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Irish workplace partnership: unbridgeable tensions between an 'Irish third way' of voluntary mutuality and neo-liberal forces

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Abstract

This paper provides an overview of national institutional context and state policies designed to promote voluntary workplace partnership in the Republic of Ireland. Such attempts ultimately floundered and proved unsustainable due to what we identify as unbridgeable tensions between an 'Irish third way' of voluntary mutuality and neo-liberal forces.

Introduction

Workplace partnership is distinct from national-level social pacts, in that in the former it is claimed by advocates that participants actively engage in social dialogue leading to more informed decision-making for the good of all stakeholders at organisational level. Ireland has promoted national-level social partnership from 1987 until its collapse in 2009, with a distinct objective of diffusing collaborative partnership to enterprise level. The two levels – national and workplace – are not mutually exclusive and inter-link in important ways. National policy and institutions shape the context in which workplace level cooperative arrangements are enacted and played-out. Tripartite bargained consensus at a national level – involving government, employers and unions as the major 'partners' – was seen as a precursor to the efficacy of workplace-level partnerships.

The paper argues that it is highly significant that both levels of partnership were predicated on a highly voluntarist tradition of employment relations. It posits that the extent of such voluntarism failed to insulate the system from global neo-liberal market forces. Location within Ireland's open neo-liberalized economic system means that collaborative partnership remains vulnerable. In many ways, the voluntary nature of partnership constitutes an 'Irish third way' between state sponsored social democracy and market neo-liberalism.

Interest in partnership in Ireland occurred against a backdrop of the decline in collective bargaining and union density in most 'English-speaking' market type economies from the 1980s onwards. In Ireland, partnership born in the late 1980s was a response to economic recession and crisis at the time (Gunnigle, 1998). The practices associated with workplace partnership include active cooperation between management and worker representatives; parallel direct employee involvement schemes; teamwork; and a range of complementary Human Resource Management (HRM) practices, notably financial participation, employment security and training (Kochan and Osterman, 1994; Johnstone and Ackers, 2014; Wilkinson et al., 2014). A key premise of workplace partnership expounded by its advocates is that it can deliver cooperative mutual gains for all stakeholders, and enhanced organisational performance outcomes (Guest and Peccei, 2001). Ireland's period known as the Celtic Tiger certainly witnessed substantial economic growth combined with a concerted policy promoting the diffusion of national partnership to enterprise levels (Ó Riain, 2014; Roche and Teague, 2014a).

A general premise is that while management and worker interests may diverge, through partnership arrangements there exist opportunities to develop more cooperative problem-solving relations to create shared benefits for both parties in response to competitive pressures. This assumption has been particularly evident in Ireland, where workforce cooperation and innovation have figured prominently in academic and policy debates about enhancing national competitiveness (Gunnigle, 1998; Roche, 2007; O'Connell et al., 2009; Dobbins, 2010). However, post-2008, the legacy of the global financial and economic crisis has meant that many countries and organizations are still dealing with the repercussions, notably austerity. Consequently, the theme of mutuality has often been recast, with a focus on the relative distribution of pain rather than an equalising of cooperative gain (Butler et al., 2011; Kaufman, 2014). The socio-economic impact has been particularly acute in Ireland, which has been badly hit by the financial and economic crisis or 'Great Recession' (McDonough and Dundon, 2010; Roche and Teague, 2014b).

The Republic of Ireland therefore offers an interesting context for examining voluntarist rather than regulated workplace partnership. The paper considers the interplay between national institutional arrangements of social partnership and workplace-based arrangements in Ireland. Section two describes the historical origins and subsequent demise of partnership at both national and workplace levels. Section three analyses the institutional context in greater detail, especially the contradictions and tensions involved with combining voluntarist mutuality and neo-liberalism. Three related arguments are presented. First, the system of 'voluntary' regulation restricts the capacity of management-employee mutuality to grow in practice. Second, weak 'institutional complementarity' discourages owners from taking the risks associated with the power-sharing required to diffuse meaningful cooperation at workplace level. Finally, the structure of Ireland's neo-liberalized capital accumulation model means there is a high probability that employers, even when they want to, will find it difficult to 'keep workplace bargains' owing to disconnected capitalist market forces. The paper then concludes that the prognosis and future outlook for voluntarist based workplace partnership is not very encouraging.

