

Employers are going to find it more difficult to impose their will than they did in the 1980s.

Bargaining into the 1990s: Where Now?

David Blanchflower

Trade unions in the British economy have been under pressure over the last decade. Some commentators have suggested that the very survival of trade unions in general and collective bargaining in particular is under threat. This seems to go too far. It is argued here that aggregate union density (i.e. membership as a proportion of total employment) in Britain is likely to remain more or less constant in the 1990s. It is high unemployment that has been the major influence on bargaining in the 1980s. It is my contention that few, if any, major long-run adjustments in industrial relations have been achieved over the Thatcher years. Low unemployment is returning and with it will come many of the problems we experienced in the 1970s. The long-run impact of industrial relations legislation is also likely to be small because of workers' ability to adapt their behaviour to the changed environment. If official strikes are illegal then workers will take unofficial action.

Over the last decade the balance of power in negotiation clearly shifted away from unions to employers because of high unemployment. Of course it is unlikely that it will always remain so. Parties to a collective bargain have

memories; losses inflicted in one period can be made up in the next. Any changes to the structure of bargaining must, therefore, take into account its long run repeating nature.

How will bargaining develop in the 1990s? Before we can answer this question it is appropriate to evaluate the structure of bargaining in 1989 and how and why it changed over the preceding decade.

A substantial body of work by academics and others has documented and measured the changes in bargaining that occurred over the 1970s and 1980s. This work falls into two reasonably distinct groups. The first group has provided systematic evidence from large-scale representative surveys of establishments (e.g. the Workplace Industrial Relations Surveys (WIRS)), firms (e.g. the CBI Pay Databank) and individuals (e.g. the British Social Attitudes Surveys). Such data have allowed us to obtain a much clearer picture of, for example, the extent and nature of union coverage and how this has changed through time.

The second group has produced economic evidence on the effects of union activity using these large data files. In particular, the work has focused on providing quantitative estimates of the influence of trade unions on pay, productivity, profits and jobs. It is rather technical in nature and somewhat unapproachable for those brought up in the British industrial relations, case study-based, tradition.

This microeconomic work has produced a series of important insights that need to be discussed before it is possible for us to speculate on the likely trends in bargaining in the 1990s. This article will provide evidence that unions have a substantial depressive effect on employment growth. Unions are found primarily in older enterprises. New, mostly non-union, firms and plants are continuously being born as existing ones die. It is normally somewhat later in their life cycle that they become unionised. If unionised plants grow innately more slowly than non-unionised plants, this imparts a contractionary influence on union membership in the economy. Consequently trade unions have to work hard to stand still.

In the first section of the article the quantitative evidence that exists on the changes in British industrial relations that occurred in the 1980s are discussed. The second section reports on the economic evidence on the effects of unions. The third section looks to the future and presents the conclusions.

Extent of Unionisation

Unlike the 1970s when union membership rose significantly, the 1980s have been difficult times for trade unions. In the 1980s union membership in the private sector declined by some two million (from 7 to 5 million)

reversing most if not all the gains made in the 1970s. The trade unions have been faced with a hostile government that has introduced a series of legal reforms to reduce the monopoly power of unions and their ability to organise. In contrast, monopoly power in the product market, which has increased in recent years via a series of company mergers, has been left largely untouched. In addition, dramatically declining employment in industries where unions have traditionally organised has resulted in lower membership and consequently lower subscription income.

Where did these two million union members go[1]? Picture the typical individual who became unemployed in the severe recession of 1980 to 1982. This individual is likely to have been:

- (1) male
- (2) manual
- (3) living in the North of England
- (4) a union member
- (5) employed in a large manufacturing plant that operated a closed shop for all or some of its manual workforce.

Large numbers of male manual union members lost their jobs and became unemployed. Sadly, some of them have failed ever to obtain any subsequent employment. In July 1987, for example, nearly one in eight (or 132,000) of the two million males who were unemployed had been continuously unemployed and claiming benefit for at least five years [2]. Along with high company profits and government legislation[3], unemployment has been the major influence on bargaining outcomes in the 1980s[4].

