PATERNALISM, POWER AND PROFITS:
RESTRUCTURING DOMINATED LOCAL
LABOUR MARKETS IN NORTH WEST ENGLAND.

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In the process of researching this paper many people gave freely and graciously of their time. My thanks are extended to all those in Northwich, St Helens and outside who contributed, and in particular to the managers and trade unionists at ICI and Pilkingtons. This said, the delay in publication of this research reflects the displeasure of these companies with my interpretation of events. Consequently I have waited until all members of the research team had left the University of Manchester, where both companies have strong links. I have also had to refrain from publishing a considerable amount of the information collected during 1984 and 1985, to respect an agreement entered into with the firms on sensitive issues. What remains is therefore a partial, albeit still intriguing, analysis of events between 1978 and 1985 in two dominated local labour markets. The report was initially written in 1986. Large elements of sensitive information have since been cut, under pressure. I re-edited what remained in Summer 1989, in the belief that some academic value still existed in the analysis.

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Finally, as this is by no means a "final statement", any comments which are received will be gratefully accepted and carefully considered.
INTRODUCTION

Labour market dominance by a single large company has played a prominent part in both the historical development and the current employment prospects of many small and medium-sized British towns (Lever, 1978, 1980). In recent years the incidence of dominance has declined markedly throughout Britain, particularly as industrial decline has set in amongst older industries - often the ones which evolved with a dominant town relationship, most notably involving shipbuilding, the steel industry and coal mining (Lever et al., n.d.). By contrast, in the immediate post-war years, local employment dominance was frequently accentuated, particularly where merger activity had been substantial or nationalisation taken place.

It is a basic premise of this paper that the existence of labour market dominance creates a climate which helps foster a series of special social and economic relations within the local area, which together have historically served to allow the dominant firms to invade more pervasively both the domestic sphere and any number of local institutions, from the local council through to the bench. These actions together create countless possibilities for corporate influence on social regulation, primarily through the production process. It is by marrying the historical, economic and the social aspects of labour market dominance and their continuing influences in a period of acute economic recession that this study aims to begin to unravel the complex issues of how the workforce and the dominant firms have adjusted to the undermining of labour market dominance.

The restructuring of two dominated local labour markets in North West England, Northwich and St. Helens, is analysed here predominantly in terms of the historical construction of labour market behaviour in these localities and how this has influenced contemporary local responses to global industrial and corporate restructuring imperatives. A particular focus of concern is how the condition of dominance and the existence of forms of
paternalism have facilitated in situ change. The transformation of old industrial areas emerges as a complex multi-faceted process, rather than the unilinear process of decline sometimes implied (Steiner, 1985). For the large, multi-national companies studied here, local paternalism has a continuing role in expediting economic change, albeit in a context of reinforced traditionalism which stresses local social stability.

During the present century the growth of large, multi-plant transnational companies (Dicken, 1986) has coincided with the shift of government regulation away from local towards national government and in part to supra-national bodies such as the European Community. One result of this is that the local nexus of power is no longer as fundamental as it once was. Large corporations can now exercise their influence to respond to opportunities at a wide variety of levels, local through to international, and this they undoubtedly do.

As we shall see, the local arena is, nonetheless, one of considerable concern for industrialists. A variety of management strategies and techniques exist at this level, all informed by global corporate policy but adapted to meet local circumstances. Some of these, either in part or whole, come under the broad banner of paternalist techniques, though the majority do not. Paternalism is a term used here to denote a series of non-pecuniary relationships between a large employing organisation and both its employees and the community within which they are based. The possible permutations of paternalist intervention are many, varying widely across localities in both objectives and application. As a result, no two paternalist influenced labour markets operate alike, their main similarity being their dissimilarity with other types of labour market.

It is necessary at the outset to identify the main characteristics of traditional paternalism since the term is far from unambiguous (Warde, 1989). Sociological literature on this topic has illuminated the broad subject area, focusing on notions
such as the role of an "elite" (a bourgeoisie), the role of the
deferential worker (Newby, 1975, 1976), and most important of all
the idea that "economic and political power is stabilised through
the legitimating ideology of traditionalism" (Norris, 1978, p.
471). Newby (1975) identifies four ways through which the
essential but differing requirements of differentiation and
identification are expressed: the role of the gentleman's ethic,
the ideology of localism, the existence of the gift relationship
and the need for a hierarchical structure. These are factors
which, as we shall see, recur in our study of dominated labour
markets in the late twentieth century, even through the basis for
many of them has been increasingly undermined in recent years.

A further element to be added to Newby's four requirements for
industrial paternalism would need to be the style of local
industrial relations, particularly reflected in direct contact
with individual workers and a propagation of the belief that work
conditions taken in total (wages, conditions, gifts) better those
available elsewhere. Passivism is inculcated over a period of
time by the joint belief that not only are few alternative local
work options available, but also they would be inferior options.
In some cases this is true, even in recent years with the move
towards (and still more recently back away from) national pay
bargaining.

It is important then to recognise that the wage relation
represents just one part of the total employment relation, which
affects both the place of work and the home.

The combined impact of these paternalist elements helps to reduce
labour turnover and its attendant costs and to increase tacit
control via internal labour market procedures, so that kinship
regulation supports management discipline exercised from both
within and outwith the firm (Grieco, 1987; Fevre, 1989). However,
as Cooke (1989) points out, paternalism is infinitely complex
and variable in its local manifestations, ranging from active and
stifling to passive and enervating. In both the localities
studied here, paternalism managed to combine all four such characteristics.

The key to the present approach lies with the disaggregated study of power relationships: how various forms of power are obtained, wielded and counteracted by other forms of power. Concepts of power envisaging a relationship where "one person or group must dominate and another obey" (Kiloh, 1975 p.100; Duverger, 1972) are purposefully discarded as overly simplistic. In their place a form of analysis of power is adopted which stresses the genealogy of local corporate power, particularly the evolution of the dominant firm's local community relationship as one means to uncovering the variety of objectives, techniques and results involved with corporate dominance. Following from the work of Foucault (1972, 1978) attention is concentrated on power strategies rather than power structures, involving an emphasis on local connectivities rather than a simplistic structural determinism.

The starting point in examining power strategies in the dominated labour market context during a period of acute recession was the belief that, as the dominant firm's local employment diminished, so did its local power base. Inter-relations with the local community and the local state are regarded as important, since these are to varying extents mediating influences through which the dominant firm can impact upon its workforce. Paternalistic influence was seen as a vital mechanism by which the rate of loss of local influence on workers might be retarded, so that it did not reflect the rate of job loss. Because the old forms of paternalistic intervention within the community especially had largely fallen into inactivity, it was regarded as important to see whether old forms of paternal activity were resuscitated, re-shaped for modern times or new modes of intervention instituted.

This study also adopts many of the elements of the new locality perspective (Cooke, 1986), particularly insofar as it examines the historical antecedents of the local cultural and political
milieux, both at the workplace and in the community, whilst concentrating particular attention on the nature of local industrial relations. The present approach places considerable emphasis on the nature of firms as being unique and historically seasoned by local allegiances. In other words, it is not just localities which need to be regarded as unique manifestations of local, cultural, political, social and economic relations. Moreover, this study places localities firmly into the context of their relationships with other localities, particularly those in the same sub-region. The paper is structured so that an initial contextual and historical background is followed by more detailed discussion of contemporary change. Finally, the study relates events in the two study areas to Massey and Meegan's (1982) three strategies for production and employment restructuring, illustrating how important the role of technological change was in the different approaches of the two companies studied in translating corporate decisions into the local sphere.