The rise and fall of partnership in Ireland

National (social) partnership

As indicated above, Irish employment relations in recent years have been characterized by both national (social) partnership and workplace partnership, with the former preceding and influencing the latter (Roche, 2007; Regan, 2012, 2013; O'Riain, 2014). The interplay and tensions between the cooperative character of Irish social partnership and globalized structures of profit accumulation are rarely subject to critical analysis. For a time, social partnership seemed to set Ireland apart from the deregulation associated with global neo-liberal trajectories of capitalist accumulation. Partnership during the Celtic Tiger years was seen to partially shield workers from the worst excesses of free market capitalism. Partnership was related to job growth and rising living standards for many. It may even be suggested that social partnership democratised Irish society insofar as interest groups like unions had a voice at the tripartite bargaining table. Unlike other countries, Ireland developed a consensus-oriented centralised bargaining system between 1987-2009. Social partners negotiated pay, tax rates and other economic and social issues at national level – initially in response to national economic crisis (Roche, 2013; Teague and Donaghey, 2009a&b). Conventional wisdom is that instead of emulating the confrontational neoliberal agenda of Thatcherism in the UK, Irish policy-makers in the 1980s adopted voluntary social partnership as an alternative and more inclusive democratic governance framework. The first *Programme for National Recovery* (PNR) agreement in 1987 and subsequent partnership agreements were ostensibly directed towards facilitating a consensus around national identity rather than sectional self-interest. This incorporated a consensual discourse of cooperation and mutual gains that was more appealing to the Irish trade union leadership than the hostile adversarial industrial relations climate (including the bitter 1984 miners strike), union exclusion and de-recognition then occurring under Thatcherism in Britain

(MacSharry and White, 2001). Therefore, in contrast to unions being bludgeoned by Thatcherism in Britain or Reaganite monetarism in the US, Irish unions had substantial access to influence government through ‘social partnership’, a centralised wage bargaining process that also included participation in broader social policy, taxation and welfare decisions.

The stagflationary economic crisis during the 1970s and 1980s created the impetus for Irish social partnership to emerge. Donaghey and Teague (2007:20) point out that during the 1970s and 1980s Ireland was on the verge of an ‘economic abyss’, with unemployment averaging 16.8 per cent and national debt as much as 117 per cent of GDP. The first national agreement in 1987, the PNR, prioritised economic stability and tax reform. Seven uninterrupted partnership agreements ensued between 1987 and 2009, culminating in the final agreement, *Towards 2016*[i]. The latter was subject to review in 2008 as the economy began to implode due to the financial and economic crisis, which hit Ireland particularly severely. Social partnership subsequently collapsed in late 2009 when the government imposed a series of austerity measures and public sector wage cuts, aimed at tackling a spiralling financial deficit and rescuing a failed banking system by providing a €64 billion blanket guarantee of bank debts (the Irish crisis was above all a systemic failure of its bloated banking sector). Ireland was on the brink of bankruptcy in 2010 and had to relinquish sovereignty by receiving a €85 billion bailout fund from the external ‘troika’ of the European Commission, European Central Bank and International Monetary Fund, which imposed harsh ‘medicine’. The troika bailout had conditions attached aimed at cutting the deficit through various austerity measures, public spending cutbacks and a range of reforms, some of which had implications for weakening wage setting institutions. In exchange for providing financial loans to pay the debts of banks and private creditors the troika imposed neo-liberalisation and deregulation of labour market institutions, in addition to deep cuts in public expenditure and public service pay. In this regard, the troika furthered neo-liberalized Ireland's already neo-liberal political economy (Regan, 2013). Ireland was released from official troika control in late 2013 after three years, but the shock treatment is still reverberating.

