

## The Generic Reasons for Strikes: An Interpretative Analysis of the Israeli Case

## Les causes génériques des grèves. Une interprétation du cas israélien

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### Résumé de l'article

À cause de leur effet néfaste sur l'économie en Israël, les grèves sont devenues sujets d'enquêtes scientifiques de la part des spécialistes en relations professionnelles dans ce pays. Plusieurs études ont été publiées, mais elles paraissent déficientes dans leurs conclusions en ce qu'elles ne parviennent pas à découvrir les causes profondes qui les engendrent. Celles-ci, en effet, ne doivent pas être confondues avec les occasions immédiates des grèves prises individuellement.

Une distinction s'impose. Si les occasions de grèves peuvent résulter de différends entre les parties tels les désaccords en matière de salaires et d'avantages sociaux, l'embauchage ou le congédiement des salariés, la reconnaissance des syndicats, la fermeture des entreprises, etc., les causes véritables ont un caractère plus profond et elles peuvent être extrinsèques ou intrinsèques.

Parmi les causes extrinsèques, on peut citer les conditions de la vie sociale, comme le manque de canaux d'expression politique, les conditions d'ordre économique comme l'inflation galopante. Il s'agit de situations favorisant les conflits qui dégénèrent ensuite en grève, et d'un état général de la société considérée à une période donnée qui s'applique à toutes les grèves et qui aide à en déterminer le nombre.

En Israël, on a trouvé, par exemple, que le facteur qui avait exercé le plus d'influence sur le nombre des grèves n'était pas le niveau de l'activité économique, mais le taux, surtout le taux d'accélération, des investissements. Les espoirs exprimés par les investisseurs créent des espoirs similaires parmi les salariés désireux d'obtenir leur part du gâteau, ce qui constitue un climat général favorable aux grèves. De même, les effets funestes d'une inflation rapide, qui affectent toutes les branches de la vie économique ont aussi un effet négatif sur les relations professionnelles, parce que les syndicats doivent s'efforcer de protéger leurs membres par des clauses d'indexation.

D'autre part, il faut aussi considérer les causes intrinsèques des grèves.

Celles-ci résultent d'abord en Israël de la démocratisation des syndicats, soit par la mise en place de structures qui permettent à la base de jouer un rôle plus important dans la prise des décisions, soit par la multiplication et la fragmentation des sections locales. C'est ainsi, par exemple, que l'établissement de plusieurs unités de représentation dans une entreprise favorise la concurrence, les intrigues et la méfiance entre les diverses sections. Au lieu de faire valoir ses besoins et ses revendications spécifiques, chaque unité de négociation concentre son attention sur les gains des autres pour en obtenir d'identiques ou d'analogues, ce qui crée un cercle vicieux forçant quelquefois les parties à conclure des accords secrets.

Autre cause intrinsèque des grèves: les erreurs de jugement provenant des maladresses des parties, du défaut de connaissances des règles du jeu ou du fait que des négociateurs inexpérimentés manquent de flexibilité au cours des tractations.

On peut aussi ranger parmi les causes intrinsèques des grèves les pratiques de négociations incorrectes. Il arrive fréquemment que les négociations ne sont qu'apparentes. Au fond, il ne se passe rien dans la réalité, chaque partie demeurant cramponnée à ses exigences. En certains cas, on va jusqu'à rejeter le mécanisme de négociation lui-même. On abuse aussi du recours aux comparaisons: cette tendance a rendu la négociation collective plus rigide, principalement dans le secteur public, mais on la retrouve aussi dans le secteur privé. Au lieu de concentrer leur attention sur les enjeux de la négociation, les parties discutent des groupes auxquels elles estiment devoir être comparées, ce qui rend lourd le processus des négociations et augmente d'autant les possibilités de conflit.

Par ailleurs, une des sources majeures d'opposition dans tout système social porte sur les questions d'idéologie. Chacun veut faire sa « guerre sainte ». En matière de relations professionnelles, la situation devient particulièrement grave quand les mécanismes de négociation bien établis sont modifiés ou quand certaines questions, jusque là négociables, sont délibérément exclues par l'une ou l'autre des parties.

Enfin, beaucoup de spécialistes accordent une grande importance à la législation dont les déficiences peuvent être et sont effectivement une source de conflits entre les parties. En Israël, l'une d'entre elles est qu'il n'existe à peu près pas de lois touchant l'établissement, les fonctions, les responsabilités et les obligations des syndicats et des associations d'employeurs.

