

# **Workplace Democracy**

## **From a Democratic Ideal to a Managerial Tool and Back**

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### **ABSTRACT**

In different political theories, democracy is not reduced to state institutions, but includes the democratization of the whole society, its organizations and enterprises. This idea goes back to the beginnings of modern democratic theory and to Jean-Jacques Rousseau's *Social Contract*. It was adopted by different socialist thinkers, later on by trade unions and, in the 1960s and 70s, by political scientists such as Carole Pateman and other promoters of participatory democracy. According to this tradition, workplace democracy is considered to be necessary for the realization of democratic ideals like individual autonomy, freedom, voice and participation in all relevant questions influencing citizens' lives. Parts of this normative idea were realized by trade union movements and laws, especially in Western European countries. Nevertheless, workplace democracy in the sense of the above-mentioned theories remained far from becoming reality. In the 1990s, the idea was co-opted by organizational development and management studies and underwent a change: Workplace democracy, then mostly operationalized as limited participation, became a managerial tool that should help to increase employees' motivation and efficiency and thereby contribute to entrepreneurial success. In the last few years, however, the original democratic ideal of workplace democracy seems to have been revitalized under conditions of a worldwide economic crisis. This article shows the development and the latest revival of the concept of workplace democracy, and discusses its innovative potential for today's democratic societies.

**Keywords:** democratic ideal, democratic theory, industrial democracy, quality circles, Total Quality Management, workers' self-management, workplace democracy, WorldBlu

### **Introduction**

In Western societies, the term "democracy" has become a kind of empty signifier in political and public discourse in recent decades (Brown, 2010). Politicians with very differing ideological backgrounds often refer to their own arbitrary concept of what a democracy should be. This conglomeration of meanings is one reason for a rising skepticism among citizens towards democracy as such. At the same time, convincing alternatives and innovative democratic concepts, though existent in academic circles, rarely enter the public sphere. The manifold and sometimes arbitrary interpretations of democracy are the result of a vast and controversial scientific and philosophical debate with highly differentiated theoretical approaches. It seems that almost everything has been said about democracy during the centuries-lasting debates among philosophers and political thinkers. While there might be a true core meaning, it must be admitted that a

great deal of what has been said has been forgotten. The concept of Workplace Democracy is such a forgotten or, at least, neglected aspect of democratic theory that is nowadays experiencing a revival. In this article, I will try to bring it back to the readers' memories by tracing its historical development and by discussing it as a possible democratic innovation that could respond to latest skepticism towards representative democracy, supra-nationalization and globalization.

In a very general way, workplace democracy is associated with the application of democratic practices to the workplace. Such practices include voting, discussions and deliberative or participatory decision-making. The roots and motivations to claim democratic rights and to establish workplace democracy are complex. One strand focuses on the realization of democracy as a value, a way of life and self-government, and a method to reach individual autonomy and freedom in a liberal sense. It can also be considered as a means of class struggle in a socialist tradition. According to its managerial strand, workplace democracy can be used as a method to raise workers' motivation in order to contribute to entrepreneurial efficiency.

## **1. Workplace democracy as a democratic ideal**

The history of democracy is older than the history of industrial relations and alienated work. Modern political thinking and the roots of modern democratic theory date back to the sixteenth and seventeenth centuries. Industrial relations came later, mostly in the nineteenth century when rural economies were more and more replaced by urban industries and when technological progress paved the way for the industrial revolution. A concept of workplace democracy only makes sense in its combination of democratic theory and industrial relations. Basic arguments are given in the political philosophy of the European Enlightenment. Its practical relevance is certainly only developed in the context of industrialization.

### ***1.1 Democracy as a way of life and self-government: the liberal tradition***

The history of democratic theory is rich in approaches and assumptions, especially in the modern era. Contrary to the antique Athenian democracy, which was mainly a method of decision making by majority rule, liberal democratic thinkers like John Locke and Jean-Jacques Rousseau linked it to the liberation and emancipation of the individual. They were convinced that all human beings were, by nature, equal and free. If this is taken seriously, then a democracy consists of much more than the right to vote. As Rousseau (2008: 54) argued:

If we ask in what precisely consists the greatest good of all, which should be the end of every system of legislation, we shall find it reduce itself to two main objects, liberty and equality—liberty, because all particular dependence means so much force taken from the body of the State, and equality, because liberty cannot exist without it.