It is significant that Ireland's brand of voluntary 'competitive corporatism' did not contain the same sort of institutionalized co-determination rights evident in social pacts in other parts of Europe (Baccaro and Simoni; Regan, 2012, 2013; Roche, 2007, 2013). The primary emphasis in successive national agreements was on economic competiveness, growth, and job creation, and an economic exchange of pay moderation for tax reduction. Egalitarian notions of distributive justice were in tension with tax reductions and relatively low social provision, and a system of wage arrangements that paid relatively limited attention to broader wealth re-distribution or targeting inequality. The location of Irish style social partnership within a broader globalized neo-liberal accumulation model, rather than a more egalitarian focused social democratic model, meant there were various contradictions. For example, social partnership in Ireland was rooted in the continuation of a voluntarist tradition with minimal statutory employment rights. One stark contradiction was the inclusion of trade unions in macro-economic governance through national partnership, yet the simultaneous refusal to legislate for statutory trade union recognition rights for collective bargaining (Dundon and Collings, 2011). Employment rights that do exist at workplace level were often begrudgingly legislated for only in response to mandatory European directives, and then usually transposed in a 'light touch' manner; notable is the minimalist response by the Irish government to the EU Information & Consultation of Employees (ICE) Directive (Geary and Roche, 2005; Dundon et al., 2006). Above all, it was contradictions within economic policy that explain the eventual collapse of social partnership in Ireland in late 2009, namely: considerable fiscal reliance on tax reductions and property transactions (with a subsequent bursting of the property ‘bubble’) at the same time as pressures for public expenditure rose from 2005, explosion of bank lending in a weakly regulated financialized regime and bloated banking system, and deteriorating pay-cost competitiveness (pay moderation) from the early 2000s (McDonough and Dundon, 2006; Roche, 2013). These contradictions were irreconcilable in the teeth of a major crisis.

Workplace partnership

Turning to the linkage between national and workplace partnership, during the mid-nineties many observers felt that social partnership was overly 'macro', resulting in perceived neglect of workplace level governance (Gunnigle, 1998; Roche and Teague, 2014a). Both employer associations and trade unions supported public policy objectives, contained in national agreements, to diffuse partnership to the workplace level, but for differing reasons. Employers saw workplace partnership as a way to enhance organizational performance and competitiveness. However, trade unions saw potential in partnership for securing greater influence over business decision-making, and a step on the ladder towards industrial democracy. Despite these competing views about the purpose of workplace partnerships, the government and social partners formulated public policies designed to diffuse workplace partnership, guided by overarching (voluntarist) national framework agreements. National framework agreements accommodated divergent interest among actors by allowing for multiple forms of partnership and by avoiding any prescription that specified the scope and range of issues that could be addressed through social dialogue. The emphasis was on ‘soft’ and ‘minimalist’ alternatives to any ‘harder’ and ‘mandatory’ laws to embed workplace participation (Dobbins, 2010).

Therefore, from the mid-1990s a key aim in national-level agreements was to engender more cooperative ‘enterprise-level’ partnerships in Ireland on a voluntary basis. Successive centralized agreements, starting with the *Partnership 2000* national pact, adopted generalist public policy guidelines on workplace partnership, defined in P2000 (1997:52) thus:

> Partnership is an active relationship based on recognition of a common interest to secure the competitiveness, viability and prosperity of the enterprise. It involves a continuing commitment from employees to improvements in efficiency and quality; and the acceptance by employers of employees as stakeholders with rights and interests to be considered in the context of major decisions affecting their employment.

A tripartite National Centre for Partnership - subsequently re-branded as the National Centre for Partnership and Performance (NCPP) - was specifically introduced with a remit to diffuse workplace partnerships across the public and private sectors. The NCPP set about advocating and disseminating partnership ‘best practice’, facilitating networks of partnership organizations to share ‘best practice’, conducting research on partnership, providing training for partnership facilitators, serving as an external support to reassure actors involved in workplace partnerships, and overseeing public policy experimentation and coordination of partnership activities by different bodies to more widely diffuse partnership (NCPP 2001; Teague, 2004). In 2002, the NCPP attempted a further boost to workplace partnership by persuading the then incoming Coalition Government to introduce a new Forum on the Workplace of the Future (Department of the Taoiseach 2002; NCPP 2003). The Forum reported in 2005, presenting a national workplace strategy targeted at accelerating the scale of workplace innovation. Funding was made available, and a national innovation fund and a ‘high-level implementation group’ to co-ordinate and monitor policy were launched (NCPP 2005). Furthermore, the NCPP attempted to raise the public profile and visibility of partnership at work through extensive TV and radio exposure and advertising on public transport. However, such initiatives did not significantly increase the spread of workplace partnerships, and questions were raised about their effectiveness (Department of the Taoiseach 2009; Roche and Teague, 2014a). The crisis took over, and national social partnership collapsed in late 2009, followed by the demise of the NCPP in 2010 amidst public sector cuts and reform.