As can be seen from Table I, despite the dramatic decline in union membership that occurred in the 1980s, the proportion of wage and salary earners who are members of unions is little different from what it was in 1970. Figure 1 illustrates that aggregate union density has now returned to its average post War level. Moreover, there is some evidence that the decline in membership has levelled off and in some sectors is actually rising[5].

The British experience is utterly different from countries such as Sweden which has seen increases in union membership in every year since 1933 and where only 4 per cent of workers are not members of unions. In contrast, unionisation in the United States now accounts for less than one worker in five. In the US private sector, this figure is as low as one worker in ten, and still falling. We should also note that countries with relatively highly centralised bargaining systems, such as Sweden and Denmark, have performed particularly well in the 1980s.

Much of the detailed information we have available on the structure of bargaining is a few years old, deriving from the 1980 and 1984 WIRS (a third survey is about to go

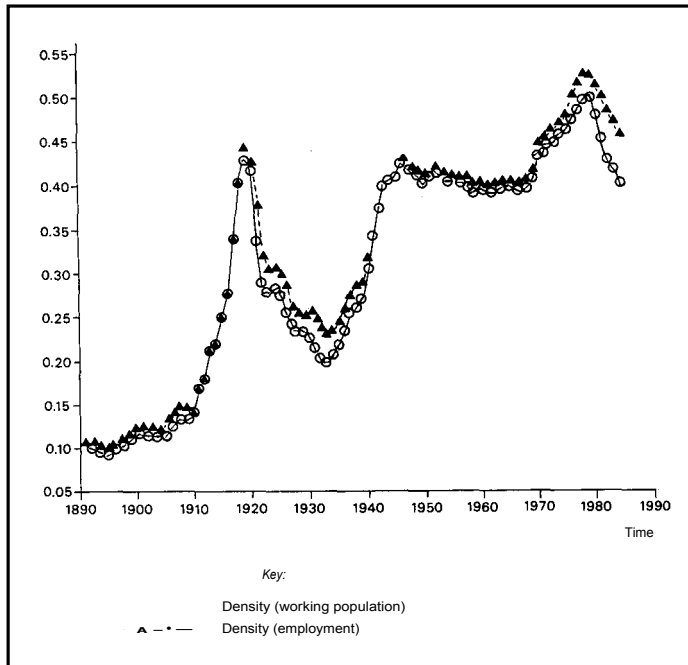
Table

Union Membership of Non-agricultural Workers, 1970-1986

	Percentage of Labour Force Unionised			Change		
	1970	1979	1985/6	1970-79	1979-86	1970-86
<i>Countries with sharp rises in density</i>						
Denmark	66	86	95	+20	+9	+29
Finland	56	84	85	+28	+1	+29
Sweden	79	89	96	+10	+7	+17
Belgium	66	77	-	+11	-	-
<i>Countries with rises in density in 1970s, stable in 1980s</i>						
Germany	37	42	43	+5	+1	+6
France	22	28	-	+6	-	-
Canada	32	36	36	+4	0	+4
Australia	52	58	56	+6	-1	+5
New Zealand	43	46	-	+3	-	+3
Ireland	44	49	51	+5	+2	+7
Switzerland	31	34	33	+3	-1	+2
Norway	59	60	61	+1	+1	+2
<i>Countries with rises in density in 1970s, stable in 1980s</i>						
Italy	39	51	45	+12	-6	+6
United Kingdom	51	58	51	+7	-7	0
<i>Countries with declining density</i>						
Austria	64	59	61	-5	+2	-3
Japan	35	32	28	-3	-4	-7
Netherlands	39	43	35	+4	-8	-4
United States	31	25	17	-6	-8	-14

into the field). However, the major changes that occurred in the 1980s took place over these years, so we can obtain a reasonably accurate picture. The best single source of these data, and an invaluable guide to Britain's industrial relations practices, is Millward and Stevens[6].