Que conclure si ce n'est que les grèves ne sont pas un indicateur de l'état de santé d'un système de relations professionnelles mais que, si l'on veut limiter le nombre de grèves, il faut en connaître les causes véritables plutôt que d'en traiter les symptômes? En Israël, on catalogue cinquante pour cent des grèves sous la rubrique « salaire insuffisant ». Il est naïf de penser que toutes ces grèves ont leur origine dans le refus des employeurs de satisfaire aux exigences du syndicat ou le désir du syndicat d'écraser l'employeur. Il est vrai que les questions d'argent furent souvent l'occasion immédiate de la grève, mais cela ne doit pas conduire à la conclusion énoncée que celles-ci expliquent totalement le fait de la grève. C'est une méprise d'imaginer qu'un désaccord sur des problèmes d'argent peut inexorablement entraîner une interruption des contacts entre les parties. Pour empêcher de pareilles interruptions, il faut non seulement se préoccuper des salaires, mais aussi des causes plus profondes des arrêts de travail.

# The Generic Reasons for Strikes

## An Interpretative Analysis of the Israëli Case

**Albert A. Blum**  
**and**  
**Gedaliahu H. Harel**

*The purpose of this paper is to reveal those universal socio-economic conditions which generally foster strikes, and the most general labor relations-related reasons for conflicts which eventually result in strikes.*

Because of their debilitating effect on the Israeli economy, strikes are increasingly becoming the subject of scientific inquiry on the part of Israeli scholars. A number of recent studies suggest various causes of the deteriorating labor relations in Israel<sup>1</sup>. Despite their valuable data and useful organization of the facts, we feel that these studies are deficient in their conclusions. While they all display an impressive statistical apparatus, they fail to uncover those generic causes of strikes in Israel which may be discovered through a systematic theoretical discussion.

It is the purpose of this paper to reveal, in the course of such a discussion, those universal socio-economic conditions which generally foster strikes, and the most general labor relations-related reasons for conflicts which eventually result in strikes. These generic reasons must not be confused with the immediate causes of individual strikes - a confusion which tends to obscure the basic reasons underlying these stoppages.

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<sup>1</sup> See Abraham MICHAEL and Refael BAR-EL, *Strikes in Israel, 1960-1969; A Quantitative Approach*, Ramat-Gan, Bar-Ilan University, 1977; Arie GLOBERSON, "The Joint Working Committee; A Preventative Approach to Labor Conflicts". *Yachasei Avoda*, Labor Relations, VII, November, 1977, pp. 12-14 (Abstract of paper presented at the annual convention of the Industrial Relations Research Association of Israel); Eliezer ROSENSTEIN, "Labor Relations in Israeli Shipping", *Yachasei Avoda*, Labor Relations, VIII, November, 1977, pp. 26-27 (Abstract of paper presented at the annual convention of the Industrial Relations Research Association of Israel). (All the above in Hebrew).

This point needs further elucidation. The Chief Labor Relations Officer of the Labor Relations Division in Israel's Ministry of Labor recognizes eleven official "causes" of strikes<sup>2</sup>.

They are: wages and fringe benefits; signing of labor agreements; demands for reclassification; demands for union recognition; hiring of workers; firing of workers; closure or transfer of enterprise; solidarity strike; physical conditions at work; lockout; unknown (miscellaneous).

These are immediate causes of strikes, the matches that set off the explosives, but they do not tell us why these same causes do not precipitate in all situations or why there are more strikes in one period, or one industry, than in another. The official causes of strikes, which to date have served as the bases for scholars' analyses,<sup>3</sup> is only one starting point from which to draw conclusions of general validity regarding the incidence of strikes. Insufficient pay may serve as a suitable partial explanation for what triggered an individual strike, but it does not provide a valid reason for all the strikes filed under that category. Moreover, reliance upon such "causes" fails to explain why workers do not strike despite insufficient pay, while at other times they do strike despite adequately high wages.

Consequently, this formal distinction between cause and reason seems in order here if we wish to approach the question of strikes from a level generalized enough to allow us to draw some valid theoretical conclusions. We will differentiate between intrinsic and extrinsic reasons for strikes. They are as follows:<sup>4</sup>

- I. Extrinsic conditions favorable for strikes.
  - A. Societal conditions favorable for strikes -  
Lack of channels for political expression.
  - B. Economic conditions favorable for strikes.  
Rising expectations.  
Rapid inflation.

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<sup>2</sup> "Report on Labor Relations in Israel and Activities of the Labor Relations Division of the Ministry of Labor in 1974", *Yachasei Avoda*, Labor Relations, VI, October, 1975, p. 30 (In Hebrew).

<sup>3</sup> MICHAEL and BAR-EL, *Strikes in Israel*.

<sup>4</sup> For a further discussion of some of the issues raised here, see: Albert A. BLUM, "Collective Bargaining - Ritual or Reality?", *Harvard Business Review*, November-December, 1961, pp. 63-69 and Albert A. BLUM, "Strikes, Salaries and the Search for Solutions: An Interpretative Analysis of the Irish Industrial Relations System", *British Journal of Industrial Relations*, Vol. X, No. 1, March 1972, pp. 62-83.