In Rousseau's understanding, a democratic system has the task of realizing and guaranteeing liberty for, and equality among, citizens. The government is an intermediate body in charge of maintaining liberty and individual freedom (Rousseau, 2008: 60). In his considerations on the social contract and on education, Rousseau was interested in the relationship between the individual and the collective. He was one of the first to stress that social conditions have a strong impact on citizens' lives and their personalities (Plamenatz, 1963). The social contract between all citizens should guarantee equality for the sake of individual liberty. Equality does not end with the realization of equal political rights. It must go further (Rousseau 2008: 54):

... by equality, we should understand, not that the degrees of power and riches are to be absolutely identical for everybody; but that power shall never be great enough for violence, and shall always be exercised by virtue of rank and law; and that, in respect of riches, no citizen shall ever be wealthy enough to buy another, and none poor enough to be forced to sell himself

When Rousseau wrote these lines in the eighteenth century, he could not know that, some decades later, a tremendous gap between the rich and the poor would be the reality of nineteenth-century industrial societies, undermining the democratic principles he had in mind. Rousseau cannot be considered as an early socialist in the strict sense of the word, but one thing can hardly be denied: he put his finger on a very crucial point for democratic societies, namely the distribution of wealth. Moreover, the dictum that "no citizen shall ever be wealthy enough to buy another, and none poor enough to be forced to sell himself", gets a deeper meaning with regard to industrial societies, which are based on the fact that labour force is sold to entrepreneurs who literally buy the workers. Thus, long before Marx and Engels promoted a revolutionary class struggle, Rousseau delivered a basic theoretical argument for a kind of workplace democracy from a liberal point of view. This interpretation is reflected in Carole Pateman's reading of the French philosopher. In her opinion, he is the "theorist of participation par excellence" (Pateman 1970: 22). According to his democratic ideal, participation should not be limited to the political sphere, but spread over all social relations in order to avoid suppression and inequality. If a system must guarantee the self-government of each single citizen, then it has to go far beyond the political. It then includes all social arenas where individuals act and live. In modern societies, the workplace cannot be left undemocratic.

As a consequence of such an understanding of democracy, Rousseau was aware of the necessity to educate people in order to liberate them from political oppression (Rousseau, 1979). The educational dimension in Rousseau's work is a key aspect of liberal democratic thinking that was taken up by different philosophers of the nineteenth and twentieth centuries. John Dewey promoted the democratization of all social fields and stressed the importance of education. The American philosopher (Dewey, 2008: 221) pointed out that:

... if the methods of regulation and administration in vogue in the conduct of secondary social groups are non- democratic, whether directly or

indirectly or both, there is bound to be unfavorable reaction back into the habits of feeling, thought and action of citizenship in the broadest sense of that word

For Dewey, exclusion from participation was a form of suppression that should not be accepted in any social relationship: “In the broad and final sense all institutions are educational in the sense that they operate to form the attitudes, dispositions, abilities and disabilities that constitute a concrete personality” (Dewey, 2008: 221). By saying this, Dewey who, contrary to Rousseau, already knew industrial society, stressed the importance of organizational democracy.

A first argument for workplace democracy can thus be taken from liberal democratic thinkers. In their view, democracy is more than just a method of governing. It includes and promotes individual freedom and self-government and is closely linked to education and empowerment in all social fields.

### ***1.2 Reforms or revolution: the socialist tradition of workplace democracy***

As shown above, the democratization of all social arenas for the sake of the individual’s emancipation and self-government is at the basis of liberal democratic theories. The democratization of the workplace, however, is not explicitly mentioned; even if it appertains to it implicitly. The merit of socialist theories and movements is to show how capitalist societies undermine democratic principles by the exploitation of the working class. What Marx, Engels and other socialist revolutionaries had in mind to overcome class conflict is well known. What is more interesting in the context of this article is the work of the anarchist Pierre-Joseph Proudhon, who criticized liberal democratic theories for ignoring the conflict between the right of property of the rich and the desire for property of the poor. “The rich man’s right of property, he argued, “has to be continually defended against the poor man’s desire for property. What a contradiction!”(Proudhon, 2010: 90)

Proudhon first used the phrase “industrial democracy” (Proudhon, 2010) and described his concept of a free and just economy. The self-management of workers was at the core of his and other anarchists’ considerations (Proudhon 2011: 188 ff.):

We want the mines, canals, railways handed over to democratically organized workers’ associations (...) We want these associations to be models for agriculture, industry and trade, the pioneering core of that vast federation of companies and societies, joined together in the common bond of the democratic and social Republic.