Tables II and III provide additional background data on trends in unionism between 1980 and 1984. Numbers in closed shops — particularly those covering manual workers — are falling. In mid-1984 approximately 3.6 million workers were in closed shops. In mid-1980 it was just below 5 million[6]. This downward trend has continued over the last few years because of various pieces of legislation such as the 1982 Employment Act[3]. However, the extent of collective bargaining (Table III) shows no clear trend in aggregate, but there are differences across sectors. Among manual workers the proportion of workers in services who were covered by collective bargaining remained constant, whilst in manufacturing there was a fall. In contrast, among non-manuals there were increases, most notably in the manufacturing sector.

Figure*Density of Trade Union Membership in UK: 1892-1984***Table***The Extent to which Private Sector Employees Have their Pay Determined by Collective Bargaining*

	Manuals (%)	Non-manuals (%)
1980	53 (84)	37 (63)
1984	53 (79)	40 (79)

Source: [6, Table 9.9 and 9.10 (9.3 and 9.4)]
Note: Figures are for Services (Manufacturing).

Table III*Changes in the Proportion of Workers in Closed Shops*

Sector	Proportion of Employees	
	1980 (%)	1984 (%)
Manual	40	30
Non-manual	9	8

Source: [6, Table 4.3]
Note: All establishments

Part A of Table IV documents the changes in the overall pattern of pay determination that occurred between 1980 and 1984. These arose more from structural changes in the economy than as a result of change in particular workplaces. Between 1980 and 1984 there was an *increase* in the proportion of establishments where rates of pay were determined by collective bargaining. The increase

arose primarily because of a movement in the balance between the public sector and private services and private manufacturing. Part B of the Table for private manufacturing shows that there was a tendency for collective bargaining to decline, particularly for manual workers. Part C suggests that in private services the pattern of pay determination changed little, except that there was a shift towards company-level bargaining and away from industry-wide or national bargaining for those groups of non-manual workers whose pay was negotiated.

Finally, in Table V we report on changes in the incidence of industrial action in Great Britain. It is apparent that there has been a decline in the amount of industrial action in private manufacturing over the period 1980-1984. Over the same period there was a large increase in all forms of action among non-manual workers in public services. This broad trend has continued in recent times despite legal restrictions on the right to strike. Strikes have not gone away for ever. Many strikes are now unofficial and of short duration as workers find alternative means of expressing their discontent. In many ways this has taken us back to the 1960s. Formal procedures put power in the hands of union leaders. Although this power was abused by some, on occasions it was used as a force for moderation, disciplining workers *not* to strike and forcing them to face the realities of the marketplace. Good examples are the recent docks and ambulance workers' disputes. Aggressive anti-union legislation does not seem to have produced good industrial relations.

Table IV *Basis for Most Recent Pay Increase across Establishment (per cent)*

	Manual Workers		Non-manual Workers	
	1980	1984	1980	1984
<i>Public and Private Sector</i>				
Result of collective bargaining	55	62	47	54
Most important level				
National/regional	32	40	29	36
Company/divisional	12	13	11	13
Plant/establishment	9	7	4	4
Other	1	1	2	1
<i>Private Manufacturing</i>				
Result of collective bargaining	65	55	27	26
Most important level				
National/regional	27	22	5	5
Company/divisional	10	11	8	9
Plant/establishment	26	21	13	11
Other	1	1	1	1
<i>Private Services</i>				
Result of collective bargaining	34	38	28	30
Most important level				
National/regional	19	20	12	11
Company/divisional	10	12	10	15
Plant/establishment	3	4	2	3
Other	*	2	5	

Base: establishments employing the relevant categories of workers

Source: [6, Tables 9.1, 9.2 and 9.8].