- II. Intrinsic reasons for strikes.
  - A. Increasing democratization of unions.
    - Democratic structure of unions.
    - Multiplication and segmentation of local unions.
  - B. Mistakes and errors in judgment during bargaining -
    - Due to early and angry stages.
  - C. Improper bargaining practices.
    - Lack of collective bargaining.
    - Comparability and pattern-making.
    - Ideological commitment.
    - Unsatisfactory labor legislation.

## EXTRINSIC REASONS FOR STRIKES

By extrinsic (societal) conditions which favor conflicts which eventually result in strikes we do not mean direct causes for any particular strike, rather we refer to the characteristics of society at a given period of time. They are valid for (and in the background of) all strikes, regardless of other immediate causes. Their absence or presence help determine the number of strikes called. These conditions may be both social and economic.

### **Social Conditions Favorable for Strikes - Lack of Channels for Political Expression**

It is consistent with our view of the labor-relations subsystem as interacting with the political one, that difficulty in expressing political discontent may create conditions favorable for labor conflicts. L.A. Coser stated that the cause of a conflict is not necessarily due to the existing relations between the parties of a subsystem, rather that the conflict may reflect tensions originating from other subsystems<sup>5</sup>. Following in Coser's footsteps, R. Hermesh argues that in Israel strikes may fulfil the role of a safety valve<sup>6</sup>.

Israel is a new society plagued by difficult social and economic problems throughout its short history, and held in siege for all of its thirty-year existence by external pressures. In the light of this, its political stability is remarkable. The explanation for this is that it has been necessary to downplay political tensions in Israel as long as such a major problem as

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<sup>5</sup> COSER, L.A., "Social Conflict and the Theory of Social Change", *British Journal of Sociology*, VIII, September, 1957, pp. 197-207.

<sup>6</sup> CHERMESH, Ran, "Strikes as Safety-Valve Institutions", *Relations Industrielles*, Vol. 32, No. 4, 1977, pp. 586-602.

defense overshadows all the others. In a study based on content analysis of Israeli newspaper editorials from 1960-1962, Hermesh found that changes in the level of tension outside the industrial relations subsystem were reflected in strike activity. Relative increase (decrease) in the level of social tension caused a corresponding increase (decrease) in strike activity. We do not wish to argue that social and political tensions are the chief, or even one of the most important, reasons for strikes. We do agree, however, that in a society in which these tensions do not gain adequate relief, they may contribute to the creation of conditions favorable for strikes.

### **Economic Conditions Favorable for Strikes**

#### **RISING EXPECTATIONS**

Economic conditions also seem to be related to strike activity. Scholars in various parts of the world have long been debating the question of possible connections between the economic cycle and strike activity. While some mention that this connection is a positive one, and base their contentions on empirical data which corroborate this claim on the basis of various indices of economic activity, others, with equally well-documented data, claim the existence of a negative connection<sup>7</sup>.

A major study, which examined strike activity in Israel during the years 1960-1970, reveals that the level of economic activity by itself is not an indicator of strike activity<sup>8</sup>. The factor which does influence strike activity is the general level of investment, and, above all, the acceleration rate of investments from year to year. The obvious implication of this study is that the level of strikes is not correlated directly to economic cycles, but rather to the rising expectations of investors as expressed in the acceleration rate of their investments. The expectations expressed by investors create similar rising expectations for better economic conditions among workers, and thus an increased interest in becoming partners in expected future opportunities. Thus, the period of increased expectations as expressed by the acceleration in the level of investments creates the fertile ground for an increased level of strike activity.

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<sup>7</sup> REES, Albert, "Industrial Conflict and Business Fluctuations", in *Industrial Conflict*, ed. by Arthur C. Hauser, Robert Dubin and Arthur M. Ross, New York, McGraw-Hill, 1954, pp. 213-220.

<sup>8</sup> MICHAEL and BAR-EL, *Strikes in Israel*, pp. 192-197.

## RAPID INFLATION

The harmful effects of rapid inflation, which are felt in all branches of economic life in Israel, also affect labor relations. Labor unions have tried to protect their members from these effects through the instrument of cost-of-living adjustment (COL). The COL clause has been successful in providing some protection by reimbursing workers for part of the cost of inflation, but it has not eliminated all the damage. The major harm of inflation is the instability and uncertainty which it introduces in the labor market, and consequently, in the collective bargaining process. To illustrate with just one example from a multitude of cases, we will cite the case of the Internal Revenue Service employees<sup>9</sup>. In March 1976, after intense and prolonged negotiations, the Government signed a two-year contract with the union. During the summer and fall of the same year other contracts in the public sector were also signed, all of which exceeded the terms which were agreed upon with the IRS employees, because of the rapid inflation rate (35% per year). Because of this situation, the IRS employees demanded a reopening of their contract in October of the same year in order to adjust their wages to other contracts. When the Government refused to reopen the signed contract the union went on strike.

In a situation where the economic terms of reference are changing rapidly, labor unions are reluctant to conclude their own agreements as long as other negotiations are in process because they are afraid that other unions will obtain more favorable contracts. Moreover, they (and management) find it difficult to estimate what a settlement, satisfactory to those they represent, would be over time<sup>10</sup>.

