following year, the Danish Association of Labour (DsF) and the Danish Employers' Confederation (DA) agreed on forming co-committees in companies with more than 25 employees if either the manager or a majority of employees demanded it. The co-committee should serve as "a body for cooperation, consultation and information."[60] They should participate in questions of work organisation especially regarding rationalisation, security in employment and some information on companies' finances.

After the agreement on co-committees, the discussion of workplace participation slipped into the background and gave way to an active industrial policy designed to ensure the economic recovery after the war.

57 Flemming Mikkelsen: Arbejdskonflikter i Skandinavien 1848–1980, pp. 318–319.

58 Fremtidens Danmark (1945), quoted from Niels Dalgaard: Ved demokratiets grænser. Demokratisering af arbejdslivet i Danmark 1919–1994, p. 102. Translated by the author.

59 Niels Dalgaard: Ved demokratiets grænser: Demokratisering af arbejdslivet i Danmark 1919–1994, p. 110. Translated by the author.

60 Ibid., pp. 129–130.

Affluence, Strikes and Economic Democracy, 1957–1973

From the late 1950s, Denmark benefited from the international economic boom, which caused sweeping changes and transitions in industrial structures, living conditions and work life. Investment and rationalisation were converted into large production increases and growth rates. New fields of production and a new generation of labour saving technology emerged. Some production processes underwent extensive rationalisation, and especially engineering witnessed a transition to data processing.[61]

Despite intensifying time discipline and, for some, a more monotonous and repetitive work, it seems that most people came to terms with growing workload and regulation, if they were able to achieve wage compensation. Only after a longer period of growing real wages and low unemployment did the reactions become more visible and manifest. Above all, there should have been changes in the national and international political and ideological conditions before demands for participation and economic democracy became a political issue. The historian Bernt Schiller writes that from the end of the 1960s "the established trade union institutions […] came under pressure, and noticed, like other social institutions, how their legitimacy was questioned. Demand for industrial democracy might restore trade union leaders the initiative", and he goes on, "In summary, the development in a number of industrialised countries in the late 1960s and early 1970s shows how local working conditions interact with international economic and ideological factors in the formation of national political regulation of the labour market."[62]

In Denmark, we can observe the same pattern: rising strike activity in the years 1968–1970 with numerous illegal work stoppages, many of which were directed against government incomes policy, but also challenged employers' prerogatives.[63] It also played a role that the left-wing political party, the Socialist People's Party (SF), proceeded at the elections in 1966 (predominantly at the expense of the Social Democrats), and thus "drew attention to a wider left which had hitherto been visible in the Danish Communist Party, DKP."[64]

Already at the Social Democratic congress in 1965, the chairman of the Danish Federation of Trade Unions (LO), Hans Rasmussen, started a debate on 'company responsibility', which passed to the LO that published a report on *Democracy at the Work*

61 Svend Åge Hansen: Økonomisk vækst i Danmark, Volume 2: 1914–1970; Ole Hyldtoft: Den teknologiske udvikling i Danmark, pp. 47–49.

62 Bernt Schiller: Samarbete eller konflikt, Stockholm 1988, p. 30. Translated by the author.

63 Flemming Mikkelsen: Arbejdskonflikter i Skandinavien 1848–1980, pp. 337–338. Translated by the author.

64 Niels Dalgaard: Ved demokratiets grænser: Demokratisering af arbejdslivet i Danmark 1919–1994, p. 184.

Place (Demokrati på arbejdspladsen) in 1967. The statement, which among other things was based on information from the Socialist People's Party about industrial democracy, proposed to create 'workplace boards', which "through information and consultation between company and employees", should affect decisions regarding conditions of work, personnel matters and production.[65]

In the autumn and winter 1967–1968, the trade union movement instigated a large information campaign particularly targeted at shop stewards. The Employers' Central Organisation (DA) responded with a booklet entitled *Management and Cooperation* (Ledelse og samarbejde) followed by several public debates and information meetings. The DA also took part in several panel discussions with the LO. In the spring of 1969, the campaign diminished in intensity, but the LO's executive committee had already decided on establishing a committee, which was to prepare a report on economic democracy. Previously, the LO had indicated that they wanted a revision of the Cooperation Agreement.