	Private Manufacturing		Private Services		Nationalised Industries		Public Services	
	1980	1984	1980	1984	1980	1984	1980	1984
Manual Workers								
Strike action	21	10	3	4	24	30	10	9
Non-strike action	20	13	3	4	25	20	8	7
Any action	31	19	5	6	41	38	15	13
Non-manual Workers								
Strike action	3	1	1	4	16	9	9	38
Non-strike action	3	4	2	2	10	11	22	31
Any action	5	5	4	5	27	19	28	44

Source: [6, Table 10.2].

The Economic Effects of Britain's Trade Unions

In this section we look at the empirical evidence on the impact of unions on wages, employment, conditions of work, productivity and profitability.

Wages

How much do British unions raise pay? To answer this one needs to have a base or comparison level. The normal one, which we adopt, is the non-union wage rate. This leaves open the difficult question of whether the level of pay of British non-union workers would be different if there were no unionised sector.

Table VI summarises the results of the six most recent microeconomic studies of the union wage "premium" or "differential", namely, the extra pay earned by unionised

workers relative to non-unionised ones. In essence the statistical methods create from the data a hypothetical "typical" worker or establishment (depending on whether the data set covers workers or establishments).

Pay depends on factors such as skill, the nature of the industry, the size of the employer, the region in which the employer operates, and so on. Once all the "controls" are entered (there may be 30 or 40 of them) the effect of unionisation *per se* can be calculated statistically. The necessity for such controls is obvious enough. Just because a unionised craftsman in the South of England earns twice that of a non-unionised junior clerk in Cleveland, it does not mean that the union wage premium is 100 per cent.

The precise answers are reported in the column headed "Estimated Union Wage Premium". There are four broad

Table VI *How Much Do British Unions Raise Pay?*

Year of Study	Estimated Union Wage Premium	Type of Collective Bargaining	Worker Category	Data Sample	Author(s)
1968	10% approx.	Union	Manual	1,038 workers	Shah[10]
1975	8% approx.	Union	Manual	5,352 manufacturing employees	Stewart[11]
1980	7-14%	Pre-entry closed shop	Skilled and semi-skilled manual	1,400 approx. establishments	Blanchflower[12] Stewart[7]
1980	0-9%	Post-entry closed shop	Skilled and semi-skilled manual	1,400 approx. establishments	[7,12]
1984	6-7%	Pre-entry closed shop	Unskilled — skilled manual	1,300 approx. establishments	Blanchflower, <i>et al.</i> [13]
1984	0-8%	Post-entry closed shop	Unskilled — skilled manual	1,300 approx. establishments	[13]
1983-1987	0-11%	Union	Manual and Non-manual	5,100 individuals	Blanchflower[14]
Notes:	(i) A very small number of closed shops have much larger premiums (3 per cent of establishments have union wage premiums above 25 per cent[7]). (ii) When the 1980 and 1984 data are used in a consistent way, the estimated closed shop premium is approximately the same in both years.				

conclusions from Table VI. First, if one wishes to have a number to represent the average effect of Britain's trade unions on pay, it may not be too misleading to take that number to be 10 per cent or just under. Second, wages are raised principally by closed shops. The latest estimates suggest that pre-entry shops raise pay the most; post-entry shops come next with a small but positive effect; and open shops (the norm in Britain) have a negligible impact on pay. Third, there is no evidence that the union wage premium has changed over the last few years. My own work with Andrew Oswald, for example, finds that both for the 1980 and 1984 WIRS data sets the average pre-entry shop effect is to lift pay by about 7 per cent. Fourth, analysis reveals that — just as commonsense and observation suggest — there are a few closed shop establishments where the union wage premium is much higher. Stewart[7] calculates that 3 per cent of establishments have a union wage premium of more than 25 per cent.

In a recent cross-country study of labour markets Blanchflower and Oswald[8] found that union wage premiums in Britain between 1985 and 1987 (8 per cent) were similar to those in West Germany (7 per cent), Austria (7 per cent), Hungary (8 per cent) and Switzerland (4 per cent), but somewhat lower than in Australia (12 per cent) and much lower than that for the USA (25 per cent).