METHODOLOGY

Two labour markets were adopted for detailed study, the St. Helens and the Northwich Travel-to-work Areas (TTWAs) (using August 1978 definitions), dominated respectively by Pilkingtons in the glass industry and ICI's alkali chemicals operations. Both were chosen as areas which experienced massive industrial restructuring during the early 1980's. The initial intention was to examine the processes of global industrial restructuring as they were translated down into the local sphere. In the event it was a bottom-up view of localities' restructuring which prevailed. Dominated local labour markets were deemed as particularly appropriate for this task, due to the relative transparency of what were inevitably complex processes. In both case studies, the approach adopted followed a similar pattern, with only minor variations in the exact responsibilities of the people contacted in the respective labour markets.
Introductory talks were held with executive level decision-makers of both dominant firms. Access was subsequently granted to the personnel files of the two firms allowing detailed analysis of their changing employment structures. In order to expand on the possible interpretations of these changes, follow-up meetings and site visits were arranged involving contact with management at a variety of levels. This latter approach provided an essential characteristic of the approach pursued, as it was felt necessary to explore different internal perspectives of the firm, its process operations, personnel policies and interaction with the local community, rather than take the overview of a single senior executive as the only possible interpretation of events from the management perspective. Shopfloor views were solicited both from union representatives, again at various levels and from the different unions involved, and directly from ordinary workers.

Views from elsewhere in the local area were sought which extended and amplified our knowledge of the dominant firm's role within the community. Various officers of the local authorities were interviewed in connection with the local political scenario, industrial promotion, housing, planning and the authorities' own personnel practices. This latter aspect was of particular interest as in both instances the local authorities themselves were substantial employers, more so in St. Helens than in Northwich. Contact was also established where possible with other key local actors such as small firms agencies, trades council representatives, journalists, current and past local councillors. A formal questionnaire survey was undertaken of eighty-five local employers, aimed at understanding the dynamics of local labour market operations in the context of recession and dominance. In the course of these interviews, the opinions of local managers were elicited as to the role of the dominant firm in matters such as wage-setting and training.
THE DOMINANT COMPANIES AND THE DOMINATED LABOUR MARKETS

St. Helens

The St. Helens Travel-to-work Area is a classic case of the dominated labour market. At the time of the 1981 Census of Population, there were 143,233 residents in the area, of whom 56,892 were in paid employment, 76 per cent of them in the area itself, whilst 12,233 other workers commuted into the area. In the financial year ending March 1981, the average number of people employed locally by Pilkingtons amounted to 11,500, accounting for some 20.8 per cent of the area's total employment, 56.4 per cent of its manufacturing employment (in 1971 the figures were 27.4 per cent and 51.6 per cent respectively). Pilkington Brothers has rapidly internationalised over the past fifteen years and possesses extensive overseas interests, employing a global total of 16,700 workers by 1985.

During our main study period, Pilkingtons' employment in St. Helens shrank from an average of 12,500 in the financial year ending April 1978 to an average of 7,700 (-41 per cent) in the financial year ending April 1985. During the same period, employment in other parts of the company's UK operations fell by 1,700 (-17 per cent), whilst its overseas employment expanded by 17,300 (+173 per cent). Thus despite the laudable decision to remain based in St. Helens, for a variety of reasons the area's contribution to the corporate whole undoubtedly shrank. New plant and other substantial investments have, nonetheless, been made in St. Helens in recent years. It would consequently be unfair to maintain that the company is pursuing a straightforward but gradual policy of neglecting and cutting back its St. Helens production in favour of its other operations. The true picture is much, much more complex.

St. Helens evolved as a glass making essentially for the classic geographical reason of proximity to the raw materials necessary for production (sand and salt) and an energy source (coal). By the mid-nineteenth century the area was firmly established as one
of the country's three major industrial glass manufacturing centres (along with Birmingham and Sunderland), with the fledgling Pilkington concern already locally much in evidence. It should be stressed that the company's rise to its present "dominant" status was very gradual, finally being achieved only as late as the 1960s (Lane and Roberts, 1974, p.29). By the late 1960s, Pilkingtons was employing some 15,500 people in St. Helens whilst its two closest rivals, United Glass and Rockware employed around 3000 between them. Just as Pilkingtons more or less halved its local workforce in the following fifteen years, so too did the town's other two major glass manufacturers.

British glass production declined markedly during the late 1970s and early 1980s, most acutely during the recession of the later years. Falling car production made a strong dent on the national glass market, as did the downturn in building construction. Simultaneously, there emerged a widespread switch in the container packaging industry from glass to plastic materials, especially in bottling. Pilkingtons appear to have weathered the storm well, aided by the development of its specialist glass products involving less volatile parts of the market. The company's years of low profit in the early Eighties tend to reflect the one-off costs of redundancy payments. In 1986 the company successfully fought off a take-over bid by BTR. As this lay outside 1978-1985 study period this event is not examined here in-depth.

Northwich
At first glance, the extent of ICI activity in the Northwich TTWA reveals a much lesser degree of dominance than that of St. Helens. In 1981, ICI employed approximately 4,500 locally out of a total in employment of 33,433, representing just 13.5 per cent of all employment and 32.2 per cent of manufacturing employment. This picture is, however, somewhat misleading. Unlike St. Helens TTWA, which embraces only the town itself and some suburbs, the Northwich TTWA extends to cover the towns of Winsford and Middlewich in addition to Northwich itself. As
such, this study area consisted of three separate towns, each with a distinct personality. Middlewich is in many senses a typical, pleasant, small rural Cheshire town with a scattering of light and agricultural industries, plus the operations of British Salt on its outskirts. It is relatively prosperous and actually managed to increase its manufacturing employment substantially between 1978 and 1981.

Winsford lies between Middlewich and Northwich, an exceptional settlement which has largely shaken off its origins as a salt town, though it is here that ICI's salt is still obtained, from Britain's only salt mine. The town was designated as a "town expansion" centre following the 1952 Town Development Act, receiving overspill population at first from Manchester and, subsequently, in much larger numbers, from Liverpool. The town's population jumped from 12,800 in 1961 to nearly 27,000 in 1981. In order to absorb these in-migrants a programme for attracting industry to the town was embarked upon, successfully implantaing a series of substantial factories on the Winsford Industrial Estate, aided by the award of Development Area status in the mid-1960s, due to the town's strong Liverpool connection. Indeed in 1966 Winsford Employment Exchange area had a higher unemployment rate than any employment exchange in either Merseyside or Manchester. Two of the largest branch plants subsequently collapsed in late 1980/early 1981 involving the loss of over 2,700 jobs. The arrival of this influx of industry and population clearly exercised a profound effect on the Northwich TTWA, helping further undermine ICI's labour market dominance and substituting other firms with a more localised and shortlived, but nonetheless profound, labour market dominance. Equally important, a different kind of community was implanted into mid-Cheshire, with the incomers widely regarded as being more marked by militant labour attitudes and moving into what generally proved to be poorly-built low quality housing. Assimilation of such large numbers has been slow and the contrasts between the indigenous and the migrant residents remain evident to those who live there.
On census night in 1981 the town of Northwich recorded a usually resident population of 17,098, a 5 per cent decline on the figure ten years previous. Adding in the surrounding ring of suburbs such as Lostock Gralam would effectively double the total. It is here that ICI's Mid-Cheshire activities are concentrated, with two large production complexes, Lostock and Winnington/Wallerscote, the latter representing a merger of two separate sites as part of the company's local rationalization, with Wallerscote now largely closed down (from 1983). Within the Northwich Employment Office area, ICI's dominance emerges as considerably more marked than in the wider travel-to-work area, accounting for 22.2 per cent of all employment and 67.8 per cent of manufacturing jobs in 1981, 27.3 per cent and 64.5 per cent respectively in 1973.¹ Between 1979 and early 1985 ICI Northwich/Winsford shed approximately 2,000 jobs, a decline of -38 per cent, which most acutely affected general process workers.