The DA sought to avoid a discussion about employers' prerogatives at all costs. Therefore, they decided to make some concessions that provided the cooperation committees with the status of 'subsidiary bodies', but otherwise maintained managerial rights as indivisible. The DA appeared far more unresponsive and categorical when the Social Democrats and the labour movement launched their idea of economic democracy and wage earners' funds.[66] The main point of the proposal presented by the Social Democratic government in January 1973 was that companies should pay a percentage of their payroll to a central fund managed by representatives of employee organisations and members designated by the government. In companies over a certain size, most of the compulsory salary funding should be left in the companies and administered by the employees themselves. The plan was to increase public knowledge of larger firms, to promote co-determination, to improve capital savings, and to increase control of community investments.[67] Had the proposal been implemented, it would, over a number of years, have caused major changes in the ownership of the means of production, concentration of power and decision-making structures; whether it would have created greater co-determination is doubtful. The Left, major parts of the public, the Liberals and the business community strongly condemned the idea. They launched a counteroffensive, which had the effect of preventing the proposal from being treated in Parliament before the international oil-crisis hit the

65 Ibid., pp. 161–162.

66 Jonas Toubøl/Jonas K. Gielfeldt: Den fejlslagne kampagne for økonomisk demokrati, in: Arbejderhistorie 3 (2013), pp. 50–71.

67 Knud Knudsen/Hanne Kaspersen/Vagn Oluf Nielsen: Kampen for en bedre tilværelse: Arbejdernes historie i Danmark fra 1800-tallet til 1990 (SFAH skriftserie 26), Copenhagen 1991, pp. 301–305.

country and a national election was held in autumn 1973. The election was a disaster for the Social Democratic Party and fundamentally changed the political landscape in the years to come.

The Radicalisation of Public Employees, 1973–1986

The first strike wave of 1968–1970 was predominantly restricted to the private sector, whereas the next wave from 1973 to 1986 was partly more extensive and partly characterised by the increasing role of public employees.[68] It was not only caused by the growing number of public employees after 1960, but can be traced back to formal and informal changes in public sector trade union structure.[69]

The number of those unionised in the public sector (apart from transport and communication) went from 127,000 in 1960 to 612,600 in 1985. It allowed for an organisation rate of about 89 per cent in 1982, indicating that public employees were among the best-organised in the labour market.[70] A restructuring of the trade unions followed this development: the professional profile was strengthened, bureaucracy was modernised, the number of shop stewards increased significantly, and most unions set up strike funds. In order to further strengthen their bargaining position, they entered into alliances with other trade unions and formed cartels; but above all, they participated in minor and major industrial conflict. Informal action networks, often in opposition to the established unions, organised some of these strikes and demonstrations.

During the 1970s and 1980s, there emerged an undergrowth of predominantly left-wing action groups that made heavy demands on municipal, county and state authorities and put pressure on their own organisations to adopt a more radical strategy.[71] For short periods, action groups challenged management dispositions and achieved a large impact on work processes and division of labour; but as the cycle of protest dwindled, it became more difficult to maintain the base organisations and they faded away at the end of the 1980s. Since 1986, the reluctance of public sector unions to launch comprehensive legal work stoppages encouraged this trend.

68 Flemming Mikkelsen: Cycles of Struggle and Innovations in Industrial Relations after World War II, in: Scandinavian Journal of History 22:1 (1997), pp. 31–51.

69 Flemming Mikkelsen: Unions and New Shopfloor Strike Strategies and Learning Processes among Public Employees, in: Economic and Industrial Democracy 19:3 (1998), pp. 505–538.

70 Karl-Henrik Bentzon: Offentligt ansatte i Danmark i et internationalt perspektiv, in: Økonomi & Politik 58 (1984), pp. 278–293.

71 Flemming Mikkelsen: Radikaliseringen af de offentligt ansatte i Danmark (SFAH skriftserie 31), Copenhagen 1994.

The overall result of the mobilisation of public employees was strengthening and streamlining of public employees' organisations and interests. Public employers were forced to pay greater attention to personnel and staff in a period when the public sector underwent major changes. During the 1980s, public employees' bargaining cartels played a more significant role, and set the agenda for trade unions and employers in the private sector.[72] In the following years, negotiations between employees and employers deepened, and participation became an important issue.[73] This led to extensive regulation of working conditions, and in many ways empowered public employees. On the other hand, public employers introduced new mechanisms of control and governance, and with reference to a new management strategy, New Public Management, they tried to streamline and to control the workflow. It did not only create additional workplace hierarchies but also led to the rollback of previously obtained rights, and a loss of autonomy.[74] However, the implementation of a new management strategy did not go through without problems. It caused many daily controversies and sometimes open conflicts, when, for instance, in 2013, the state used the lockout to seriously aggravate schoolteachers' working conditions.