Trade unions reduce wage inequality. In Chapter 5 of Freeman and Medoff[9] the authors summarise several studies showing that unions standardise rates of pay across firms in the United States. The wages of minority groups are therefore relatively higher in union workplaces than elsewhere. There is also British evidence that workers of low skill gain most from unions as do West Indian and Asian workers. We have recently found comparable evidence — using the National Child Development Study — that trade unions raise the relative pay of disabled workers compared with the able-bodied and of women relative to men.

A related issue is that of whether the forces acting on wage setting in Britain's unionised sector are different from those in the non-unionised sector. Table VII suggests that, with one exception, they are not. The table gives questionnaire answers from 1,267 managers in the private sector in 1984. Respondents were asked to explain in their own words (no prompts were given) what had been the primary factors shaping their most recent pay settlement. The numbers refer to the percentage of establishments where managers cited that answer. The single most common reply was that of "profitability and productivity". Corroborative evidence of this factor's importance comes from the CBI data used by Gregory *et al*[15]. Although it cannot be conclusive, time series evidence is broadly consistent with this: Figure 2 appears to indicate that rises in real earnings (pay increases minus price increases) follow rises in real profits.

Table VII. *The Forces Shaping Union and Non-union Wage Rates*

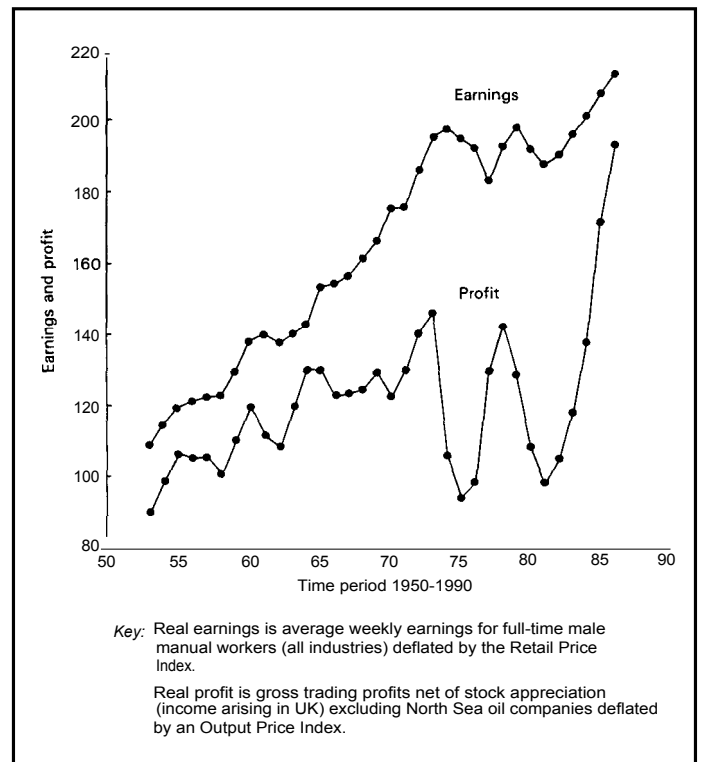
In 1984 a nationally representative sample of 1,267 personnel and general managers were asked:
 "What factors influenced the level of pay in the most recent settlement?"

They were asked to answer in their own words: no prompts were given. Their main answers were:

Managers' answers	Union sector (Manual)	Non-union sector (Manual)	Union sector (Non-manual)	Non-union sector (Non-manual)
	(%)	(%)	(%)	(%)
Profitability/productivity	34	35	37	38
Increasing cost of living	34	29	37	32
Going rate in industry	15	23	13	19
Merit/individual performance	4	20	5	33

Source: [16]
 Note: The figures are for establishments in the whole of the private sector. Managers were allowed to cite more than one influence. Various less common answers are omitted. Hence these columns do not sum to 100 per cent.