## INTRINSIC REASONS FOR STRIKES

Clearly, the basis which underlies the entire web of union-management relations is the fundamentally conflicting interests of unions and management. Within the scale of values of management, reducing production costs is a high priority, whereas the union's major concern lies with pro-

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<sup>9</sup> LIFSHITZ, Eitan, "Three Ministers Criticize the Treasury's Handling of the Labor Conflict with IRS Employees", *Ha'Aretz*, September 19, 1976, p. 8; and Eitan LIFSHITZ, "Dragging Out Collective Bargaining with Employees", *Ha'Aretz*, September 19, 1976, p. 10. (In Hebrew).

<sup>10</sup> See BLUM, "Strikes, Salaries and the Search for Solutions: An Interpretative Analysis of the Irish Industrial Relations System", pp. 72-73, for a further discussion of these issues.

viding employment and increasing income for its employees. This can create conflict but we believe that this conflict, which expresses itself frequently in a wage dispute between management and union, is not in itself sufficient reason (albeit, a necessary cause) for strikes. These reasons must be sought, therefore, in the process of collective bargaining itself and in the arising obstacles which obstruct the orderly settlement of the original wage dispute.

### Increasing democratization of unions

#### DEMOCRATIC STRUCTURE OF UNIONS

The spirit of democratization which engulfed the trade union movement during the period when Itzhad Ben-Aharon was the Secretary General of the Histadrut (1969-1973) had a definite influence on strike activity in Israel. The spirit of innovation, the beginning of major reforms in the representation system in the Histadrut, and the open door policy that the Secretary General declared created a new mood in the labor movement. This new mood also created uncertainty for trade union officials whereby their position and status was challenged by the tank-and-file and by more militant trade union activists. Under such conditions trade union officials had to adhere to a more militant posture in order to protect their positions as "loyal" trade union leaders.

**TABLE 1**  
**Comparison of Level and Intensity of Strike Activity in Israel**  
**During the Years 1966-1968 and 1970-1972**

Year	<i>Number of Strikes</i>		<i>Number of Strikers</i>		<i>Number of Work Days Lost</i>	
	<i>Absolute Numbers</i>	<i>3 Years Average</i>	<i>Absolute Numbers</i>	<i>3 Year Average</i>	<i>Absolute Numbers</i>	<i>3 Year Average</i>
1966	268		82,147		131,300	
1967	132	167	23,646	49,142	52,959	88,113
1968	96		41,635		70,081	
1970	163		114,941		390,344	
1971	169	166	88,265	96,838	178,612	268,004
1972	168		87,309		235,058	

Table 1 compares in gross terms the level of strike activity during three years of Ben-Aharon's leadership with a three year period prior to his assuming the Secretary General position. It can be observed from this table that, although the average number of strikes per year did not change, the in-

tensity of these strikes as measured by the number of strikers participating and the number of man-days lost in the strikes, increased substantially. This change in the intensity of strikes could be attributed to the spirit of democratization introduced by Ben-Aharon<sup>11</sup>.

#### MULTIPLICATION AND SEGMENTATION OF LOCAL UNIONS

In their famous study of the local union, Sayles and Strauss asserted that democracy fosters the participation of the rank-and-file in the affairs of the union, and that "participation declines proportionally as the size of the local increases."<sup>12</sup> This argument has been used occasionally by groups of workers, strategically located in the organization, to support their program to split a large local union into a few representative units. The general public often looks with favor on such segmentation as reflecting democratic values. On the other hand, local union splintering may have nothing to do with democracy but may only reflect the desire on the part of powerful groups of employees to secure special advantages in the collective bargaining by using their strategic position in the organization.

Local union segmentation does its greatest damage to industrial tranquility at the plant level. The establishment of several local representative units in one plant creates the fertile grounds for competition, intrigues and mistrust among the different locals. Instead of representing the local's membership and bargaining with management about its specific needs and demands, each bargaining unit concentrates on the achievements of the others in order to demand the same for itself. This process creates a vicious circle which forces the parties sometimes to make secret agreements, further increasing the mistrust among them.

The volatile conditions created by segmentation can be observed in Israel in the case of E1-A1, the national airline, where nine separate local units exist. The ability of each separate unit to stop the operation of the company, and the need of the leadership of each local unit to prove its power and ability vis-a-vis the other local units has created fertile ground for innumerable strikes which crippled this organization<sup>13</sup>.

Finally, it should be said that the process of segmentation does not necessarily lead to increased democratization at the local level. Instead the

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<sup>11</sup> BEN-AHARON, Itzhak, *The Courage to Change*, Jerusalem, Jerusalem Academic Press, 1973.

<sup>12</sup> SAYLES, Leonard R., and George STRAUSS, *The Local Union*, New York, Harcourt, Brace & World, 1967, p. 153.