Industrial Democracy between State and Market in a Global Economy

After the fall of the Berlin Wall in 1989, the international wave of economic liberalisation made a major impact under labels such as 'globalisation', 'new production concepts' and 'management ideologies'. Private and public employers were advocating new forms of 'flexible' leadership and work place organisation, but how widespread they actually were is still an open question. The number of concrete empirical studies is somewhat limited. A survey from 2000 concludes that "c. 1/5 (22%) of Danish firms are characterized by flexible forms of leadership. […] Rather few companies have implemented flexible forms of management, and they only cover rather few employees."[75] Besides, it has not been

72 Steen Scheuer: Denmark: Return to Decentralization, in: Anthony Ferner/Richard Hyman (eds.): Industrial Relations in the New Europe, Oxford 1992, pp. 168–197, p. 191; Steen Scheuer: Denmark: A Less Regulated Model, in: Anthony Ferner/Richard Hyman (eds.): Changing Industrial Relations in Europe, Oxford 1998, pp. 146–170, p. 163.

73 Steen E. Navrbjerg: Mellem medindflydelse og medbestemmelse: Nye samarbejdsformer i amter og kommuner, in: Tidsskrift for Arbejdsliv, 7:3 (2005), pp. 12–33.

74 Lene Dalsgaard/Henning Jørgensen: Kvaliteten der blev væk: Kvalitetsreform og modernisering af den offentlige sektor, Copenhagen 2010.

75 Agi Csonka: Ledelse og arbejde under forandring: Om indholdet, udbredelsen og konsekvenserne af fleksible organisationsformer i danske virksomheder, Copenhagen 2000, p. 87. Translated by the author.

possible to detect changes in the distribution of flexible work performances between 1990 and 1995. The study also shows that flexible forms of work organisation are most prevalent in smaller companies, which is confirmed by other sources. Thus, employees in small workplaces "are widely able to achieve participation through informal contacts with the owner. Therefore, employees do not push for election of shop stewards or the establishment of formal structures such as cooperation and safety boards."[76]

A report from the Danish Federation of Trade Unions, covering both public and private companies, reveals that, in 1992, 20 per cent did not think there was a need for more participation, whilst the corresponding proportion had risen to 29 per cent in 2002.[77] Of course, this left a high proportion of people who wanted more participation (especially when it comes to the organisation of daily work). But it may seem surprising in light of the extensive discussion of globalisation and its negative consequences, which include an undermining of state capacity to guarantee workers' rights, a shift from collectivism towards individualism, a growing internationalisation of labour markets, increasing fragmentation and heterogeneity of the labour force, a lack of organisational solidarity and the declining political power of labour.[78]

However, growing social inequality and a shift of power from work to capital do not mean that workers and employees at Danish workplaces have lost influence, but rather that they were forced to adapt to new forms of production and regulation. An enquiry covering several large companies specifies how management has chosen to cooperate with trade union representatives and that "it was not possible to identify actual split in workers' collective."[79] Another case study of a medium-sized industrial company reaches nearly the same result: "Overall, workers' collective was definitely not wiped out, but on the other hand, the implementation of various strategies confirms that Lean as post-Fordist

76 LO's velfærdsprojekt: Demokrati på arbejdspladsen: Status og strategier (1999), p. 23. translated by the author.

77 LO-lønmodtagerne i tiåret 1992–2002: Konstans eller forandring?, LO-dokumentation 1 (2005).

78 Marino Regini (ed.): The Future of the Labour Movements (SAGE Studies in International Sociology 43), London 1992; Paul Bairoch: The Constituent Economic Principles of Globalization in Historical Perspective, in: International Sociology 15:2 (2000), pp. 197–214; Flemming Mikkelsen: Class and Social Movements in Scandinavia since 1945, in: Moving the Social: Journal of Social History and the History of Social Movements 48 (2012), pp. 29–48, also available online at http://moving-the-social.ub.rub.de/index.php/Moving_the_social/article/view/764/728 (accessed 14 July 2017).

79 Steen E. Navrbjerg: Nye arbejdsorganiseringer, fleksibilitet og decentralisering: Et sociologisk case-studie af fem industrivirksomheders organisering og samarbejdsforhold, Copenhagen 1999, p. 349. Translated by the author.

production concepts may challenge the ideology and protection of workers' collective."[80] Finally, it should be mentioned that trade unions remain strong in the Danish labour market despite some stagnation and decline in membership.