Figure 2. *Real Earnings and Profit Levels: 1953-1986*



The first three factors in Table VII are cited in very similar ways by the managers of unionised workplaces and non-unionised workplaces. It therefore appears to be a mistake to think of the two halves of the economy as quite different.

As the fourth line of the table shows, the factor "merit/individual performance" is rarely mentioned by those in unionised establishments, but it is cited by between one-fifth and one-third of managers in the non-union sector. This is consistent with the idea that unions impose a degree of uniformity and standardisation on pay structures.

Employment

Most economists believe that an employer who is required to pay a higher wage will tend, other things constant, to hire fewer individuals. If so, unions which push up pay produce lower employment.

Table VIII contains some relevant evidence. It shows a strong apparent relationship between employment growth and the type of union status at the establishment. For example, one-third of all non-union private sector establishments grew between 1980 and 1984 by more than 20 per cent. Yet only approximately one-tenth of closed shop establishments did so. That pattern holds for all categories, as the table shows, which might be thought to indicate that unions are bad for employment growth. Because of the important implications of such a conclusion, it is necessary to interpret these results cautiously.

There are two obvious reasons why fast employment growth is bound to be associated with low unionism. One is that employment expansion is proportionally greatest in new small establishments in which unions have not had time to organise the workers. Another is that British unions are heavily concentrated in the so-called traditional industries which in many cases are declining internationally. Thus, it might be argued, the association between unionism and employment performance identified in Table VIII could be nothing to do with a causal link from union activity to jobs.

Table VIII *Employment Change 1980-1984 (per cent)*

	Decrease of 20 per cent or more	Decrease of 5-20 per cent or more	Stable	Increase of 5-20 per cent or more	Increase of 20 per cent or more
Private sector	22	23	15	16	25
Non-union	15	19	16	17	33
Open shop(s)	27	25	14	17	18
Closed shop(s)	37	30	13	12	9

Source: [17, Table 2].
Notes: As an aid to reading the table, the top left hand "22 per cent" means that 22 per cent of private sector establishments reduced their labour force by more than one-fifth. Among closed shop establishments, 37 per cent did so (bottom left figure).

In a recent study[17] we have found that even when appropriate statistical controls are incorporated, there is still evidence of an effect from unionisation on the rate

of increase or decrease of employment. Unions reduced employment growth in private sector establishments by between 2.5 and 3 per cent per annum during the early 1980s. There is little evidence of such an effect for the 1970s.

Conditions of Work

Trade unions have other effects. It seems likely that union activity:

- (1) improves representation at the workplace (on matters of health and safety, for instance)
- (2) produces greater fringe benefits — sick pay and the like — for employees.

Tables IX and X provide examples. Unionisation appears to lead to better fringe benefits for workers and more consultation about issues such as health and safety at work. There is also a great deal of evidence of such effects for the United States. Freeman and Medoff[9] summarise the effect of trade union activity on fringe benefits as "considerably greater in percentage terms" (p. 77) than on wage rates.

Table *Health and Safety Consultation in the Private Sector*

	Establishments with Recognised Unions (%)	Establishments with no Recognised Unions (%)
No health and safety representation	16	43
Joint health and safety committee	31	12

Source: [6, Table 6.5].

Table *® Unions and Fringe Benefits*

Existence of	Union Member
Sick pay	More likely
Pensions and lump sums	More likely
Holiday entitlements	More likely
Company cars	Less likely
Meal vouchers	More likely

Note: From[18] using Townsend's data on 2,000 employees.

Negotiation

A question of some importance is that of whether union influence has changed over the period since Mrs Thatcher came to power. As Table I made clear, there is no evidence that there have been significant changes in the union wage premium. However, on non-pay issues there

is some indication of a decline in unions' negotiating ability. Table XI contains further information from the WIRS. It shows an apparent fall in the extent of negotiation between management and unions over the period 1980 and 1984. Very roughly, negotiation over the listed factors (conditions, redeployment, staffing and recruitment) has halved. Managerial control over these has apparently increased over the period.