In Ireland, like elsewhere, voluntarist workplace partnerships have attracted contentious debates between advocates and critics about their impact. Critics argued that over-reliance on the institutions of workplace partnership, union incorporation as partners with management, and moderation of conflicting demands, resulted in weakened labour and unions as they lacked effective mobilizing capacity to challenge and resist management at firm level (Allen, 2000; D’Art and Turner, 2005). In contrast, sympathetic advocates were much more optimistic about the prospects for workplace partnership in Ireland, and pointed to mutual gains (O’Donnell and Teague, 2000; Geary, 2008). Other scholars observed that (partial) mutual gains might be possible, but only under rare specific circumstances, and even then voluntary partnerships were unlikely to endure in the longer-term in the face of turbulent external conditions and absence of harder institutional supports (Dobbins and Gunnigle, 2009). In short, the balance of power tends to favour managers not employees or unions, with a focus on competitiveness and performance rather than the goals of democracy and fairness.

Despite the hopes and projections of advocates, the reality is that despite experimentation with a myriad of collaborative practices, empirical evidence points out that workplace partnership was and is limited in Ireland, even during the high watermark phase in the early 2000's when partnership was being widely touted by policy-makers as a pillar of the Celtic Tiger boom. Scholars began to question why meaningful partnerships seemed to be rare in the private sector given the plaudits of advocates, or were more common in the public services but were largely restricted to minor employee voice issues. In a comprehensive survey of employee views and experiences of workplace governance (O'Connell et al., 2009), substantial majorities of employees said they are not regularly provided with key business or work-related information. For example, less than half of private sector employees are informed about the level of competition facing their firm, and less than one-third of private sector workers receive regular information about the organisation's budget. Just over one-third of employees receive information about plans to change work practices. While just over 21 per cent of all employees reported the presence of formal partnership institutions at their workplaces, only about 4 per cent of all employees are personally involved in such forms of employee representation (down from 6 per cent when the same question was asked in 2003). Thus, there was some decline in the incidence of workplace partnership between 2003, when the economy was booming, and 2009, when the economy was bust (O'Connell et al., 2009).

Evidently then, from the present standpoint, advocates of workplace partnership exaggerated the spread and scope of cooperative partnership as an emerging new model of workplace governance. Over time, widely lauded exemplars of partnership like Waterford Crystal, Aer Rianta, and AIB have fallen by the way-side in the face of internal tensions and external pressures. Today, in the aftermath of the 'Great Recession', workplace partnership appears very much a minority practice and exists alongside the much more prevalent tendency for managerial-led and dominated employee involvement and HRM practices. Overall, partnership is apparently being displaced in the few pockets were it existed and unions have rarely been active ‘partners’ in organizational responses to recession (Teague and Roche 2014). Meanwhile, partnership in the public sector was negatively impacted by austerity post the 2008 crisis. The *Public Service Agreement 2010-2004* (known as the ‘Croke Park Agreement’) concluded between public service employers and unions, was a bilaterally negotiated approach to public sector retrenchment. Yet, in practice, partnership was largely decoupled from the public service reform implementation process (Roche and Teague, 2014a).

The Irish experience illustrates that attempts to instil a voluntarist form of workplace partnership failed for the most part. For the past fifty years, successive Irish governments of all political persuasions have prioritized a policy of economic openness. The centrepiece of Irish political economy, seemingly driving other policy areas, is the overriding concern to attract and retain foreign direct investment from multinational corporations, the USA above all (Collings et al., 2008). In this context, legislation for mandatory workplace partnership was a no go zone, due to fear of frightening away multinationals who object to any form of labour market regulation. Evidently, foreign multinational corporations exert a lot of power over Irish public policy. The collusion of the government with multinational capital has resulted in a dilution of regulatory impacts for collaborative labour-management participation, such as the EU Information and Consultation of Employees (ICE) Directive (Dundon et al., 2014). To further understand the nature of public policy and the governance of regulations shaping workplace partnership in Ireland, it is vital to contextualise partnership against a broader landscape of global neo-liberal path dependency.

Workplace mutuality and (disconnected) neo-liberal capitalist accumulation

In this section we expand on the above, presenting three related arguments outlined in the introduction, to elaborate why workplace partnership is rare in Ireland and does not typically endure.