Unlike Pilkingtons which is still centred on St. Helens, ICI is based in London. Mond Division, to which the majority of the mid-Cheshire operations report, is nonetheless the size of a major company and is based in Runcorn, some twelve miles away. Northwich's role in ICI is now relatively minor, accounting for just 3 per cent of the company's 115,000 worldwide employment in 1985. This is in part attributable to ICI's corporate policy of overseas expansion and in part to UK product developments which have taken place outside Northwich for a variety of reasons. Historically, however, Northwich constituted an important part of the firm's operation, with Brunner-Mond, initially based primarily in Northwich, the largest of the four merging constituent companies which in 1926 formed ICI. The Brunner-Mond fortunes were based on the local salt reserves and a chemical process which put simply combined salt, limestone, water and heat to bring about a chemical reconstitution, of which the

¹ The ICI employment figures here exclude the Winsford salt operations.
major product is soda ash, used by the glass and the detergents industries in particular. Unlike the tremendous technological improvements introduced by Pilkingtons for the glass industry, the basic processes in the alkali business have remained unaltered for 60 years, with modifications largely centring on improved energy efficiency, production monitoring procedures and subsequent product handling and packaging techniques.

ICI's monopoly position of soda ash supply has been challenged in recent years by competition from imported natural soda ash deposits in North America. The absence of processing costs for this source offsets the high transport costs borne by this high volume, low-price commodity, to allow effective competition, with its success largely determined by the fluctuating sterling:dollar exchange rate. To this end, ICI has actively lobbied governments at both national and European level to manage exchange rates better (ie. in favour of exporters, such as ICI) and to protect itself against what it regards as the "dumping" of the underpriced American product. The latter has been in part successful, with import restrictions introduced in the early 1980s. Problems still exist for the Northwich works as product demand has continued to fall, influenced by the declining glass industry in particular.

THE HISTORICAL DEVELOPMENT OF DOMINANCE AND PATERNALISM

ICI

The high profile public benevolence which prevailed in Northwich during the latter of the nineteenth century was subsequently gradually wound down, so that by the time of the 1920s and 1930s Depression the figurehead role within the local community of the firm was less marked.

Extraordinary though it may seem the impact of many of the
philanthropic gestures made nearly a hundred years ago (at a time when no or minimal local rates were paid by the company into the community) still colours local residents' view of the dominant firms' role in both Northwich and St. Helens. When asked in 1985 what ICI's contribution to the community was, a not infrequent comment was that it set up the local library (in 1885!) and two schools (1886 and 1898). Such schools and libraries were set up ostensibly for the most altruistic of reasons, but of course in educating future workers to the standards which the firm required, it has to be remembered that a sound investment was also being made. ICI made school attendance, in their own time, mandatory for its child employees, expressly to countermand the wishes of "drunken fathers". This was only one of many such paternalistic incursions into the domestic sphere, tied company housing being the main strand. Sacked or resigning workers lost not only their job but their house well into the 1960s.

The great patriarchal figure of the firm, then Brunner-Mond, later ICI, was Sir John Brunner. It was he who bestowed the library, schools and three chairs at nearby Liverpool University and, in 1899, presented the Guildhall in Winsford to the Urban Council for the use of trade union and friendly societies. At the opening ceremony of the Guildhall, Sir John was presented by the Trade and Friendly Societies and by the Boilermakers and Iron and Steel Shipbuilders Society with an illuminated address which included the following unreserved recommendation: "an expression of the high esteem for all he has done for the benefit of his employees and which has been an example for good to all Employers whereby thousands of other workers have indirectly benefitted". Whilst it is tempting to dismiss this as a sycophantic product of a particular time and place and to conclude that Sir John was doing no less than he should have been doing, taken in context it can be seen that Brunner-Mond were enlightened employers. Contrary to the spirit of the times, Sir John actively encouraged craft union formation and membership as a legitimate channel of communication (and, later, under duress, general unions), provided sick benefits, a week's holiday with pay and, in 1890
and 1895, actually reduced working hours. Alone amongst local employers Brunner-Mond supported the Parliamentary schemes for compensation to those affected by subsidence related to brine extraction.

Sir John became a politically active local figure, gaining the Northwich Parliamentary seat in 1885 for the Liberals from his Tory archrival, W. H. Verdin, a fellow benefactor whose gifts included Verdin Baths, Winsford, Verdin Baths, Northwich, the Victoria Infirmary, Northwich, Verdin Park, Northwich, Verdin Technical Schools, Winsford and Northwich, and Albert Infirmary, Winsford. Taken in the context of the political rivalry between the alkali manufacturer and the salt manufacturer, Sir John's local philanthropic gestures assume an altogether different meaning. On election night in 1885 after the poll had been declared, according to The Manchester Guardian, "The disreputable classes of Northwich seem determined to keep up their notoriety for rough play during election time", whilst The Times reported that "shortly after 7pm the Riot Act was read....The police made a determined charge with truncheons, and the streets being narrow and crooked, several deplorable accidents occurred. The Liberals indignantly denounced the action of the police as brutal....The public library has been closed to guard against retaliation, the building being the gift of the Liberal candidate". Brunner lost his seat the following year in the election. Just one year later the new Member, W H Verdin once again, died and Brunner was re-elected to office with a substantial majority which the Times ascribed to Brunner's being an exceptionally strong candidate, stating that "all the men of Northwich did was to assert their unalterable belief in salt" in response to the alternative of the young Lord Henry Grosvenor, whose very family name aroused local disdain.

These brief historical snippets do much to emphasise that the labour docility frequently remarked upon in subsequent years was no readily achieved phenomenon. Indeed, in 1868, a strike occurred which lasted two and a half months, involving 7,000
employees in a variety of local salt firms. Ultimately most employers acceded to the demands for higher wages, with the notable exception of a man named Falk. Falk stood his ground and imported first Germans and then Poles from Liverpool to take the place of the strikers and work at lower wages, an act which embittered the local populace. In spite of the fact that no worker ever stayed for longer than seven and a half years with Falk, living in company houses of "deplorable squalor and with gross overcrowding", Falk managed to continue to attract foreign workers to his salt mine. Compared to such men, Brunner was the personification of industrial enlightenment whatever his faults, a fact of which the Northwich workforce was only too well aware.

The ICI merger of 1926 saw an end to the dynastic aspect of dominance in Northwich. In its place came the professional manager, a category which is by no means uniform or static in composition. The exercise of local power became a matter of increasing subtlety, with the adoption of a low-key public profile. By the very nature of its size the dominant firm inevitable exercised a form of power; what changed was the way in which it was wielded. In Northwich, ICI developed a very strong "old boys network" style of management. Recruits into the upper levels of management tended to be science graduates of Cambridge or Oxford, selected in part on their ability to settle into a social life which had at its nub the plush surroundings of the Winnington Hall Club. A quotation gathered by Andrew Pettigrew gives a good feeling for the attitudes which prevailed through until 1964:

"They didn't know what a chemical engineer was. I was one of the few they interviewed who didn't come from Oxbridge. They tried to find out if I was a chemist or an engineer, and concluded I wasn't either. The whole atmosphere was, are you a gentleman or not? I felt technically I didn't have what they required. The Personnel guy asked me if I would be prepared to help run the scout troop that Alkali sponsored. I said yes. I'm absolutely sure that's why they
offered me a job."