Table XI. *What Proportion of Establishments Have Joint Regulation of Non pay Issues?*

Negotiations at Establishment Level	Manual Unions		Non-manual Unions	
	1980 (%)	1984 (%)	1980 (%)	1984 (%)
Physical working conditions	63	37	54	29
Redeployment within establishment	61	32	53	25
Staffing/manning levels	46	24	31	17
Recruitment	42	15	32	11

Source: [6, Table 9.19 and 9.20].

Note: The figures cover all establishments and the statistics refer to recognised unions.

Profits

There is some evidence that unionisation reduces profitability. Chapter 12 of Freeman and Medoff[9] documents the statistical findings for the United States. Blanchflower and Oswald[16] produce similar conclusions for Great Britain.

Productivity

The effects of British trade unions on labour productivity have recently been analysed by Metcalf[19]. After a review of a dozen industry and company level studies he concludes that, contrary to some results in the United States reported by Freeman and Medoff[9], "the weight of the evidence suggests that union presence is associated with lower labour productivity". This conclusion has been challenged by Callaghan[20]. It seems fair to say that the evidence on the relationship between unionisation and labour productivity is somewhat weak. A great deal remains to be done.

Conclusions

On the basis of the evidence presented above we conclude that:

- (1) Union membership rose significantly in the 1970s and fell back in the 1980s to its average post War level.

- (2) Union density in Britain is still higher than in a number of our major trading partners including the USA, Japan, Canada and West Germany.
- (3) Closed shop membership declined dramatically in the 1980s.
- (4) National bargaining is in decline for manual workers in private manufacturing.
- (5) Official strikes have recently been low but unofficial strikes are on the increase.
- (6) The typical trade union has relatively little effect on wages. Closed shops, however, raise pay on average about 10 per cent or just under. A few pre-entry closed shops increase wages a lot more.
- (7) There is no evidence that these union wage premiums have changed significantly over the last decade.
- (8) Trade unions reduce wage inequality within the workplace. For example, they raise the relative wages of women compared to men, the disabled compared with the able-bodied, racial minorities compared with other workers, and the unskilled compared to the skilled.
- (9) The factors influencing pay in the union sector are similar to those which shape pay in the non-union sector: it is a mistake to see the sectors as quite different from one another. However, payment for "merit" appears to be more important in non-union establishments.
- (10) There is a correlation, at the establishment level, between low degrees of unionism and fast employment growth. Unionisation may contribute to employment decline.
- (11) Unions obtain for their workers both better fringe benefits and better consultation about such things as health and safety.
- (12) Between 1980 and 1984 there appears to have been a considerable decline in joint negotiation of non-pay issues.
- (13) British trade unions appear to reduce company profits.

These are inevitably broad generalisations. It remains to be seen whether, as better data become available, they stand the test of time.

On the basis of the evidence presented above, what will bargaining look like in the 1990s? The dominant influence will inevitably be the economic and legal climate in which bargaining takes place. There are signs that a significant contraction is imminent as the economy slows down, after having been overheated. Skill shortages and low investment in the infrastructure are now causing major problems — ask anyone who travels around London. These

difficulties will inevitably be exacerbated by the high levels of interest rates currently operating. They will have the effect of reducing investment, lowering company profits, reducing house prices and ultimately increasing unemployment. The alternative is higher inflation.

The high unemployment during this decade has had some important effects on industrial relations. I believe that some commentators have misinterpreted these changes as alterations in long-run trends. Low unemployment is returning and with it is likely to come a return of many of the characteristics of British industrial relations in the 1970s.

Workers tend to adapt in the face of changes in the legal framework of bargaining. Naturally they do their best to get around legal restrictions. One example of this, now visible in Britain, is that if a government makes official strikes illegal, workers simply tend to use other forms of industrial action. Thus the long-run impact of the industrial relations legislation that has been implemented over the last ten years is likely to be smaller than is at first apparent.