First are the ‘problems with voluntarist regulation’. The Irish system of industrial relations is regarded as voluntarist, which means that any bargain or settlement between employers, employees and their representatives is based on the assumption all sides will honour agreements, rather than rely on extensive legal regulation and enforcement of rules and agreements (Flanders, 1970).

The dynamic of such a voluntarist regime is inevitably complicated by contextual forces that evolve over time, which alter the relational power between the parties involved. It appears convincing that even with strong unions and senior management support, various external pressures relating to product markets and institutional regulation, that workplace cooperation is rare and evident only in very ‘specific’ circumstances. The point about ‘specificity’ is important and implies workplace partnerships are not universal. Collaborative mutuality through partnership seems most likely where competitive postures are oriented towards skill, innovation and quality, and when workplace practices underpin value-added participation and employee inclusion (Murray et al, 2002; Belanger and Edwards, 2007; Dobbins and Gunnigle, 2009). However, even where they do take root, voluntarist workplace partnerships typically do not endure.

One reason for a lack of sustainable partnerships is what Teague and Hann (2010) term the trinity of meaningful partnership practices, traditional collective bargaining and management's right to manage. These can be difficult to operate in parallel on a sustainable basis under voluntarist arrangements, with few if any constraints on actor behaviour. Under voluntarism, the requisite conditions do not exist for managers and workers (unions) to make repeated trade-offs and risks required for long-lasting cooperation. In the absence of externally mandated legislative interventions, management rarely relinquish their prerogative or share power resources with employees and unions in pursuit of meaningful voice in workplace governance (Martinez-Lucio and Stuart, 2005; Teague and Hann, 2010). Consequently, as Godard (2004) points out, where cost competition related factors dominate, management tend to limit employee involvement, with few resources devoted to genuine cooperation. Overall, workplace-level partnership appears fragmented and unequal due to voluntarism favouring employer power and prerogatives; especially in a broader political economy context of neo-liberalism.

The second strand in the argument is that weak institutions mean employers are reluctant (unsupported) to take the risks required to embed meaningful cooperation with workers (unions). The 'varieties of capitalism' (VoC) literature distinguishes between institutional contexts in liberal market economies (LMEs) and coordinated market economies (CMEs) (Hall and Soskice, 2001; Wilkinson and Wood, 2012; Wood et al. 2014). The characteristic features of LMEs include economic free market principles, little inclusion of the social partners in governing macro-economic issues, and regulations are minimal in restricting business or protecting citizens and workers. The US, UK, Australia, as well as Ireland, are often described as possessing these liberalized tendencies. In contrast, CMEs include the likes of Austria, Belgium, Denmark, Finland, Germany, the Netherlands and Sweden, which have complementary linkages between institutions promoting cooperation across various levels. Institutional complementarity is an important determinant affecting mutual cooperation: institutions are complementary if the presence of one institution enhances efficiency of others (Streeck, 2005).

Some scholars have correctly cautioned against drawing overly sharp ‘ideal type’ distinctions between LMEs and CMEs (Wood et al., 2014). The Irish institutional context offers an interesting unit of analysis in this regard, and has been seen as a more hybrid configuration of these LME and CME features (Hamann and Kelly, 2008). Teague and Donaghey (2009a&b) prescribe to the hybridisation thesis, attributing it to a unique institutional configuration. Among other features these included: unions conceding pay moderation for job growth; accepting greater market liberalization; accommodating ‘non-union’ systems for worker voice, often among inward investing MNCs; support for a minimalist welfare state; and the light-touch adoption of European employment rights. Teague and Donaghey (2009a) provide a valuable commentary about the potential of Ireland’s institutional model for fostering collaboration. However, as noted in the previous section, Ireland’s social pact consistently failed to diffuse cooperation to local levels, and the role of institutional complementarity appears to fall short of the requirements for cooperative power-sharing (Dobbins, 2010).