Proudhon argued that self-governing producers’ associations were the basis for a society in which concentration of political, economic and social power could be avoided and individual freedom protected. He was a proponent of libertarian socialism, of direct democratic methods like citizens’ assemblies and workers’ councils. Decentralization of political and economic power and the rejection of personal property were part of such

libertarian socialist thinking which had its most influential phase at the end of the nineteenth century, when people such as Proudhon agitated in France as did Bakunin in Russia. Among the manifold branches of anarchist and libertarian thinking, anarcho-syndicalism, which shares the principle goals formulated by Proudhon, is of special interest here because it focuses on a workers' democracy based on the labour movement and on trade unions. Since all workers in the world were in the same or a similar situation, they all were oppressed by capitalists. Therefore, a common struggle using direct action would be their only means to liberate themselves. Consequently, anarcho-syndicalists rejected the idea of representation. They fully concentrated on direct democratic action.

Of course, the socialist tradition is rich in suggestions for workers' democracy. Especially at the end of the nineteenth and the beginnings of the twentieth centuries, many socialist theorists pondered about the best method to change society. In 1919, the Italian Antonio Gramsci (1919: 2) quite concretely described the structure of what he called workers' democracy consisting of internal commissions, factory councils, socialist circles, peasant communities, district committees and so on:

Today the commissions limit the power of the capitalist in the factory and perform functions of arbitration and discipline. Developed and enriched, they should tomorrow be organs of proletarian power which will replace the capitalist in all his useful functions of direction and administration.

Both Proudhon and Gramsci rejected a violent revolution. They wanted to reach their goals by reform; however, they did not accept the capitalist order. The final aims of any reform and workers' democracy were freedom and equality as well as the end of the class society. Although their ideas were not realized, they influenced the practitioners and trade unions to today.

When, in the nineteenth century, farmers were increasingly forced to become wage-earners, they started to form trade unions and labour unions operating at the national level. These unions went hand-in-hand with the development of socialist parties and were one of the answers to the burning questions of poverty and workers' exploitation in industrial societies. Although unions emerged from very different ideological backgrounds, they all shared the conviction that something had to be done in order to fight poverty. Similar to the cleavage that existed between communists and social democrats or revolutionaries and reformers, the trade union movement split into two different camps. The moderate camp wanted to minimize the problems in capitalist societies by enhancing workers' influence and by giving them voice and organizational power in the framework of the existing capitalist economy. The radical camp aimed for the dissolution of the roots of capitalism by collectivization of the means of production and by introducing a classless society through a revolution.

With respect to democratic theory and workplace democracy, trade unions promoted workers' rights and sought to give them a legal voice in specific questions of the internal affairs of enterprises. One of their main instruments was and still is collective

bargaining, which ensures participation in managerial processes through negotiations between management and employees or their representatives. Agreements reached by these negotiations usually concern wage scales, working hours, health, training, overtime, etc., and are enforceable under the law.

Collective bargaining is the usual way to conduct relations between the so called social partners (representatives of employees/workers and representatives of employers) and is common in some European countries. On the supra-national level, however, it is still a very weak instrument for employees and workers. The European Union introduced the so-called social dialogue in the 1980s, but this did not promote equality in power-relations between the entrepreneurs and the workers. Nevertheless, there are examples of Industrial or Workers' Democracy in the twentieth century. In Socialist Yugoslavia, central planning was abandoned in the 1950s and Tito adopted a Third Way between central planning and capitalism. Workers were given more authority inside enterprises. The essence of this new way was described by a quotation in the German newspaper *Die Zeit* in 1965 (October 29):

In the Soviet Union, the means of production might be collectivized but this did not improve the situation of the workers. Although they formally own the companies, the real power lies in the hands of a few directors who act far from being democratically controlled. This kind of 'state capitalism' contradicts the ideas and doctrines of Marx and Lenin.