In my view bargaining in the 1990s, as in all the post-war period, will remain primarily collective in nature. It does appear that unions confer significant benefits on their members. With lower levels of unemployment than existed for most of the 1980s, workers are likely to be in a stronger bargaining position. There seems to be a desire among some groups of workers to make up lost ground. Employers in the 1990s are going to find it much more difficult to impose their will than they did in the 1980s. The balance of power is shifting.

References

1. Carruth, A. and Disney, R., "Where Have Two Million Trade Union Members Gone?", *Economica*, Vol. 55 No. 1, 1987, pp. 1-20.
2. Employment Gazette, various issues.
3. Freeman, R.B., Medoff, J.H. and Pelletier, J., "The Impact of Industrial Relations Legislation on Union Density in the UK and Ireland", mimeo, National Bureau of Economic Research, Boston, Massachusetts, 1989.
4. Carruth, A., Disney, R. and Oswald, A.J., *Pay Determination and Prosperity*, Oxford University Press (forthcoming).
5. Blanchflower, D.G., Crouchley, R., Estrin, S. and Oswald, A.J., "Why Do People Join Unions?", mimeo, Centre for Labour Economics, London School of Economics, 1989.

6. Millward, N. and Stevens, M., *Workplace Industrial Relations 1980-1984*, Gower, Aldershot, 1986.
7. Stewart, M.B., "Collective Bargaining Arrangement, Closed Shops and Relative Pay", *Economic Journal*, Vol. 97, 1987, pp. 140-56.
8. Blanchflower, D.G. and Oswald, A.J., "Working Internationally", in Jowell, R., Witherspoon, S. and Brook, L. (Eds.), *British Social Attitudes: The International Report*, Gower, Aldershot (forthcoming).
9. Freeman, R.B. and Medoff, IL., *What Do Unions Do?*, Basic Books, New York, 1984.
10. Shah, A., "Job Attributes and the Size of the Union/Non-union Differential", *Economica*, Vol. 51, 1984, pp. 437-446.
11. Stewart, M.B., "Relative Earnings and Individual Union Membership in the UK", *Economica*, Vol. 50, 1984, pp. 111-26.
12. Blanchflower, D.G., "Union Relative Wage Effects: A Cross-section Analysis Using Establishment Data", *British Journal of Industrial Relations*, Vol. 22, 1984, pp. 311-32.
13. Blanchflower, D.G., Oswald, A.J. and Garrett, M.D., "Insider Power in Wage Determination", *Economica*, Vol. 57, 199, pp. 143-70.
14. Blanchflower, D.G., "Fear, Unemployment and Pay Flexibility", DP No. 344, Centre for Labour Economics, LSE, 1989.
15. Gregory, M., Lobban, P. and Thompson, A., Wage Settlements in Manufacturing: Evidence from the CBI Pay Databank", *British Journal of Industrial Relations*, Vol. 23, 1985, pp. 339-58.
16. Blanchflower, D.G. and Oswald, A.J., "Profit Related Pay: Prose Discovered?", *Economic Journal*, September, 1988, pp. 720-30.
17. Blanchflower, D.G., Millward, N. and Oswald, A.J., "Unionisation and Employment Behaviour", *Economic Journal*, (forthcoming), 1991.
18. Green, F., Hadkimatheou, G. and Smail, R., "Fringe Benefit Distribution in Britain", *British Journal of Industrial Relations*, Vol. 23, pp. 261-80.
19. Metcalf, D., "Unions and Productivity", mimeo, Centre for Labour Economics, LSE, 1988.
20. Callaghan, W., "Trade Unions, Pay, Productivity and Jobs", mimeo, Trades Union Congress, London, 1989.

Further Reading

- Blanchflower, D.G. and Oswald, A.J., "Internal and External Influences Upon Pay Settlements: New Survey Evidence", *British Journal of Industrial Relations*, November 1988, pp. 363-70.
- Metcalf, D., "Can Unions Survive in the Private Sector?", Working Paper No. 1130, Centre for Labour Economics, LSE, 1989.