(Pettigrew, 1984, p 330)

An alternative aspect of this management style was its benevolent paternalist content. Once more tales abound, possibly apocryphal, of instances of management largesse. These include the tale of the worker handing in his notice on a Friday, being killed on the way home and managers "losing" the resignation note so that the family did not lose out on the ICI welfare package for families of employees who died in service. Such tales, true or not, have served the company well for many years. The very fact that the climate exists in which they can be believed is also significant, because there is no doubt that ICI still places considerable emphasis on the social welfare of ex-employees.

In 1964 the cosy position of ICI Northwich and its own particular style of management was challenged by the formation of Mond Division. This involved a traumatic merger with the General Chemicals group and the more abrasive commercial management techniques of the Runcorn-based hierarchy in particular. In the battle for supremacy, the General Chemicals ethos won soundly, with a relatively rapid transition occurring, during which time the power of the old Northwich management became diluted. This was the period still known in ICI as the "Night of the Long Knives" (Pettigrew, 1984). The "old guard" was overturned and replaced by the more market and profit orientated incomers.

This change affected the local community relationship only slowly. No about faces emerged. The firm continued to exercise its influence in the same multiplicity of ways as before, through the "capillaries" of power, maintaining influence through the bench, the press and other local institutions. This was less plot, more a natural result of the extent of its local dominance. To have disavowed local community responsibility would have been just as unacceptable to local people.

The continuation of the low community profile was in part a
political expediency, even though the political composition and social attitudes of the area were still more favourable to the firm than was perhaps the case in St. Helens. National government assumption of roles formerly undertaken by the firm, especially in social welfare, was only one reason for the decline in dominant firm local community involvement. The firm paid its rates and continued to provide local jobs. Beyond this there was no perceived need to promote the image of the firm in the town itself in times of low unemployment and continuing dominant firm recruitment.

Pilkingtons

Perhaps because of the continuing dynastic element to dominance in St. Helens, the historical antecedents of Pilkingtons' community activities are much less opaque than those of ICI. As a company town St. Helens is not an outstanding example of paternalistic influence. No philanthropic gestures emerged to bestow art galleries, libraries, parks or museums and no substantial garden villages were built for the workforce. Part of the reason for this is that whilst the firm is over 150 years old, its labour market dominance was not immediately achieved, reaching its zenith as late as the 1950s and 1960s, so that, in the Golden Age of Philanthropic Gestures, around the turn of the century, Pilkingtons' community obligation was perhaps perceived to be less than that of firms such as Cadburys or Lever Brothers within their particular communities. Having said this, Birch's classic study of Small Town Politics (1960) outlines the extent to which local industrialists in Glossop, none of them individually dominant, vied with each other to make donations to the community, in large part fired by religious and political rivalries, with the two rarely seen as discrete factors. The Pilkington family remained aloof from such practices, largely adhering to the Congregational church and maintaining the family pedigree with a series of intermarriages involving the Beecham and Greenhall families (the other notable local industrialist
families) from the 1840s onwards (McGauley, 1980).

The family's dabblings with local politics came to a halt at the turn of the century. Although a Pilkington was elected to Parliament in 1885 as a Tory, in 1890 a trades council nominee stood against and defeated a member of the family in local elections, and by 1906 St. Helens had returned a Labour member. Thereafter the industrialists were to discover that power could be exercised more subtly than through being politicians: to be a large employer was sufficient to ensure that the local council would be circumspect in its dealings. The personal need to live up to the Victorian ideal of "service" was satisfied by sitting on the magistrates' bench (Lane and Roberts, 1971, p27). In an appendix to his second firm/family history, T C Baker (1977) lists the achievements of the various members of the Pilkingtons boards over time. A noticeable difference undoubtedly emerges between the local activities of members of the family and other directors, with the former far more involved, fostering the view that the Pilkingtons' presence on the bench was not simply an outright means of exercising local social control but, as Lane and Roberts (1971) point out, part of the handed down family ethos of stern local paternalism. Amongst the local activities and interests listed covering around one hundred years are: County and Borough magistrates, Chairman of the bench (twice), Deputy Lieutenant for Lancashire (five times) and for Merseyside, Chairman of St. Helens National Insurance Committees, Chairman Merseyside Hospital Council, Chairman of the Lancashire Magistrates' Court Committee, vice-chairman of Policy Committee of Lancashire Police Authority, Chairman of St. Helens Saving Committee (Barker, 1977).

If ICI's local influence in community matters became less visible through the present century, then Pilkingtons' can be said to have moved in the opposite direction. As the extent of the company's local dominance increased, with the firm expanding locally through to 1979, so the Pilkington family continued to provide a high profile commitment to the community. This
continued through to the core study period (1983-85) with rarely a week passing in which the local press did not cover Lady Pilkington opening a bazaar or performing some similar function. An awareness exists of the family history and its glassmaking activities which pervades the whole of St. Helens, and the strong relationships which tie the town to the company, at least until recent years have been commonly viewed with pride.

There is, however, a much less rosy side to this relationship's development. In the early 1960s, when Ford was searching for a site for its car plant, St. Helens emerged as one of the prime candidates for location. According to a variety of sources (see, for example, Lane and Roberts, 1971; McGauley, 1980), Pilkingtons viewed this possibility with considerable consternation because of its likely impact on local wages and labour turnover, which until then the company, by virtue of its dominance, had been able to control to its own advantage. By a variety of means which are not really clear, the company is reported to have put off Ford from locating in St. Helens. This situation is widely believed to have been replicated every time an incoming firm in that period considered the town as a possible location. Interestingly, by the 1980s company policy was the exact opposite, to project its influence positively through agencies aimed at promoting local economic development.

THE DOMINANT FIRMS DURING THE PERIOD 1978-1985

ICI, Northwich

The activities of ICI managers are examined here largely in terms of their industrial and public relations. Each of these aspects is to a considerable extent guided by a nationally imposed corporate perspective, with local policies reflecting this. Much of the change within ICI which we are dealing with came as business restructuring in response to low profits in the early 1980s. Northwich was an undoubted contributor to this poor
performance and as such a prime candidate for action. The limited scope for technological improvement in the soda ash process has meant that attempts to alter work practices have arisen without the issue of new technology with which to prompt internal debates on changing work practices.

At head office level ICI business priorities in the mid-1980s were stated as being: "greater business differentiation and accountability of individual businesses, reshaping the portfolio by investment and acquisition, the development of effective and new research-led and high technology businesses, an even greater concentration on markets and strategy and a growing internationalism". After immense falls in the early 1980s, by 1984 ICI's corporate profitability had largely been restored following heavy production and employment rationalisations. As a result U.K. jobs fell by over one-third whilst overseas jobs increased by 10 per cent from 1979. Re-assessing the situation early in 1985 in the light of its successes, the Company foresaw problems as union leadership realized two things: the extent to which weekly staff numbers had been reduced, and that the survival needs of business which had justified acquiescence in running numbers down were being countered by obvious productivity and profitability improvements in most product areas. After a period in which change was ushered through under a "business imperatives" banner, some of ICI's more recent changes in terms of short-term contracts and sub-contracting were regarded as particularly contentious.

How these corporate objectives and perspectives are reflected in the local sphere is the critical issue which will occupy much of the remainder of this section. Within ICI significant scope for differences in management technique exist between localities for recruitment, induction, performance review, training, discipline, sickness, absence and time-keeping procedures, discretionary leave, travel and expenses, works numbers and facilities. The potential for local variation was, then, marked even within the rigid framework of nationally agreed pay structures and
settlements.

Managing change of the magnitude seen at both Pilkingtons and ICI might be expected to be a fraught procedure, involving strikes and poor worker co-operation. To a remarkable extent, however, both companies were able to avoid such problems with the help of generous redundancy terms, supported by their continuing welfare role for both past and present employees. Other less tangible influences were exerted by not only the historical legacy of dominance, as expressed by general worker quiescence (or dependence, see Warde, 1989) and a prevailing attitude of "the firm knows best; after all it's looked after me and my family for years, why antagonise it now", but also by simultaneous policies being introduced by managers aimed at increasing its commitment to assisting community restructuring and re-organising workplace industrial relations.