Long before the financial crisis, social partnership in Ireland was deficient in the level of complementarity deemed necessary for the architecture of ‘institutional comparative advantage’ (Hancke et al, 2007:5). Importantly, such complementarity across different institutional agents and levels determines the degree to which a political economy is coordinated in pursuit of redistributive wealth, power and competitiveness. Arguably, Ireland gravitated towards a promiscuous neo-liberal regime more akin to the US free market regime than the coordinated egalitarian regulation of the European social model

(Roche, 2007). The path dependent institutional effect of Ireland attracted multinational capital into a complementary neo-liberal market regime, underpinned by state sponsorship and support via low corporation tax and minimal employment regulation. A consequence is that while the Irish model displayed elements of cooperative collaboration during the 'social partnership era', the pervasiveness of neo-liberal capitalism resulted in an imbalance of benefits distributed to capital at the expense of labour (McDonough and Dundon, 2010). The extent to which multinational capital utilises Ireland as a channel for global tax avoidance and tax minimisation agreements is now widely known, with exclusive arrangements made with American corporations by the Irish government. Although the headline level of corporation tax is 12.5 percent, the true figure is estimated to be as low as 2.5 percent for key MNCs (Stewart, 2013; Houlder et al., 2014).

Overall, in regimes predicated on excessive voluntarism and neo-liberal institutional dependency, workplace partnerships are feasible but likely to be rare (Belanger and Edwards, 2007; Dobbins, 2010; McLaughlin, 2013). Arguably, stronger regulation in the form of proactive rights and state institutions designed to redistribute power may be a necessary condition for sustainable cooperation to be diffused more widely to workplace levels. As Streeck (1997:201) has argued, 'the mere possibility of defection, as is by definition inherent in any voluntary arrangement, can damage the positive effects of workplace cooperation'.

The third part of the argument is shaped by the theory of disconnected capitalism (Thompson, 2013). Capitalism has systemic properties and pressures for accumulation that are mediated by institutional variation across national political economies (Hauptmeier and

Vidal, 2014). In this regard, Ireland's exposure to global market forces and its high dependence on multinational capital means that employers can easily, and often do, renege on workplace bargains struck with employees. The view is that there are powerful contradictions inherent in neo-liberal capitalist regimes which exacerbate disunity between institutions, corporate governance systems and actors, and employment regulation. Given these acute structural tensions, Thompson (2013) observes that actors within liberal market regimes find it increasingly difficult to make connections between cooperative objectives in the spheres of work and employment. Consequently, employers and managers find it hard to keep their side of not only explicit negotiated bargains, but also the implicit social side of the work-effort exchange, such as psychological contract violation (Cullinane and Dundon, 2006). One explanation as to how and why capitalism is disconnected in these ways relates to the dominance effects of neo-liberal structures for financialized accumulation. The instabilities and disconnections are evident in the Irish context, where the institutional configuration of national partnership and voluntarist workplace cooperation crashed against the excesses of global neo-liberalism and a broken banking system. Arguably, tensions between minimal regulation and employer prerogatives suggests that there remains a high probability that managers risk reneging on both implicit and explicit deals negotiated with workers (unions), even amidst the desire for local cooperation and dialogue. Given the voluntarist nature of Irish partnership and the minimalist approach to employment legislation within its neo-liberal political economy, employers are well placed to easily circumvent contractual obligations and expand precarious work conditions. Protests by workers in Vita Cortex, Lagan Brick, La Senza, Game, Waterford Crystal, SR Technics and Thomas Cook reflect the difficulties faced by employees in persuading employers to honour the terms of workplace bargains and arrangements (Regan, 2013).

The prognosis for workplace partnership in Ireland?

Voluntary partnership constitutes an 'Irish third way' between state sponsored social democracy and market neo-liberalism. This paper has presented three related arguments to explain why voluntary workplace partnership will not typically endure. The attempt to slot voluntary partnership within a neo-liberal model resulted in a number of contradictions impacting the hybridized 'third way' arrangement (see figure 1). These contradictions help explain the demise of both national (social) and workplace partnership. In Ireland it appears that the worst aspects of market neo-liberalism were partially masked by the voluntarist institution of partnership for a short period. Yet, similar to Danford et al's (2014) conclusion about workplace partnerships in other contexts, the system has been about as useful as a 'chocolate tea pot' in stimulating equitable worker voice or union revitalisation. In reality, voluntarist cooperative mutuality remained unstable given the lack of strong legal, social and political structures necessary for a more egalitarian exchange of the reward-effort bargain. Industrial democracy was not on the agenda, collective employment and trade union rights were opposed, and power relations between employers and workers (unions) were grossly asymmetrical. For McDonough and Dundon (2010), the global financial crisis, compounded by local crises (the property bubble crash and the banking and fiscal crises), exposed the contradictions inherent in social (and workplace) partnership, resulting in the demise of experiments with mutuality in Ireland.