<sup>13</sup> Committee to Investigate Labor Relations in "E1 A1", *Report*, Tel Aviv, March 1976. (In Hebrew).



opposite may be true as Robert Michels hypothesized in his study about parties and trade unions:

If we accept the hypothesis that a true democracy may exist with the party, the tendency to the subdivision of powers is unquestionably anti-democratic while centralization is, on the other hand, the best way of giving incontestable validity to the will of the masses.<sup>14</sup>

### **Mistakes and Errors in Judgment During Bargaining - Particularly in the Early and Angry Stages**

In the beginning stage of any new framework of human interaction, there are more likely to be difficulties caused by lack of familiarity. In the labor relations arena these difficulties can express themselves in different forms. The first example of the occurrence of such problems is when the collective bargaining process is new to the parties (i.e. the first time that collective bargaining is introduced in an organization). The clumsiness of the parties, their lack of knowledge of the "rules of the game", and of each other, may bring about a break in the communication process taking place at the collective bargaining table and lead to strikes. Moreover, this situation might occur when the participants themselves are new to the process of collective bargaining, although the process itself is not new to the organization.

In an exhaustive study of the collective bargaining process in Israel conducted by Galin and Tabb in 1969-1970, significant light was shed on this issue<sup>15</sup>. They found that the length of time that novice representatives, be they of workers or management, have been in office influences the willingness of these representatives to change their original demands and positions. The explanation given is that new representatives, because of lack of security at the beginning, are less flexible about changing their original stand. As tenure and experience of representatives increase, they are more secure in their position, and are able to be more flexible and conciliatory in their collective bargaining tactics. These findings about novice representatives at the collective bargaining table and their "stiffness" explain in part the reason for the breakdown of negotiations in collective bargaining in early and angry stages.

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<sup>14</sup> MICHELS, Robert, *Political Parties*, New York, Dover Publications, 1959, p. 197.

<sup>15</sup> GALIN, Amira, and G. Yanai TABB, "Collective Bargaining - Theoretical Approaches and the Israeli System", unpublished study, Technion-Israel Institute of Technology, 1974. (Mimeographed, in Hebrew).

## Improper Bargaining Practices

### LACK OF COLLECTIVE BARGAINING

Often, although collective bargaining appears to be taking place, the reality is that no real negotiations, no give-and-take is occurring, or at times, one of the parties basically rejects the process itself. Understanding this reason properly can help us define one of the main reasons for strikes in Israel, specifically those in the Histadrut's industries.

The Histadrut, in addition to being an "ordinary" trade union, is also the second largest employer in Israel, the first being the Government. Functionally, the Histadrut is divided into four departments: the Trade Union Department, Hevrat Ovdim - the governing body of the Histadrut's economic enterprises, the Social Security Department, and the Center for Culture and Education. These departments function independently of each other although they share the same top executives: the Secretary General, the Executive Bureau, the Executive Committee, the Council and the convention of the Histadrut. The workers employed in the different plants and factories of Hevrat Ovdim are organized and conduct collective bargaining with the respective managements of these enterprises. The major feature, however, of labor relations in the Histadrut industries, is that *de jure* the general membership of the Histadrut owns the enterprises. In order to emphasize the ideology behind worker ownership of the means of production, the constitution of Hevrat Ovdim has provided from its inception that, in case of conflict or disagreement over the terms of an agreement between the Trade Union Department and Hevrat Ovdim, the issue be brought to different joint committees in the Histadrut. If the conflict still continues unresolved, it is to be brought to the executive bureau for solution. This procedure places a good deal of strain on the collective bargaining process and, in many instances, eliminates it completely. Furthermore, since workers and local union stewards view the Trade Union Department as synonymous with or protective of the interests of the Hevrat Ovdim enterprises, and not of the workers, they frequently refrain from soliciting the support of the Trade Union Department for their strikes. Indeed, we suspect that the reason for the rate of wildcat strikes being the highest in the Histadrut sector (see Table 2) is connected with the feeling of rank-and-file members and local union officials that no real collective bargaining process is exercised in this sector.

Moreover, when the Labor Party was in power in Israel, there was a close tie between the Histadrut leadership and that party. While the Party sought to keep inflation down, it created tremendous pressures on the

Histadrut trade union leaders to keep its wage demands down. The workers, however sympathetic to lowering the rate of inflation, wanted higher wages to pay for the goods they needed. They, therefore, at times, went out on wildcat strikes to push union leaders, both in the Histadrut and in the public sector (and to a lesser degree in the private sector where the ties between the Histadrut and the Party to curb inflation were less clear), to act more vigorously in securing higher wages for the union members.

**TABLE 2**  
**Trade Union Department Authorization of Strikes**  
**by Sector, 1960-1969**  
**(In Percent)**

	<i>Private Sector</i>	<i>Histadrut Sector</i>	<i>Public Sector</i>
Total Strikes	100.0	100.0	100.0
Authorized Strikes	60.8	23.5	34.7
Unauthorized Strikes	39.2	76.5	65.3

Source: Abraham Michael and Refael Bar-El, *Strikes in Israel, 1960-1969: A Quantitative Approach*, Ramat-Gan, Bar-Ilan University, 1977, pp. 95.