Leaving procedures designed by ICI helped to take some of the personal pain out of leaving the firm. Redundancy terms were generous: for those over 50 who had been with the firm since the age of 20, it was possible to be getting to within a few pounds as much as would be obtained by remaining in work. In September 1980, the first stage of large scale rationalization began in mid-Cheshire, known as "The 600 Exercise", when a target of 600 jobs to be shed was set. Previous to this, a continuous but less marked manpower reduction strategy had been in operation. The transition proved relatively uncomplicated in spite of management misgivings only a year earlier, with the total number of jobs actually reduced by some 700 in the event. Just eighteen months later, in March 1982, a second phase of rationalisation was introduced, "The 300 Exercise", in an attempt to reduce costs by a further £3 million. The whole mid-Cheshire operations were by now running at a loss after many years of virtually guaranteed "monopoly" profit. A further three hundred jobs were eliminated as a result of this strategy. Since then the rundown of Wallerscote (closure was announced in September 1983) and the transfer of caustic soda production from Winnington to nearby
Runcorn has seen the continued loss of jobs.

To help facilitate these reductions, ICI initiated a redeployment section in March 1982, with a wide ranging brief to both stimulate voluntary redundancy and to alleviate personal problems entailed by the loss of jobs on such a massive scale. The Unit employed a variety of different approaches to its work, some of an innovative nature. In addition to putting on public display in both Winnington and Lostock works job adverts culled from the various daily and weekly papers it received, the Unit maintained strong contacts with local jobs centres and displayed their vacancies too. Other ways of operating included periodically surveying local industrial areas to obtain a comprehensive and up-to-date address list and using this information to inform other employers of the availability of ICI workers under resettlement and retaining grants. Of equal value was the counselling service which the Unit offered, independent of management, covering the design of C.V.'s, even typing these up, and training in interview skills. Depending on the position of the employee, the Unit was empowered to spend without individual sanction up to £1,500 per employee on retraining in preparation for leaving, plus three months salary during training, self-employment or re-assignment to another firm. Examples of schemes include taking HGV licence training, with the cost reimbursed if the recipient left within a given period, broadening of apprentice and other training to encompass aspects of skill not normally needed within ICI, sometimes involving secondment as an enticement to post-ICI employment. As an example of good practice to cope with heavy localised job losses, the Redeployment Unit and general redundancy programme had few rivals. Such behaviour outside the wage relationship helped the firm tilt the balance of power towards itself, fostering loyalty among workers, based on the expected, unquantifiable long-term benefits of remaining within the company's sphere of influence.

During the main period of employment loss, 1980-1984, it was possible to discern marked differences emerging in the
destination of leavers, evolving from 90 per cent retirement and 10 per cent moving on to jobs elsewhere in the early part of the period to a 50:50 split by 1983, when the rush to leave had largely subsided. Who went, how they arrived at the decision to leave and who transferred to other ICI plants becomes a confusing series of issues once the various accounts available are conflated. For people leaving the company of their own accord, very little management selectively can be discerned beyond the fact that in approaching other firms with a view to transferring ICI workers, these were asked not to poach certain key workers where skills were in short supply and the internal surplus low. After the initial wave of workers leaving to take advantage of generous redundancy terms and retire, it became increasingly difficult for the firm to shed labour at the required rate. As the company retains a certain pride in not making compulsory redundancies the aim was still to find candidates for voluntary redundancies. In the months after September 1983 local managers decided to target their efforts at the individual, with management interviewing all works staff, which is now done on a yearly basis, as with monthly staff who have long had this arrangement. This recourse to the level of the individual was of course, a traditional feature of traditional paternalism (Warde, 1989), and, whilst its return ought not to be derided unnecessarily, it is an interesting reversion which, as we shall see, had parallels at St. Helens.

Transfer of workers between the Northwich plants became a central strategy following the Wallerscote closure announcement. The filter mechanisms used provided a more thorough-going means of effecting new workplace relations than any selectivity present in leaving arrangements. In essence, each worker was screened for personal aptitudes and ability to adopt the workplace practices which ICI deemed essential to ensure profitable production in Northwich. By decanting favoured employees into the Lockstock works, the management were able to concentrate those perceived to be more quiescent into the works with the most assured future and with the better record in acceding to demands
for multi-skilled boundary working. This has been important in maintaining a local level spatial division of labour, with the two plants effectively vying with each other for investment and security.

The differences in labour organisation between the Winnington/Wallerscote and Lostock plants are marked. Why this should be so can be traced back to the late 1960s, when the ICI trade unions emerged as a fully fledged and powerful pressure group, aided by the merger of the old Process and General Workers Union with the TGWU with its greater national status. Lostock process workers largely belong to the GMBATU (General and Municipal), whilst Winnington/Wallerscote is dominated by the more strident Transport and General Workers Union (TGWU). It would, however, be an oversimplification to attribute the relative quiescence/militancy of the two groups of workers to the characteristics of their national union. Indeed, the GMBATU workers at Winnington/Wallerscote are regarded as being as well-organized and "strident" as their T&G colleagues. Instead, the "two breeds of people" as one shop steward puts it, reportedly emerged because of the calibre of those elected to key union positions from 1967 onwards. Deep resentment inevitably grew from the fact that Lostock workers were perceived to be living off the back of gains by their more militant colleagues at Winnington/Wallerscote.

If 1967 and the growth in union power was the first key date signalling the workplace changes to come at ICI, then 1978 undoubtedly marks the second key event, as management attempted to wrest back some of the control lost in the previous decade. The Lostock experiment that year marked a far ranging experiment to introduce new patterns of worker/manager relationships (Pettigrew,1984). New capital expenditure was seized as an opportunity by parts of the Mond hierarchy to attempt to facilitate joint decision-making by managers and workers' representatives. In ceding some part of their control over work design and implementation, management were in no sense turning
to "socialist" modes of production or acting on grounds purely of benevolence. In return for concessions being made, steps were to be taken towards flexible manning. The perceived barriers and hence inefficiencies created by the crafts tradition were to be dismantled as being inappropriate to the new techniques and technologies within the chemicals industry. Certain informally operated flexibilities across craft boundaries in fact pervaded ICI's U.K. operations, varying enormously between the different plants, not least between Lostock and the other Northwich plants. Installing these and other preferred work practices in a formal manner required overcoming not only the in-built prejudices of years of tradition, but also dissent over the technical feasibility of workers doing tasks for which they were not fully trained. That the experiment in non-conflictual change should collapse in the relatively favourable Lostock environment does not mean that the concept of negotiation was wrong, more that the time was. Seven years later, when unions had largely acknowledged the inevitability of change in working practice, the opportunities for repeating the experiment had been lost. Perceiving its upper hand and remembering the years of slow, unproductive earlier negotiation, managers became more willing to take on the unions, in addition to the usual attempts at resolution through committees.

One of the main ways in which new working practices in the mid-1980s were introduced was via new training schemes. This strategy had had a limited effect up to 1985 because of the low numbers of workers taken on during the previous five years. In 1983 no apprentices were started for the whole of mid-Cheshire and Merseyside. Because the new selection criteria and training methods are revealing of the direction in which ICI's work practices were being moulded, it is fruitful to elaborate on this aspect of the company's labour market behaviour. The apprentice training school was based jointly at Northwich and Widnes. Because of the mixed geographical intake, some telling comments emerged from managers of the general attitudes in the two areas. Merseysiders are characterized as "more pragmatic, they will do
anything if the money is there", with the obverse of this being that "if Ford opened up a new line in Runcorn and offered better pay, half the workforce would willingly desert". Alternatively, in Northwich "even the workers are more paternalistic". The Northwich unions were seen as much more concerned with issues surrounding local unemployment than those in Runcorn. One senior manager working in both areas commented that he was made all too aware of the different cultures in operation by the fact that Merseysiders were always more likely to call him by his forename, whereas in mid-Cheshire he was invariably addressed by his formal title, even by supervisors.

