

## **The Global Financial Crisis, Work and Employment: Ten Years On**

Stewart Johnstone, Newcastle University, UK; George Saridakis, Kent University, UK and Adrian Wilkinson, Griffith University, Australia and Sheffield University, UK.

### **Introduction**

The global financial crisis (GFC) of 2007-2009 began with turbulence in the subprime housing market in the U.S. and quickly resulted in the most severe recession the world has encountered since the 'Great Depression' of the 1930s (see Mishkin, 2011). The crisis came as a surprise to many policymakers, investors, business owners, multilateral agencies and academics (see Bezemer, 2009), though there were concerns regarding loose monetary policy and increase in house prices, lax financial regulation and misperceptions of risk, private sector debt accumulation, and large deficits in advanced economies that were financed by the excess savings of emerging economies and oil exporters (for further discussion see Verick and Islam, 2009). The effects of that so-called 'Great Recession' quickly rippled around the world with many economies in the European and Asian countries including Japan entering recession the following year (see Ball, 2014; Kawai and Takagi, 2011). The crisis also had a significant effect on the Chinese economy (de Haan, 2010), with total exports falling by 16% in 2009, and many factories in Southern China faced bankruptcy or closure though subsequent government infrastructure and social spending mitigated some of the impact. By 2010 the GDP growth rate had returned to over 10% and labour shortages re-emerged (Chan and He, 2018). The economic downturn also led to a global jobs crisis, as the credit crunch depressed the real economy and international trade flows. Many economies experienced negative or declining growth rates and economic restructuring. Global unemployment surged to over 200 million (ILO, 2014), and it was estimated that 61 million fewer people were employed in 2014 than there would have been had pre-crisis employment growth rates continued (ILO, 2016, 17). In 2017, the global economy grew by 3.8% and global trade rose to 4.9%, the fastest since 2011. Despite some signs of recovery in more recent years regarding the general economic outlook, the global picture remains variegated with some significant doubts remaining regarding the long-term consequences.. Although the GFC had very uneven effects, it has also highlighted the interconnectedness of different national institutional orders. Greater volatility within individual national economies has led to an emerging common ground that institutions are rather more fluid and subject to both incremental change and rupture which is evident in times of crises (Wood et al 2014).

The GFC had also attracted extensive research attention from academics across the social sciences, eager to shed light on the causes and consequences of the 'Great Recession'. Given the profound impact on work and employment, the crisis has also attracted the attention of those in industrial relations and employment studies.

However, as Heery (2016) observes, this comprises a broad field of research traditions, each with their own concerns, priorities and approaches. Critical writers, for example, have viewed the crisis as a systematic failure of capitalist political economy, and have been primarily concerned with the impact on workers and their institutions, and presenting alternative options for and vision of the future. These have ranged from increased work resistance, mobilisation, and industrial conflict, to social movement unionism. Pluralist writers, in contrast have tended to view the crisis as an example of regulatory failure, and have engaged in detailed comparative empirical analysis of national institutions of collective bargaining and joint regulation. Finally, are those within the unitarist frame and who appear to have had relatively less to say on the crisis. Where such interest has been expressed, the focus has generally been upon the challenges for management and the HR systems required to better align employer and employee interests in times of unprecedented economic instability and upheaval. Each perspective also tends to adopt a different level of analysis, with critical writers concerned with the systemic political and social developments of neo-liberal global capitalism, pluralists with the institutional and regulatory environment, and unitarists with the responses at firm level and implications for management practice (Heery, 2016). The GFC can thus be examined at various different levels.

Firstly, at a macro level, the GFC was part of the broader social, political and economic environment in which labour management strategies are devised, and decisions are made (Zagelmeyer and Gollan, 2012). The institutional and public policy environment are therefore important, and there have been extensive debates regarding financial regulation and supervision, quantitative easing, government cuts and austerity measures, public sector reform, employment regulation, as well as changes to social and employment policy (e.g. social security, benefits cuts, pension restructuring, redundancies, privatisation and enterprise level agreements). The Varieties of Capitalism framework which posits differences between liberal and coordinated market economies is helpful in comparing some of these policy choices in employment relations, as even in the context of globalisation, national political institutions continue to play an important role in shaping policy choices (Gould et.al, 2015, Wilkinson et al 2014a,b) Notable differences have been observed between responses to the crisis in North America (Peetz et.al, 2011; Europe (Larsen and Navrbjer, 2013; Svalund, 2013) and the Asia Pacific region (Burgess and Connell, 2013). The literature on comparative capitalism is a valuable corrective to the globalisation thesis which suggested all countries would go down a neoliberal deregulated path in pursuit of flexibility with pressure on labour costs. This idea underplays what some have identified as path dependency. In other words rather than rush down a single route to economic success it is more likely that employers “will seek to confront new market challenges by building on and deepening previous sources of comparative institutional advantage” (Thelen and Kume, 2006, 12). In short employers are likely to work with existing institutions, for example lifetime employment in Japan or centralised wage bargaining in Europe, rather than abandon them (Wilkinson and Wood 2017, 2)