#### COMPARABILITY AND PATTERN-MAKING

Comparability in wage demands is a major issue in labor relations in Israel, because of the pervasiveness of this practice throughout the country and its resulting impact on industrial peace. A report prepared by a blue-ribbon commission, appointed by the Government and the Histadrut to investigate wages and supplementary pay in the public sector,<sup>16</sup> shows that in 1975 the wages of 248,530 employees out of 303,610 employees in the public sector were compared partially or totally to the wage scale of engineers.

The extent of the practice of comparability has made collective bargaining in the public sector more rigid. This has been true in other sectors of the economy, where comparability flourishes. Because the labor market is limited, and information about agreements spreads easily, the issue of comparability became central, affecting the entire labor relations subsystem.

<sup>16</sup> Commission to Investigate Wages in the Public Sector, Report of the Commission, *Recommendations Regarding Special Allowances*, Jerusalem, Government Printing Office, 1976. (In Hebrew).

The issue of comparability is related to the concept of “distributive justice” as discussed by Adams<sup>17</sup> and Homans<sup>18</sup>. The parties’ perception of the exchange process is based on the comparison of the ratio of outcomes to inputs that one gets, to the ratio of outcomes to inputs that others get. Thus, the exchange process is equitable when:

$$\frac{\text{Perception of self's outcomes}}{\text{Perception of self's inputs}} = \frac{\text{Perception of other's outcomes}}{\text{Perception of other's inputs}}$$

Since the bargaining process is a dynamic one, and the conditions for exchange which unions and managements make are dependent to a large extent on the conditions prevailing in the environment in which they function, many conflicts may arise because of changes in the environment or because of rigidity in the parties’ perception of the equity of the exchange process. In fact it is possible to suggest that it is the *perception* of equity that is important here, for equity may in fact exist, but may not be perceived as existing. Thus, though the search for equity in the exchange process is natural and harmless as such, as soon as institutionalized rigidities (e.g. comparability by law or by national labor agreements) are introduced, the probability for conflicts increases.

An example of the harmful effects of comparability and its impact on conflicts took place in the health care sector during 1976-77<sup>19</sup>. Because of special conditions in this sector and the special desire of the Government to attract more nurses back to work in the profession (conditions in the environment), the Government decided in 1976 to grant nurses special monetary benefits. As soon as this policy was implemented, a flurry of strikes erupted in the health care sector. The main demand of the doctors and the auxiliary personnel was the restoration of the status quo ante of comparability of wages with the nurses.

Besides the rigidities which institutionalized comparability introduces, making adaptation to the changing environment difficult, it also causes bargaining to degenerate from a process of exchange of inputs and outputs to a preoccupation with other issues. Instead of the parties concentrating on the issues of their own inputs and outcomes, they argue about the right group with which to be compared, thus making the exchange process cumbersome and increasing the potential for conflict.

17 ADAMS, J.S., “Inequity in Social Exchange”, in *Advances in Experimental Social Psychology*, 2, ed. by L. Berkowitz, New York, Academic Press, 1965, pp. 267-300.

18 HOMANS, G., *Social Behavior*, New York, Harcourt, Brace & World, 1961.

19 DANKNER, Amnon, “Doctors Resign Today”, *Ha’Aretz*, November 1, 1976, p. 1; and Editorial, “The Balance in the Nurses’ Strike”, *Ha’Aretz*, September 9, 1976, p. 9. (In Hebrew).

### **Ideological Commitment**

One of the most common sources of conflict in any social system, and in particular in the labor relations system, is for a party to assume an emotional or ideological commitment to some policy or issue and wage a "holy war" to fight for its preservation. We include this reason under the broader category of bargaining practices which result in strikes because of the nature of a "holy war". The party fighting for an issue or policy which it has declared "holy" finds it difficult to renounce or forego any part of it. In labor relations terms, the situation becomes particularly severe when established practices of bargaining are changed or when certain issues which were previously bargainable are, at a certain point in time, deliberately excluded from the bargaining process by being declared "holy" by one of the parties.

A striking example of the impact of such an ideological commitment on the level of labor conflicts occurred during the 1963-1965 period in Israel. A major effort was made by the Israeli Government during this period to introduce a wage policy in the public sector which was based on scientific job evaluation and whose *raison d'être* was equal pay for work of equal value<sup>20</sup>. This new wage policy was supposed to bring all public employees under the umbrella of one wage scale and establish new criteria for wage differentiation among the different professions in the public sector. The Government's insistence on the universal implementation of the new wage policy and its underlying philosophy was unrelenting, and thus, no elbow room was left for the Government to bargain for exceptions to the rule with any group of workers. Under these new circumstances, when different groups of workers sensed the impossibility of changing the Government's commitment through bargaining, they chose the strike as the means of achieving their goals. The beginning of the end of the new wage policy came with a strike by the engineers' union which was not willing to accept the Government's "holy war" position on a single wage scale. The strike activity related to the new wage policy widened and spread throughout the entire public sector until the Government relinquished its firm commitment.