Tito gave the power back to the workers who managed themselves in workers' councils elected for a one year term and consisting of 15 to 120 members. These councils were responsible for the overall management of the enterprise and elected the board of management (Duncan, 1979: 71). The idea related to anarcho-syndicalism and its adoption helped make Tito very popular, not only in Yugoslavia, but also among moderate socialist theorists. Carole Pateman refers to this example when writing about her concept of Workplace Democracy in the 1970s (Pateman, 1970).

Other examples of workers' self-management and industrial democracy are the LIP factory, a French watch- and-clock company which was seized by workers when the management wanted to close it in 1973. As well, the Brazilian firm SEMCO operates with self-governed business units and company-wide votes (van der Vliet, 2012: 34). In Argentina, many businesses were directly run by workers after the economic crisis in 2001—a phenomenon that is known as autogestion.

Taken together, the socialist tradition of workers' democracy was one of the driving forces of political developments in the nineteenth and twentieth century and especially of the emergence of welfare states in some Western democracies like Sweden and other Scandinavian countries. Trade unions and socialist ideas were also important in the creation of welfare and social security systems in many other continental European countries like Germany, Austria or France (Esping Anderson 1990). They started with the goal of liberating workers from capitalist oppression and exploitation at the end of the

19<sup>th</sup> century, but soon split into revolutionary and reform factions in terms of both methods and goals.

During the cold war, most trade unions and socialist or social democratic parties in the Western sphere accepted capitalism as the only game in town and tried to minimize its risks and negative effects by negotiations in the context of social partnership or by legitimized political action in a democratic framework. The collectivist economy of the Eastern hemisphere did not realize the promises of its founders, however, but instead perverted the libertarian socialist idea in its own form of oppression and dictatorship.

Especially during the 1990s, the globalization of the world market, the foundation of the World Trade Organization (WTO) as well as the weakening of the sovereignty of nation-states with their nationally organized welfare systems, affected the trade unions in their ability to fight for workers' rights. They did not keep up with the new economic order and failed to organize a strong supra-national resistance against the deregulated neoliberal global market.

### ***1.3 Workplace Democracy and Political Theory in the 1970s***

For a long period, theoretical arguments for workplace democracy were dominated by socialist thought. After the World War II, industrialization caused an economic miracle in some European countries, trade unions fought successfully for workers' rights and the welfare state seemed to calm down the vast majority of the working class. At the same time, the Soviet Union discredited the theoretical achievements of former socialist thinking. Only in the late 1960s did student revolts in France and Germany bring back the sustained criticism of capitalism, as philosophers and theorists like Sartre and Habermas either explicitly supported student militants or at least provided complementary philosophical critiques. In the years that followed the 1968 uprising, Carole Pateman formulated a participatory theory that included the workplace. She referred to Rousseau, John Stuart Mill and British historians of Guild Socialism, and argued that participation in non-governmental fields would be the basis for political participation and the only way to strengthen individual self-government. She considered participation as education for citizenship and criticized the democratic theory of that time for having neglected or forgotten the very fundamental arguments of Rousseau and J. S. Mill and for substituting a revisionist democratic theory that abandoned both the educative functions of participation and the increase in power that working-class participation promised. Contrary to revisionists like Joseph A. Schumpeter who defined democracy mainly as a method for recruiting political leaders, she insisted that individual autonomy and freedom were at the very centre of participatory democratic thinking (Pateman, 1970: 34):

The form of association, however, which if mankind continue to improve, must be expected in the end to predominate, is not that which can exist between a capitalist as chief, and workpeople without a voice in the management, but the association of the labourers themselves on terms of equality, collectively owning the capital with which they carry on their

operations, and working under managers elected and removable by themselves.

Some thirty years later, Pateman (2002: 48) further concretized her proposals:

In a democratized firm all participants are legally responsible for their joint activities, although they may delegate some authority to managers (representatives). ... the participants in a democratized firm are not employees. They are self-governing (autonomous) members and partners in the firm, with the rights of citizens.