Changes in the content of training courses according to one manager in the Training School have been "definitely and purely for reasons of flexible manning" and the changing selection procedures have likewise had this goal. In the past a one-week selection procedure was used which managed more effectively to ascertain social skills, a process which was abandoned largely for cost reasons. By 1985 there was an increasing recognition in the training section "that attitude is perhaps more important than ability", a remarkably candid admission for a crafts-orientated course. In the past apprentices were nominated for their chosen trade from day one and received very little broad training. This altered prior to YTS, in the late 1970s and early 1980s so that the first six months became a "sampling" of trades, with, for instance, three weeks as a fitter, involving filing, sawing and drilling. With the introduction of one year YTS (which the apprentices covered in the same way as YTS recruits), the opportunity was seized to broaden the scope of training to encompass more social training and to increase the breadth of technical skills training. Under the new apprenticeship format the final specific skill area was not nominated until eight to nine months into the scheme. By this stage examinations and assessments have more or less pointed to individual trainees' most suitable choice. Of the first intake of thirty, only one objected strongly to the path chosen for him.
The nature of the changes meant that the level of craft solidarity at this early stage was being undermined, principally because the processes of socialisation were becoming more and more oriented to management imposed needs, replacing some of the old craft training rituals. Taken in conjunction with the outcome of the new selection procedures a new breed of worker was being encouraged, who will inherit ICI's key skilled jobs and yet be more open to management influence than ever before, particularly over multi-skilling. Already in the engineering workshops the most modern equipment by 1985 was the sole territory of the younger workers who had been exposed to these practices.

The two main Northwich plants, Lostock and Winnington / Wallerscote, have already been remarked upon as having different union structures, different records of labour militancy and, most importantly, perceived differences in job security. As pay and holiday conditions are nationally negotiated within ICI, the chief concern of the local unions was with working conditions and monitoring management attempts to introduce new work procedures, particularly those which involve breaks with established practices over inter-union matters. Their ability to call for industrial action has been severely curtailed in the present economic climate. According to one senior shop steward the workforce, five years into the recession, was so "shell-shocked" and "demoralised" that, in general, they would accept almost anything, even total closure, with "very little more than a shrug of the shoulders". Hence the transfer (1985/86) of caustic soda production from Winnington to Runcorn created few tangible expressions of discontent among the rank and file. Given our previous description of the Northwich inter-plant union rivalries and the noted need for an inter-locality perspective, it is interesting to note that the nearby Runcorn was also regarded as being weakly unionised, again dominated by the GMBATU. Runcorn works were generally considered as having been heavily invested in by ICI and consequently to have a much more secure future than Northwich. It appears that the local geography of industrial
decline has been heavily influenced by some product range differences, different plant vintages, plus the history of the worker organisation and industrial relations in each locality, and indeed, within Northwich itself.

From the union perspective, recent events affecting workplace practice have amounted to a growing challenge to the unions' authority and still more seriously represent a continuing dismantling of ICI's commitment to the area. This, according to one camp, should be passively accepted in the hope of the prolongation of plant life and, in the other, fought within certain parameters, the most important of which was workforce morale, which was evidently low in many cases. It is possible to identify two key turning points. The refusal of the workforce by a small majority to strike and fight the closure announcement for Wallerscote in 1983 was the first of these. At this point, the unions' strategy inevitably changed - too many refused appeals to the rank and file by union officials would have had the effect of providing a green light to management to override the unions in its actions. Gradually, through various subsequent minor disputes, management inevitably gained greater confidence in its dealings with the unions. In summer 1985 the long-awaited crisis point arrived when ICI sacked a shop steward who had got into a brawl with a fellow worker in an argument over shift allocation, a supervisor/management function taken over by the shop steward to try and ensure a fair distribution of favoured shifts. The decision to caution one man and sack the other was taken after great deliberation and was patently recognised by the management as a critical and contentious issue. When strike action was recommended to union members in support of the sacked shop steward, it was decisively turned down at a mass meeting.

The events outlined here, such as the adoption of "good practice" redundancy procedures along with a more direct appeal to managers to workers, attempts to joint negotiate on plant investment, workplace practice, plus changes in selection and training
procedures, have been at least as influential to the changing management-workforce-union relation as open conflict situations. Relatedly, it is fundamental to the role of paternalism, as one device open to management in softening the perceived detrimental impact of business restructuring, that it should seek to dilute the forces leading to open conflict by confusing the clarity with which each side can see its own interests as necessarily opposed to those of the other.

Recognising perhaps a little late the community impact of the rationalisations of the late 1970s and 1980s, after many years of relative dormancy in its public relations activities, ICI began to direct greater effort into its community role, particularly in helping small firms. As with most dominant paternalist employers, the community "gift relationship" had gone into abeyance in the 1940s, if not from 1900, as the national government itself intruded deeper into the sphere of labour reproduction, providing recreation opportunities, schooling, housing, health and welfare payments. In the workplace more legislation was enacted in the field of safety and industrial relations which matched or bettered the conditions achieved by paternalist intervention. According to Dick's (1973) history of the Alkali Division, the Company recognised this and "started to divorce itself slowly from the obligations of providing recreation outside work ..." (p.107) and acted similarly in other spheres of its activity.

The resuscitated form of gift relationship, as we shall see, was very similar in both motive and form to that established by Pilkingtons in St. Helens. ICI managers were unequivocal in evaluating their motives. These were not purely philanthropic gestures. They represented PR investment in the local community which, it was hoped, would also pay dividends in terms of diversifying the local economy and reducing the perceived burden of moral responsibility on ICI for shedding its labour in such large numbers. This in turn meant that the antagonisms of both community and workforce to the company's plants would be tempered
by the fact that the company was still willing to act with the local interest at heart. Accordingly, the new gifts were no longer schools, Guildhalls, hospitals or public baths, instead they were contributions to local economic development initiatives such as Small Firms Advisory services, providing land, buildings and services for new businesses and contributing to a local adult training needs evaluation. Before entering into these arrangements, managers were sent to examine similarly motivated schemes elsewhere, notably those operated by British Steel. It was a quite deliberate management stratagem only to enter into these community schemes with other local businesses. To do otherwise would, as one senior manager put it, be to accept total blame for the current unemployment situation and, more importantly, engender an attitude within the local community of "What can we do about it? - If ICI are dealing with it, let's leave it to them." Once again, this experience corresponds very closely with that in St. Helens, as does the fact that, whilst this form of community involvement is high profile, the amount of money committed to it is really rather small.