In view of this assessment, the prognosis for workplace partnership generally does not look favourable. This is mainly because the institutional context of partnership in Ireland (at national and local levels) contains tensions between voluntary mutuality and factors associated with continued path dependency for neo-liberalism by the State, its agencies, employers, and other actors. For the foreseeable future, it would appear that the State, employers and unions remain locked into a status quo that militates against enduring workplace cooperation. At best government agencies and employer bodies tend to view labour regulations and trade union bargaining as something to be begrudgingly tolerated, or worse, as negative institutional interferences to be aggressively resisted (Gall and Dundon, 2013).

The outlook with regards employer postures is that partnership seems conditional on a search for value-added outcomes such as performance and organisational effectiveness, not necessarily the goals of equality or fairness. It could be advanced that it is in the interests of ‘good industrial relations’ for some employers to embrace open cooperative dialogue to prevent competitive undercutting by low-road employers. Although not without challenges, recent examples of cooperative arrangements in Ireland include Aughinish Alumina (Dobbins and Gunnigle, 2009), and collaborative inter-firm and union networks developed through the sector-level partnership forum in the Irish Print Industry (Dobbins, 2010). But these are becoming isolated and increasingly more fragile examples. It appears that, overall, the default position of most employers is to avoid the risks (and opportunities) associated with recasting workplace cooperation to redistribute power and authority. Many employers may simply feel they do not need systems of pluralist inclusion and engagement to make a profit, especially where they compete on low cost (Godard, 2004).

Finally, for trade unions, even prior to the recession they were struggling with declining density and organizational capacity, especially in the private sector. Post global-economic crisis, it seems probable that unions will become increasingly dependent on employer sponsorship for recognition by offering greater concessions to management. Unlike Spanish or German unions who demonstrate comparative capacity to leverage Work Council regulations or mobilise through broader political coalitions (Martinez-Lucio and Connolly, 2012), unions in Ireland appear to be circumspect about utilising or campaigning around statutory forms of consultation (Cullinane et al, 2014; Dundon et al., 2014).

In conclusion, the prognosis for enterprise-based mutuality in Ireland's liberal market economy does not look positive, especially viewed against the fall-out from the financial and economic crisis. The State and employers are increasingly offloading the burden of risk arising from capitalism onto employees - evidenced for example by precarious employment terms for many workers, including zero-hours contracts and the like - which is not conducive to sustainable long-term cooperative partnerships. Arguably, there is an institutional deficit in Irish employment relations, with both national and workplace partnership in abeyance and viewed by many as a damaged 'brand'. There has been speculation about some form of new national 'social dialogue' emerging. But, nothing has been said about new institutional arrangements for workplace cooperation, and there is unlikely to be much activity under the EU Information & Consultation of Employees (ICE) regulations without EU-prompted impetus. If anything does emerge, the broader institutional trajectory in Ireland is now firmly oriented towards a neo-liberal regime that explicitly prioritizes liberating the economic goals of capital accumulation above all else.

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Figure 1

Contradictions in the Irish 'Third Way': voluntary mutuality & neo-liberalism

Social partner consensus	v	Neo-liberal path dependency
Unions as social partners at macro level	v	Unions excluded at the workplace
Employers want competitive partnerships	v	Unions want voice, industrial democracy
Partnership and mutuality	v	Weak labour market regulations
Policy support for workplace partnership	v	Opposition to ICE Directive
Low taxation	v	Increased public spending pressures
Pay restraint	v	High cost of living

Notes

[i] The seven Irish national partnership agreements are as follows: 1987, PNR; 1991, Programme for Economic and Social Progress (PESP); 1994, Programme for Competitiveness and Work (PCW); 1997, Partnership 2000; 1999, Programme for Prosperity and Fairness (PP&F); 2001, Sustaining Progress; 2006–16, Towards 2016. In 2010, a public sector-only worker agreement was negotiated, the Public Service Agreement 2010–2014 (otherwise known as the 'Croke Park' agreement).