Carole Pateman's political theory stresses the importance of participatory experiences. Citizens, who do not experience democracy in their daily lives, can hardly become convinced democrats and might lose their faith in democracy and its institutions very quickly. At least in Western European countries, this phenomenon can be observed in the last few years. Surveys show that trust in democratic institutions has declined tremendously (Armingeon and Ceka, 2013).

## **2. Participation as a managerial tool**

While workplace democracy as a way to approach a democratic ideal became less important in the late 1980s and the 1990s, participatory methods were increasingly appropriated in the managerial world. This trend went hand-in-hand with a general tendency among politicians and public to accept neoliberal ideology, globalized markets and a loss of power for democratic nation-states. After the introduction of the World Trade Organization in 1995 and other developments that opened national borders for the sake of globalized markets and profits, many theorists—especially from the left—criticized the “end of liberal democracy” (Brown 2003). Even European social-democrats seemed to adapt to the neoliberal world in the 1990s by introducing their own self-styled Third Way, personified in Tony Blair and Gerhard Schroeder. Globalization was dominant during these years when a hegemonic discourse excluded real alternatives.

In the years of neoliberal hegemony, managers found out that more employee participation would support economic success. Under the label “organizational development”, various participatory methods were introduced in firms in order to raise the motivation of employees. Organizational development focused on the organization and its goals by respecting and enforcing employees' influence (Skelley, 1989).

### ***2.1 Employee involvement in the managerial tradition***

Generally speaking, an enterprise can be ruled in different ways. In a top-down approach, input as well as decision making is the exclusive task of managers. In a bottom-up and emergent approach, employees can provide input for decisions, which are

still made by managers. Only a democratic approach includes all employees in all stages of the decision-making process (van der Vliet, 2012: 12).

The general assumption of organizational development is that a bottom-up-approach would be more effective than an old-fashioned top-down approach. It holds that entrepreneurial strategy needs to be a fluid and on-going process with inputs from all people concerned. Especially in times of change and insecurity, employees can bring up creative ideas that help solving management problems.

According to Apostolou (2000: 2), employee involvement in the understanding of management theories meant that:

every employee is regarded as a unique human being and not just a cog in a machine, and each employee is involved in helping the organization meet its goals. Each employee's input is solicited and valued by his/her management. Employee and management recognize that each employee is involved in running the business.

Thus, although workers' human uniqueness is accepted, it is not in the center of the approach.

Corporate-sponsored participatory management meant that people should first of all help to reach organizational goals. This includes the risk that employees and workers become puppets in the hands of managers who pretend to include them into decision-making by alibi-participation. Howard Doughty (2003: 1) put it clearly in an article on employee empowerment:

Employee empowerment may ... represent a cunning strategy by an insidious management to gull workers not only into acquiescing in their own oppression, but also into coming up with clever new methods of intensifying that oppression.

But if strategies for employee empowerment are implemented more seriously, it may also be:

an important step in the evolution of organizational psychology which has the potential of building hugely more flexible and efficient corporate entities (Doughty, 2003: 1).

This last quotation points to the psychological dimension as well as the health effect of employee involvement which is dealt with in organizational psychology. The assumption here is that participation can be instrumental for organizational goals by helping to improve the health of employees. No doubt if the staff is sick, it costs time and money. Workers in good mental and physical health are cheaper and more efficient. Contrary to the basic values of the liberal and the socialist traditions of workplace democracy and participation, the managerial tradition focuses on efficiency and

economic prosperity. It could also be called the “neoliberal tradition” of workplace democracy if neoliberalism is understood as a deregulating concept of economy, placing the economic prosperity of enterprises in front of the needs of the employees. Thus, the priorities are different. Classical liberal and socialist theories aim at strengthening the individual autonomy of every single citizen and worker, while neoliberal theories are mainly interested in a free economy without obstacles to innovative entrepreneurs. Everything that helps raise output is welcome, including the participation of employees.