That ICI works hand-in-hand with local government on these matters is worthy of note. Many of the new initiatives stem from the Council, such as a recently initiated Chamber of Commerce, and ICI is evidently integral to their success, with certain of its managers maintaining a high profile in such matters. It is, in fact, possible to identify a small group of industrialists, by no means all from ICI, council officers and others who have so to speak a finger in every pie. In such a small community, this is an inevitability and to adopt a "conspiracy theory" stance is largely unproductive. Indeed, it is in part the very nature of this social cohesiveness which may foster a spirit of local co-operation and collaboration conducive to economic bonding (Haughton, 1989; McArthur, 1989; Pyke, 1989). It is this characteristic of small free-standing towns, rather than the availability of uncongested sites or "green labour" (Fothergill and Gudgin, 1982; Massey, 1984), which may best explain their strong employment performance relative to metropolitan areas.
Unlike ICI Northwich, where technological change was unable to play a central role in the negotiations for change, the introduction of new technologies at Pilkingtons lay at the heart of their business restructuring and fundamentally influenced changes in the pattern of industrial relations. It became the strategy of Pilkingtons to introduce - as a total package - new investment, new technologies, redundancies, new working practices and new pay structures for workers retained. By introducing all these changes at once for individual plants as the older plants saw re-investment, management not only concentrated any (in the event, minimal) dissent into one time period but, by bringing in change offering a variety of impacts, diluted the impacts of attempts at outright condemnation. Moreover, selective release and transfer of workers facilitated the dissipation of obstructive personnel. Unlike ICI's Lostock Experiment, very little negotiation was attempted on introducing new work practices.

From the outside at least it would appear that Pilkingtons' management has achieved more internal change in works organisation and with less friction than their ICI counterparts, a fact which is, in part, accounted for by the recent history of labour organization for each firm. In Pilkingtons, GMBATU represents all labourers and skilled glass makers, EEPTU, AUEW, etc., the trades, and ASTMS the staff. Lane and Roberts (1971) in their account of the 1970 strike at Pilkingtons, placed considerable emphasis on the fact that, at the time, G&M, as it then was, operated autocratically and largely as a management-influenced union, with very little responsiveness to their actual membership. It was for this reason that the breakaway Rank and File Strike Committee assumed control of that strike and abortively attempted subsequently to set up a new union, hampered by the fact that Pilkingtons refused to re-engage known activists. (The benevolent employer is not, as we have stressed
earlier, necessarily more forgiving.) Perversely enough, it is said that in this era if a strike came about the full-time Union officials were in danger of losing their jobs with the union.

By 1985 things had moved on sufficiently for one official to be able to say that the 1970 strike with all its attendant dissatisfaction with G&M in fact "was the making of this union". Change came quickly. Instead of one Pilkingtons St. Helens branch, several were set up to serve individual plants. Rank and file influence on union policy increased as local union activity increased and as more matters went to the vote. By special decree it was decided that all yearly wage increases and any matters of contention should go to the vote for GMBATU workers within Pilkingtons, at the union's own behest. The old hand-in-glove relationship between union and management evaporated, as if by mutual consent.

Simultaneous to the G&M's own internal changes, several important changes emerged in the management style of Pilkingtons. The reasons for this are generally attributed to the waning family influence of the Pilkingtons. This was notable from 1970 and the public flotation onwards, becoming more marked after the retirement of David Pilkington, who had handled union negotiations from the strike to 1979. Management is now perceived as more "hard nosed" and having a higher turnover than previously. Whether this actually influences either the outcomes or the overall balance of power between union and company is still difficult to gauge, although it has exerted an influence on the mechanisms used in the power relations.

The policy of "all-in change" evolved from the early success of the pioneering UK5 Greengate plant. Up to this time the St. Helens plants had been seen as suffering from chronic under-investment as Pilkingtons directed its funds not only towards an increasing internationalization but also towards other U.K. plants outside St. Helens, as part of its product and geographical diversification strategy. The effect of this
sequencing of investment was to cause "creative tensions" within St. Helens. By the time of the 1980 recession the town was so untrusting of the company's intentions towards it that any new investment, with whatever strings attached, obtained a warmer welcome then it would have done otherwise. Moreover, investment elsewhere allowed the company to expose just how antiquated some of its St. Helens plant was and, therefore, badly in need of replacement.

In 1981 Greengate opened, employing around four hundred workers in a brand-new greenfield factory. Productivity remains the highest of any of the St. Helens plants, easily outstripping its nearest rivals. A new salary structure provided a common scale through to middle managers, monthly salaries for all, no overtime payments and minimal bonuses, whilst enforcing the new policy of dismantling the old craft demarcations. These arrangements applied solely to Greengate, with the other local plants operating as before. In the event, Pilkingtons decided to recruit directly from within its existing workforce, sending to the home of each employee a glossy brochure outlining the Greengate plant and throwing the gates open. Not least because the offer at this stage still gave no details of pay or work conditions, the unions advised their members not to apply for transfer. Such was the faith of employees in the company (or was it disquiet over their prospects if they remained in older plants?) that there was nonetheless an avalanche of applications. The vetting procedures have not yet been uncovered but, according to union officials, those selected were all young, "like greyhounds", with the company emphasizing that it wanted those who were not "radical" and instead preferring those who had families and needed job security. The majority of these transfers to the new plant came from the Watson Street and Cowley Hill sites. Union membership was carried over, the branch at first still operating from Watson Street but with Greengate eventually getting its own branch. Whilst the GMBATU full-time official is the secretary of the Greengate negotiation committee, meaning that the unions are not being transparently by-passed,
the general view is that this whole process of change to the Greengate method of works practice "exposed their (the union's) inherent weakness" in terms of rank and file commitment.

Three years later corporate decentralisation was introduced which devolved pay and other issues together with profit centre status down to plant level, with the clear intention that each plant should negotiate its own Greengate-style arrangements. After negotiating since around 1980, in 1983 the company set a six-month deadline to the union to accept their terms, effectively forcing them to put the issue to a membership ballot. The issues at stake were essentially that, in the old centralised system, cross-plant comparability of pay existed and a number of appeals had won the right to up-grading, with a general upwards wage drift occurring which put the existing system into disarray. Recognising the further complications which the imminent introduction of investment in new technologies would bring, plus the problems of phasing out old plants and considerable numbers of jobs, the company decided to start again from scratch. After the considerable period of impasse, the company broke through by eventually negotiating separately with each union (Martin and Nicholls, 1987). The GMBATU recommended its members to reject the company's proposal, but were themselves rejected by their members. This highlights the view of one union official that the reason why they as negotiators could not be too dogmatic and would only call for action in the most extreme of circumstances was that the Pilkingtons membership under prevailing conditions would probably reject them on most issues, signalling to management that it no longer need "pussy-foot" in its dealings with the unions. Largely because of the 'intermediary' influence of the workforce with their divided loyalties and the immaculate timing of the company in its redundancy and industrial relation changes, no effective, organised union opposition was successfully mounted. The firm retained its hold on its employees' loyalties, through a mixture of fear (Who was next for redundancy? Would Pilkingtons reinvest in St. Helens?) and respect (The redundancy package is good. The company looks after
its ex-employees. It helps local economic development agencies."

By late 1985 most of the major St. Helens plants had finalized their new decentralised structures, bringing with them new investment, redundancies, new pay structures and new work organization rules, especially over demarcation. Each plant changed in different ways, with differing levels of resistance, and only one (eight hour) strike. The significance of this ability to introduce new work practices into an established rather than a new (Greengate) plant is one of national importance and has not gone unremarked (IDS 1985). Over a period of two years these new settlements were arrived at, usually helped by a re-investment package from the backlog of low investment in previous years. It is important to recognise how Pilkingtons successfully simultaneously manipulated workforce attitudes towards the company in a period when it was not especially favourably viewed and, most importantly, created a new local level spatial division of labour through the Greengate development, which created new tensions and possibilities. Public opinion proved relatively, though not uniformly, malleable in response to the company's activities to help foster small firm initiatives, most notably the St. Helens Trust. Unlike ICI, Pilkingtons then retained much of their local influence, in large part because they were able and willing to continue to invest in production capacity in the area, following from the fact that they were able to achieve substantial workforce and work practice changes.