### **Unsatisfactory Labor Legislation**

Most scholars of industrial relations pay special attention to legislation and its administration in the labor relations subsystem. Dunlop defines this

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<sup>20</sup> HAREL, Gedaliahu, "Job Evaluation and Wage Setting in the Public Sector of Israel", *Relations Industrielles*, VII/2, 1976, pp. 184-302.

function as one of the main outputs of the subsystem,<sup>21</sup> and Mabry explains this function in the following terms: "Legislation and its administration represent an attempt to balance opposing forces and interests and to resolve conflicts by more clearly defining the legitimate areas of activity of the parties with conflicting interests."<sup>22</sup>

Deficiencies in labor legislation could be and are a source of friction and conflicts between the parties of the labor relations subsystem. In Israel, labor legislation involves an extensive code of laws adopted mostly after 1948. In addition, earlier laws adopted during the British Mandate in Palestine and even under the Turkish Empire are still in use. One of its most obvious and disturbing deficiencies is that there are no laws governing the establishment, functions, responsibilities and liabilities of labor unions and of employers' associations. The unsatisfactory arrangement under which unions and employers function is an old Turkish law dating back to 1909 and which was intended mainly for voluntary non-profit organizations. Although various labor laws spell out some duties and functions of labor unions, this is not sufficient insofar as it leaves most issues regarding the functions of these organizations inadequately covered by unified legislation.

Zamir, a leading labor law scholar, discusses in a comprehensive study the extent and implications of these deficiencies in labor legislation<sup>23</sup>. We do not mean to reassess the problem, but rather to illustrate by means of an example the way in which the deficiency in labor legislation may generate conflicts in the labor relations subsystem.

The Labor Disputes Settlement Law of 1957 states that the parties to a labor conflict are the employer on the one side and the workers' organization which represents the majority of workers involved in the dispute (and if such an organization does not exist, then the representatives elected by the majority of the workers for any purpose or for the specific conflict) on the other. The obvious question that suggests itself in this context is whether a wildcat strike (a strike declared by a local union without prior authorization from the national or regional trade union), a slowdown operation or any other partial strikes are legal strikes or not. Thus far, no satisfactory legal

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21 DUNLOP, John T., *Industrial Relations Systems*, Carbondale: Southern Illinois University Press, 1958, p. 13.

22 MABRY, B.D., *Labor Relations and Collective Bargaining*, New York: The Ronald Press, 1966, p. 14.

23 ZAMIR, Itzhak, "Workers Organizations and Employers - The Legislative Arrangement", in *Labor Research in Israel*, ed. by Rivka Bar-Yosef and Eliezer Leshem, Jerusalem: Institute for Research on Labor and Welfare, Hebrew University, 1974, pp. 31-50. (In Hebrew).

answer can be given to this question on the basis of existing legislation. Since the majority of strikes in the past few years in Israel were unauthorized strikes, and since this phenomenon continues to spread, we are faced with a situation in which, although a law concerning the parties to a labor conflict is in effect, it does not cover the majority of such actual conflicts. This situation is further aggravated by the fact that there are no clear legal definitions regarding the rights and duties of the local labor unions. It is possible that many of the wildcat strikes could have been avoided or stopped if appropriate legislative tools had been provided to the labor relations subsystem.

## CONCLUSION

In conclusion, we do not believe that strikes are neither destructive to labor relations, nor an indicator of the health of an industrial relations system. If, however, we wish to limit the number of strikes, we must recognize the reasons for the strikes and act upon them, rather than try to treat symptoms, as has been the case in Israel so far.

Thus, while 50% of the strikes are officially registered in the Israeli Labor Relations Division as being caused by "insufficient pay", it is naive to think that all these strikes could have originated in an obstinate refusal of management to meet the demands of the union or as an adamant desire of the union to drain the company. It is true that money was the immediate cause of the breakdown, but this should not lead us to the erroneous conclusion that it explains completely why the strike, in fact, took place. It is mistaken to imagine that a disagreement over money will lead inexorably to an interruption of contact between the parties. To prevent such interruption means not only dealing with, for example, wages, but also with the more basic reasons we have described.

## Les causes génériques des grèves: une interprétation du cas israélien

À cause de leur effet néfaste sur l'économie en Israël, les grèves sont devenues sujets d'enquêtes scientifiques de la part des spécialistes en relations professionnelles dans ce pays. Plusieurs études ont été publiées, mais elles paraissent déficientes dans leurs conclusions en ce qu'elles ne parviennent pas à découvrir les causes profondes

qui les engendrent. Celles-ci, en effet, ne doivent pas être confondues avec les occasions immédiates des grèves prises individuellement.