## ***2.2 Ways of employee involvement***

Basing on these assumptions, different ways of employee involvement have emerged. Eleanor Glor (2005: 2) identifies three strategies in the discussion: delegation of authority, psychological empowerment and power-sharing. She stresses the importance of a serious involvement of employees by giving them meaningful choices (Glor 2005: 5). According to Paul Bernstein, five mechanisms can be identified in democratic management:

1. Feedback and information from management to employees;
2. Full management-level-information;
3. Individual rights;
4. Independent board of appeal;
5. Set of values (Bernstein, 1976: 490)

He argues that all these mechanisms are interdependent and thus none of them should be neglected. Participation of employees could start on a very minimal level with the introduction of a suggestion box. Though this is not yet a democratic way of management, it can be seen as a starting point for further engagement. Bernstein distinguishes truly democratic participation from other forms of employee involvement. He states that “...active participation by each and every worker is not necessary for the rank-and-file to exercise real accountability over company decisions. (...) Sometimes over-participation has occurred” (Bernstein, 1976: 497). He therefore suggests a “particular mix of managerial authority and democratic control” (Bernstein, 1976: 498).

The literature and examples on methods of employee involvement is vast. Generally speaking, different methods of employee involvement as a managerial tool in a basically capitalist society and in the framework of capitalist enterprises are possible. In capitalist and profit-oriented companies, employees can have their shares and be owners to a certain degree. They can participate in organizational decision making if they are shareholders. In some cases, the company gives financial assistance to enable them to buy equity shares. This, however, must not be confused with industrial democratic models or workers’ self-management where the whole company is owned by workers (see examples above).

- Suggestion schemes encourage employees to come up with their own ideas on various matters of company policies and procedures. Managers try to initiate such processes and to collect ideas from employees (Dos Santos 2002).

- Quality Circles are instruments that involve employees in the evaluation of procedures and structures and give them a platform from which they can articulate problems, suggestions and critiques. Usually, such circles consist of five to ten persons who meet regularly in order to discuss problems.
- Other methods of employee involvement are financial participation and profit sharing, health projects, Total Quality Management, participation through empowered teams, etc. (cf. Gallagher, 2002).

### ***2.3 WorldBlu: An example of organizational democracy***

An interesting example and a current initiative promoting workplace democracy is WorldBlu, a global network of organizations. The goals of this US-based network are very ambitious: On their website ([www.worldblu.com](http://www.worldblu.com), Accessed April 30, 2014) they state:

WorldBlu is a global community of individuals and organizations committed to practicing freedom - rather than fear - in the workplace. Our name comes from the fact that the color blue (or "blu" as we spell it) is universally recognized as the color of freedom. Our purpose is to elevate

the human spirit through freedom at work. And our vision is to see one billion people working and living in freedom. We do this by offering a range of cutting-edge programs and services that are grounded in experiential, transformative learning, enabling business leaders to design, develop, and ultimately lead the most successful freedom-centered organizations in the world. After nearly two decades of working with leading small to Fortune 500 organizations globally, we've seen how a freedom-centered, democratic approach has a powerful impact on innovation, performance, morale, and the bottom-line. It transforms individuals as well.

The organization certifies workplaces that fulfill criteria of organizational democracy. According to these criteria, a democratic workplace needs:

- \* a purpose and a vision
- \* transparency
- \* dialogue and listening
- \* fairness and dignity
- \* accountability
- \* individual and collective
- \* choice
- \* integrity
- \* decentralization
- \* reflection and evaluation (see [www.worldblu.com](http://www.worldblu.com))

Compared to many other models of management-led employee involvement, the approach of WorldBlu goes further. Especially, the aspects of “transparency”, “decentralization” and “choice” are explicitly mentioned and considered as important. Although the details are not clearly defined, these criteria imply full transparency on salaries and on decision making procedures. The criterion “individual and collective” means that both should have the same value in a company, thus individual interests and needs should not be neglected. In spite of the very ambitious goals and the obvious wish to change society by strengthening workplace democracy, the network and its representatives do not want to be political (which shows a very narrow understanding of this term).

The description of what workplace democracy is and what it is not shows that the network WorldBlu mainly refers to theories of organizational development. Political theories like workers’ self-management or industrial democracy are not reflected. Nevertheless, it seems to be one of the most advanced models of managerial employee involvement. Recently, the academic and public interest in confronting current forms of capitalism with critical alternatives has become stronger. A number of important articles dedicated to this question have appeared in the last years. Although Carole Pateman is still right when she states that the workplace remains undemocratic, the following phenomena can be identified especially since the beginning of the twenty-first century in terms of re-politicization of economic affairs, internationalization and supra-nationalization as well as innovative theorization.