The success of the Greengate experiment undoubtedly provided the catalyst for further brownfield site organizational change and investment. In the process, the whole force of many of the arguments put forward to "explain" the decline of the older industrial regions (Steiner, 1985) was shattered. The questions remain of whether such changes could have occurred except in recessionary conditions, and to what extent Pilkingtons' continuing ability to fashion the social fabric of an area was an ingredient which could have not been replicated in other older
industrial areas, and finally whether the gains obtained by the firm were sufficiently to the detriment of others that they constitute an undesirable change.

Pilkingtons have quickly had to come to terms with the diminishing extent to which their influence pervades the local economy. Important though Pilkingtons' contributions to local development initiatives have been in influencing both workers and the local community to tolerate its own internal restructuring, still more important has been the continuing welfare role, with around fifteen thousand ex-Pilkingtons employees in the town. With a series of contacts this size, the need for self-publicity is not large. Everybody in St. Helens knows that however "hard-faced" the new management may be, the company still looks after its former employees. This in undeniably a tremendous advantage in dealing with the existing workforce as the prospect of help in one's old age is not one which is easy to disregard. As such, as was the case with ICI, the firm touches a brand of loyalty which the unions can do little to undermine, but which itself undermines them. One crucial issue in the past seven years, the company has always expended great energy in putting over its case directly to the workers and their representatives, aided by a very professional department which produces videos, slides, glossy brochures for presentation. Where deemed necessary, it has effectively by-passed the union and approached its employees individually as happened with Greengate. Not once since the recession began has the management misplaced its faith in its ability to sway the workforce by direct appeal.

Overall, the impression gained during the 1979-85 period is one of widespread resignation to company control. Redundancy programmes generated a spirit of resentment but no direct action. The availability of a generous redundancy package and the company's generally accepted commitment to the social welfare of its ex-employees proved sufficient to stave off trouble in spite of union jibes that the company was "letting the town go". Where Pilkingtons' behaviour in this respect differed quite markedly
from ICI was that it used the occasion of redundancy to initiate a whole series of workplace reorganisations. Once the workforce accepted the need for job shedding then, by implication and association, they had to accept other changes in labour organisation and plant technology. By introducing a package deal where new investment was seen as a guarantee towards a more secure job, objections to task re-definition and reallocation were minimised, helped by the spectre of redundancy programmes already in motion.

SUMMARY AND CONCLUSIONS

From the beginning of this project it was realised that the condition of dominance was an exceptional one. It was initially hoped that for essentially functional reasons intensive study of dominated labour markets would allow us to see more clearly the effects of large corporations' behaviour on local labour market dynamics. In the event we were able to trace these beyond pure economic mechanisms and examine more closely the nature of a variety of intertwining economic and social phenomena. What emerges is a unique view of the behaviour of companies, workforces, trade unions and communities in the face of locally manifested constraints.

As part of the strategy adopted it was regarded as imperative to recognise the historical forces in motion which helped determine the nature of local behaviour. Furthermore there was a recognition of the need to adopt a style of analysis which placed the large firms' behaviour into the context of a number of other institutions or bodies which need not necessarily have the same goals or might only share some goals, with the dominant firms and indeed with each other. How these inter-dependent relationships are worked out lies at the heart of the present work. To place some kind of theoretical design on these two requirements a form of analysis was adopted which benefitted from the work of Michel Foucault. Foucault in all his work placed great emphasis on the
genealogical approach, that is looking back to the origins of a situation and progressing from that base knowledge to develop an understanding of the forces in operation which led to change. A particular concern lies with the institutional forms which were devised to legitimise and rigidify particular views.

The other aspect of Foucault's work which provided an important boost to the understanding obtained of each of our labour markets was his conceptualisation of power. Foucault's work on this subject is both enlightening and at times complex as it is often bound up with his other concerns. To pick up one particular central aspect of his analysis of power, Foucault stresses the importance of examining the nature of power in terms not of power bodies or structures but rather in terms of analyzing the nature of power flows (see Foucault, 1972, 1978, 1980; Sheridan, 1980; Dreyfus and Rabinow, 1982; Smart 1985). Moreover, there is a continuing emphasis on the multiplicity of points of resistance avoiding the tendency to isolate single key conflicts. What emerges as important is not identification of power structures, but rather power strategies. This puts the present analysis somewhat to the side of, rather than in opposition to, the three ways in which corporate/community power is usually examined, using pluralist, elitist perspectives (see Blowers, 1984, Chapter 6). The preliminary results presented here suggest that there is considerable utility to this approach, though clearly the work of uncovering the local web of connectives in our two labour markets is still at an early stage of exploration.

Huge job losses from the two multi-nationals studied here wrought a whole series of important changes in the economic and social complexity of the host communities looked at, St. Helens and Northwich. In each town, the job destruction process was inevitably viewed in the joint context of the multinationals' shifting global pattern of operations and the historical allegiances previously forged between the companies and the communities. In particular, the apparent growing
disenfranchisement of local community interests from those of global corporate management with its wider geographical and financial spread of affiliations, generated resentment and fear in the two study towns.

One of the most interesting factors which emerged during the analysis of responses to corporate restructuring was the impact in local communities of previous patterns of interaction between firms, workers and communities, namely the living legacy of paternalism. Though considerably transformed throughout the present century, it was apparent that all sides in our analysis were "historically constrained" in the locally defined parameters for their behaviour. A set of locally evolved and still evolving "rules of the game" restricted the gambits available to every player or power broker. To openly disregard any of these rules in a flagrant manner would be to challenge the whole integrity of the local power structure and flows and bring with it the possibility of other inter-relations being affected. Like a game of multi-player chess, each participant could only make a play after carefully considering every other player's previous moves and possible future strategies.

There are interesting parallels which can be drawn between the experiences of ICI and Pilkingtons in their community and union relations, in spite of their dissimilar histories. ICI unions were more fragmented in their power within the town, but much stronger in their organization overall than was the case in Pilkingtons. Neither set of unions proved able to forestall their companies' long-term objectives for more than a few years. Eventually, as the recession deepened and the management emerged victorious in minor skirmishes, both sides seemingly realised that the struggle for the minds if not the hearts of the respective workforces had been won by the companies, not the unions.

There were also important differences between our two case studies. In terms of Massey and Meegan's (1982) classification
of production reorganization, Pilkingtons adopted "investment and technical change", ICI "rationalization". What is interesting is that, although the processes of change were different, achieved with varying degrees of conflict and cooperation, the outcomes were actually very similar - changed work practices, fewer employees, greater community involvement.

Both sets of unions perceived the paternalist influence of firms as historically important and "occasionally "subversive" (through the presence on the bench, interference with local press coverage), but felt that this aspect of control had fallen dramatically. Occasionally, as at Pilkingtons in the Greengate decision, management went over the heads of the unions directly to the workforce, in the old style of paternalist intervention, pleading the company's future prosperity to be synonymous with that of their workforce. Nonetheless, the struggles which we have chartered do contain an unseen agenda, the recognition of both sides of the continuing importance to the debate of the companies' perceived benevolent role both to the workforce and to the local communities. It would be naive to deny that this historical legacy of attitudes did not colour negotiations at all levels, helping diffuse some confrontations, especially where each individual worker was subject to a direct management approach.

This background provides ample justification for the reinvigorated community-involved work currently going on in both locations in terms of helping small businesses, etc.. These investments still exercise a profound effect on local consciousness, almost disguising the fact that such nouveau-paternalist strategies only emerged in the 1970s as a response to potential difficulties attendant to massive job losses - the gift relationship (Newby, 1975) re-visited. As a result of these important interactions of community and corporate and industrial restructuring, the kind of confrontations on closure which have occurred at other U.K. plants during the 1980s recession did not and indeed could not have occurred in St. Helens and Northwich.
REFERENCES


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