Conclusion and Discussion

In the 19th century, changing demographic, economic, political and social structures created a labour market subject to new relations of authority. In order to defend previous rights and cope with new challenges, the growing number of dependent workers resorted to new forms of organisation and collective action. After decades of many small strikes and some lockouts, tensions culminated in the big lockout of 1899, which was about who should decide on the organisation of production. Apparently, the employers prevailed. However, they did so only on the surface, because workers have managed to retain a considerable degree of autonomy and influence over work processes to the present day. The main structural explanations are small companies, many skilled workers, high trade union density and the political power of working class parties. Employers' investment and control strategies have constantly put pressure on workers, but several case studies on workplace conditions show that workers managed to upgrade their skills concurrently with the introduction of new technologies, and maintained a central position in production at the individual and collective level. The core of workers' resistance has been and still is workers' collectives, referred to as action network and base organisations.

Trade unions and the Social Democratic Party have not always looked favourably on workers' collectives especially if they joined the trade union opposition. Therefore, the unions have endeavoured to formalise cooperation between workers and employers, and have constantly tried to keep decision-making on the higher tiers of the hierarchy. At the same time, the unions took over part of the opposition's programme especially concerning workers' participation. This trend penetrated the labour market particular strongly in the years 1895–1899, 1917–1920, 1943–1946 and again in 1967–1974, when decision-making moved down the hierarchy favouring base organisations and the left-wing opposition. Add to this the pressure from the Communists during the 1920s, and the radicalisation of public employees 1973–1986, which likewise altered the mobilisation structure with implications for employees' participation. A similar development can be

80 E. Caraker: Solidaritet og individualisme: Fællesskabsformer blandt danske lønmodtagere, in: Arbejderhistorie 2 (2011), pp. 26–45, p. 31. Translated by the author.

observed in other countries caused by international economic and political cycles, which periodically strengthened wage earners and informal action networks at the expense of established unions and political institutions.[81]

This does not mean that the established part of the labour movement did not implement reforms improving workers' participation and working conditions. In addition to press employers for a shop steward agreement, the Social Democrats have instigated labour market reforms that improved the position of workers equal to a de-commodification of the workforce. The main strategy of the labour movement has been to avoid open conflicts and to focus on labour-related legislation and the parliamentary system instead. This preference corresponds well with the perception of formal mass organisations as a vehicle of power and influence: first, they make possible the co-ordination of the economic and political resources of large numbers of people who, on their own, have few such resources. Second, formal organisation permits the strategic use of these resources in labour market disputes and political actions. Third, formal organisation ensures the continuity of mass mobilisation over time; and fourth, as William Gamson has shown, centralised bureaucratic organisations that escape factional splits are very likely to be successful.[82]

The importance of formal mass organizations is well documented. However, the historical review of industrial democracy reveals that participation often was fought through from below, and has a tendency to manifest itself in waves. In other words, we are not dealing with a gradual development, but with intense periods of labour market struggles (sometimes followed by street fights) that mobilised new groups of workers and employees, and challenged both the established labour movement and the employers. The problem with mass organisations is, as formulated by Piven and Cloward in their classical work, *Poor People's Movements*, that

> Organizers not only failed to seize the opportunity presented by the rise of unrest, they typically acted in ways that blunted or curbed the disruptive force which lower-class people were sometimes able to mobilize […] for organization-building activities tended to draw people away from the streets and into the meeting rooms.[83]

However, completely ignoring the role of mass organisations would be a mistake. It is rather the interplay between informal action groups, trade union oppositions and mass organisations, which mark the development of work place democracy.

81 Beverly J. Silver: Forces of Labor: Workers' Movements and Globalization since 1870 (Cambridge Studies in Comparative Politics), Cambridge 2003.

82 William A. Gamson: The Strategy of Social Protest, Homewood, Ill. 1975, p. 108.

83 Frances F. Piven/Richard A. Cloward: Poor People's Movements: Why They Succeed, How They Fail, New York 1978, p. xxii.

Flemming Mikkelsen, dr.scient.pol. et cand.mag. in history, political science and sociology. Senior research fellow at the Department of Sociology, University of Copenhagen, Denmark. He is currently working in the fields of industrial relations, social movements, historical sociology and migration.