### **3. The return of Workplace-Democracy: Re-politicization, internationalization and innovative theorization**

After a time of a relatively broad consensus on the rules of the neoliberal global market and a reduction of participation to a managerial tool, some indicators support the belief that a re-politicization of workplace democracy is occurring.

#### ***3.1 Re-politicization of economic affairs***

Firstly, the actors that criticize the economic world order as unjust and undemocratic have multiplied. Social movements like “Occupy Wallstreet”, “Attac”, “Anonymous”, “Los Indignados” publicly make harsh critiques and urge activism with the slogan “Another world is possible”. They get more and more attention and use social media as a platform for dissemination and interest aggregation (Van Aelst and Walgrave, 2002). In many Western democracies, anti-capitalist political parties celebrate electoral successes (Held and McGrew, 2007). The critiques come from diverse ideological backgrounds and can have socialist, conservative or nationalist roots. As Hans Peter Kriesi states, globalization vs. anti-globalization is one of the new main cleavages in political confrontations, impacting voters’ behavior importantly (Kriesi et al., 2005). The emergence of new political parties on the Left in Germany or the strengthening of extreme-right nationalist parties in many European countries is undoubtedly linked to a

re-politicization of economic affairs and the fact that deregulated markets bring about a small number of winners and a big number of losers:

The 'losers' of globalization are people whose life chances were traditionally protected by national boundaries. They perceive the weakening of these boundaries as a threat for their social status and their social security. Their life chances and action spaces are being reduced. The 'winners,' on the other hand, include people who benefit from the new opportunities resulting from globalization, and whose life chances are enhanced. (Kriesi et al., 2005: 2).

Due to these consequences of globalization, voters' behaviour has changed and remains volatile—a fact that makes political parties think about alternatives. One such alternative is the democratization of political systems and society in general. As a result, one of the most important issues discussed in Western democracies in the last few years is the introduction of new forms of participation including democratization of institutions and enterprises. This general re-politicization of economic affairs can be seen as a motor for new debates about workplace democracy (Williams, 2004). But re-politicization not only takes place in public debates, the media and the political space, it can also be found in the institutions themselves. Although networks like WorldBlu do not define themselves as political, they certainly have normative ideas on how society should be structured and on how the relation between individuals and institutions should be organized. With slogans like "Freedom and Democracy at Work", they clearly promote a very basic liberal idea of democracy. They might not directly aim at influencing politics and government, but they undoubtedly contribute to the spreading of democratic values ([www.worldblu.com](http://www.worldblu.com), Accessed April 30, 2014):

So the core of organizational democracy and political democracy is the same—allowing people to self-govern and determine their own destiny. What is different is the context—one is in the political arena, the other is in the realm of organizations.

### ***3.2 Internationalization and supra-nationalization of workplace democracy***

Two other recent phenomena are the internationalization and supra-nationalization of workplace democracy. An example for the latter is the Europeanization of Trade Unions in the context of the European integration process (Erne, 2008). Although this Europeanization still seems to be a slow process, there is some evidence that it has recently accelerated (Glassner and Vandaele 2012). The basic challenge is the fight for workers' rights at the EU level without risking the high national standards of some member states like Sweden, Finland, Denmark and Austria. Especially in times of crisis, collective bargaining, limited working hours, equal payment and other aspects of industrial democracy have to be defended supra-nationally against further deregulation. Thus, for the first time in history, trade unions now have the chance to bring national achievements of workplace democracy to a supra-national level. Their success will

certainly depend on their ability to organize strong resistance and Europe-wide political pressure.