Une distinction s'impose. Si les occasions de grèves peuvent résulter de différends entre les parties tels les désaccords en matière de salaires et d'avantages sociaux, l'embauchage ou le congédiement des salariés, la reconnaissance des syndicats, la fermeture des entreprises, etc., les causes véritables ont un caractère plus profond et elles peuvent être extrinsèques ou intrinsèques.

Parmi les causes extrinsèques, on peut citer les conditions de la vie sociale, comme le manque de canaux d'expression politique, les conditions d'ordre économique comme l'inflation galopante. Il s'agit de situations favorisant les conflits qui dégèrent ensuite en grève, et d'un état général de la société considérée à une période donnée qui s'applique à toutes les grèves et qui aide à en déterminer le nombre.

En Israël, on a trouvé, par exemple, que le facteur qui avait exercé le plus d'influence sur le nombre des grèves n'était pas le niveau de l'activité économique, mais le taux, surtout le taux d'accélération, des investissements. Les espoirs exprimés par les investisseurs créent des espoirs similaires parmi les salariés désireux d'obtenir leur part du gâteau, ce qui constitue un climat général favorable aux grèves. De même, les effets funestes d'une inflation rapide, qui affectent toutes les branches de la vie économique ont aussi un effet négatif sur les relations professionnelles, parce que les syndicats doivent s'efforcer de protéger leurs membres par des clauses d'indexation.

D'autre part, il faut aussi considérer les causes intrinsèques des grèves.

Celles-ci résultent d'abord en Israël de la démocratisation des syndicats, soit par la mise en place de structures qui permettent à la base de jouer un rôle plus important dans la prise des décisions, soit par la multiplication et la fragmentation des sections locales. C'est ainsi, par exemple, que l'établissement de plusieurs unités de représentation dans une entreprise favorise la concurrence, les intrigues et la méfiance entre les diverses sections. Au lieu de faire valoir ses besoins et ses revendications spécifiques, chaque unité de négociation concentre son attention sur les gains des autres pour en obtenir d'identiques ou d'analogues, ce qui crée un cercle vicieux forçant quelquefois les parties à conclure des accords secrets.

Autre cause intrinsèque des grèves: les erreurs de jugement provenant des maladresses des parties, du défaut de connaissances des règles du jeu ou du fait que des négociateurs inexpérimentés manquent de flexibilité au cours des tractations.

On peut aussi ranger parmi les causes intrinsèques des grèves les pratiques de négociations incorrectes. Il arrive fréquemment que les négociations ne sont qu'apparentes. Au fond, il ne se passe rien dans la réalité, chaque partie demeurant cramponnée à ses exigences. En certains cas, on va jusqu'à rejeter le mécanisme de négociation lui-même. On abuse aussi du recours aux comparaisons: cette tendance a rendu la négociation collective plus rigide, principalement dans le secteur public, mais on la retrouve aussi dans le secteur privé. Au lieu de concentrer leur attention sur les enjeux de la négociation, les parties discutent des groupes auxquels elles estiment devoir être comparées, ce qui rend lourd le processus des négociations et augmente d'autant les possibilités de conflit.

Par ailleurs, une des sources majeures d'opposition dans tout système social porte sur les questions d'idéologie. Chacun veut faire sa «guerre sainte». En matière



de relations professionnelles, la situation devient particulièrement grave quand les mécanismes de négociation bien établis sont modifiés ou quand certaines questions, jusque là négociables, sont délibérément exclues par l'une ou l'autre des parties.

Enfin, beaucoup de spécialistes accordent une grande importance à la législation dont les déficiences peuvent être et sont effectivement une source de conflits entre les parties. En Israël, l'une d'entre elles est qu'il n'existe à peu près pas de lois touchant l'établissement, les fonctions, les responsabilités et les obligations des syndicats et des associations d'employeurs.

Que conclure si ce n'est que les grèves ne sont pas un indicateur de l'état de santé d'un système de relations professionnelles mais que, si l'on veut limiter le nombre de grèves, il faut en connaître les causes véritables plutôt que d'en traiter les symptômes? En Israël, on catalogue cinquante pour cent des grèves sous la rubrique «salaire insuffisant». Il est naïf de penser que toutes ces grèves ont leur origine dans le refus des employeurs de satisfaire aux exigences du syndicat ou le désir du syndicat d'écraser l'employeur. Il est vrai que les questions d'argent furent souvent l'occasion immédiate de la grève, mais cela ne doit pas conduire à la conclusion énoncée que celles-ci expliquent totalement le fait de la grève. C'est une méprise d'imaginer qu'un désaccord sur des problèmes d'argent peut inexorablement entraîner une interruption des contacts entre les parties. Pour empêcher de pareilles interruptions, il faut non seulement se préoccuper des salaires, mais aussi des causes plus profondes des arrêts de travail.

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