Initiatives and networking do not only take place in the framework of the European Union, but also on the international global level as show the network of Worldblu and the latest revival of the explicitly political movement in the form of New Unionism. It is not really a new movement, for its roots go back to the nineteenth century when it aimed at changing the whole economic system, not only at minimizing the risks workers in capitalist societies. Cuts in the social systems and the problems of the welfare states caused a second wave of new unionism in the 1980s (Heckscher, 1988). And with the start of the new millennium, initiatives were intensified and especially in the last seven to eight years, a new unionism of the twentieth-century was proclaimed. In 2007, the international new unionism network was launched. On their website, they describe their main goal: “New unionism is about seeking creative ways to organize internationally to democratize work. Together, these four principles (organizing, internationalism, creativity and workplace democracy) unite us as a network of union activists.” (www.newunionism.net, accessed April 30, 2014).

Instead of a revolution, new unionists want to use networks in order to reach their goal of a more just global economy. Workplace democracy is an essential principle, but it is one of four principles. The difference between it and former new unionist movements is the ambition to fight not only for negative liberty, but for positive liberty as well (Cradden, 2007, website www.newunionism.net):

What we mean by workplace democracy is treating enterprises as if they were political communities with citizens, just like countries or cities. We are talking about a situation in which everyone has the same right to participate in decision making—not just whoever owns the company—and to have management held accountable for their actions. That certainly includes the right to say ‘no’, but it also includes the right to insist that certain things need to be done, or to be done in a particular way. It’s a completely different way of thinking about how a company should be run.

New Unionism of the twenty-first century aims at changing the economic system by starting with businesses and companies. Their aim is explicitly political and their final goal is similar to classical liberal ideas and libertarian socialism. Not the wealth of the company but equality and individual freedom is at the centre.

### ***3.3 Innovative Theorization***

Innovative theorization of approaches to workplace democracy can be seen in “participism” and inclusive democracy. Both theories emerged in the 1990s, but both have won special attention in the twenty-first century as a form of libertarian socialism, based on participatory economics (PARECON) and participatory politics (PARPOLITY). Michael Albert and Robin Hahnel are the founders of participism, an “anarchistic

economic vision” where the means of production are in the hands of the workers (Albert and Hahnel, 2002). This is also foreseen in the theoretical concept of Inclusive Democracy, involving direct democracy and economic democracy in a stateless, moneyless and marketless economy, self-management (democracy in the social realm) and ecological democracy (Fotopoulos, 2001).

The revival of workplace democracy as a democratic ideal is also visible in other philosophical and political writings (Gosseries, 2008; O’Neill, 2008; González Ricoy 2011). Recently, the topic even gathered some attention in the media. In January 2012, the French daily newspaper *Le Monde* published an article entitled “Le retour inattendu de la démocratie d’entreprise”, wherein the author discussed new developments and suggestions of enforcing the co-decision-principle (*Le Monde*, 2012, January 1).

As already mentioned, workplace democracy is of interest also among researchers working on the future of the European Union. Erne argues that the rights of employees and workers to participate in decision-making need to be guaranteed by European law (Erne, 2008; also see Streeck 1997; Meardi, 2012; Aspinwall and Greenwood, 1998). Last, but not least, different national trade unions more and more often theorize the further democratization and participation in the workplace (Nienhüser, 2013; Ellerman 2010).

Until now, interdisciplinary and ideologically diverse academic exchanges of political and organizational theories of participation are still rare. This is a gap that should be filled in the coming years. Synergies of liberal democratic, socialist and managerial approaches to employee involvement and democratic participation might seem unrealistic at first sight. A closer look shows that national and supra-national trade unions or New Unionism could benefit from networks such as Worldblu and vice versa.

## **Conclusion**

The concept of workplace democracy experienced a kind of renaissance in the last years, especially but not only in its meaning as a way to approach the ideal of individual freedom and equality. Different developments and initiatives in the last years can be interpreted as a re-politicization of the economic discourse. Contrary to other trends of anti-globalization, some of them explicitly refer to democratic values and procedures. At the same time, employee involvement as a managerial tool continues spreading over the companies’ world. At a time when many of the old Western democracies suffer from citizens’ skepticism towards representative democracy, both phenomena could strengthen participatory decision making and individual autonomy. Citizens cannot become convinced democrats if they—in their daily lives, in schools and in their workplace—do not experience democracy. Thus, a further democratization of the workplace is urgently needed. It can help build trust in, and legitimacy of, democracy as a value. It can help produce self-governed citizens.

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