National level responses thus continue to be influenced by domestic institutional arrangements including labour and regulatory institutions (Glassner et.al, 2011). Political responses reflected the national and institutional environment, with France and Spain protecting insiders and increasing labour market segmentation, while Denmark and Germany reduced working time (Lallement, 2011). In the UK the

government downgraded public sector pay and conditions (Hebson and Rubery, 2018) and increased regulative restrictions on public sector unionisation. A record number of employment tribunal applications were also accepted during 2009/10 and increasing 56% compared to the previous year. The government responded by introducing fees to lodge claims in July 2013 (Frangi et.al, 2018), though they were subsequently abolished in July 2017 when the Supreme Court declared such fees unlawful. In other European nations, government austerity programmes resulted in redundancies, pension reform and redundancies. In some Southern European countries, radical ER reform has been pushed through without recourse to existing collective bargaining systems. Such reform has been a precondition of support from non-state institutions including the European Commission, European Central Bank and International Monetary Fund. The result has been the dismantling of national and sectoral agreements and the introduction of company level derogation clauses. There has also been a retreat from multi-employer bargaining in Northern European countries and a shift towards pay bargaining at the company level (Cullinane, 2018). There is thus a resurgence of the debate around the convergence and divergence of national employment systems as some commentators argue that the GFC had ripple effects and the fast movement produces convergent tendencies across countries (Katz and Wailes 2014, 16)

Specifically, some point to the continued importance of national and industry level agreements in shaping path-dependent policies and processes. Alternatively, some argue that there is a general trend towards more flexible labour markets even in countries where labour market institutions have so far discouraged increased market liberalisation (Crouch, 2013; Howell et.al, 2015; Streeck, 2014), and a shift towards decentralisation and employer latitude in determining pay and conditions (Howell and Kolins-Givan, 2011). Other have expressed more fundamental concerns regarding longer term trends towards financialisation and labour market insecurity, especially in liberal market economies (Appelbaum et.al, 2013; Thompson, 2013, Batt 2018). Such commentators suggest that there has been a shift from a managerial model of business to a shareholder or financial model of the firm, where organisations increasingly make money from a range of financial activities which have very little to do with producing goods or services. It is claimed that rather than extracting surplus value from the labour process, many firms are generating wealth by selling and buying divisions, manipulating share prices, and engaging in complex tax avoidance strategies. It is also argued that such models are not just limited to private companies in the liberal market economies of the US and UK, but are 'spilling over' into public sector organisations and coordinated market economies (Batt, 2018).

There may also be a degree of pragmatic opportunism with pre-existing institutional arrangements surviving where they are sufficiently strong, but being further weakened where there is both the scope and desire to do so, such as the legislative restrictions on unionisation in the public sector in the UK and USA in an effort to address opposition to austerity (Cullinane, 2018). Equally, some employers may wish to preserve the status quo where they believe it remains in their interests to do so, for example where existing institutional arrangements are thought to foster more collaborative and productive workplace relations (Allen and Wood, 2008). It is to these firm level responses that we now turn.

Employment practices at the organisational or firm level are heavily influenced by the macroeconomy (Lai et. al, 2016; Mitchell and Zaidi, 1990), and there are important relationships between environmental forces, organisational strategies and workplace relations. A downturn may force firms to re-evaluate their business operations to remain competitive or simply to ensure survival, and we might expect organisations to pursue a programme of restructuring to reduce costs. A key consideration is the potential for job losses, and downsizing is one of the most visible manifestations of crisis, especially compulsory redundancies and mass layoffs. For example, in the US, the financial crisis was associated with a dramatic weakening of the labour market with unemployment rising from 5% (7.6 million) in December 2007 to 10.2% (15.7 million) in October 2009 (BLS, 2009). Around 8.5 million jobs were lost during the period 2008 to 2010 at the height of the GFC with significant losses in financial services, automotive and manufacturing (Cascio, 2012). In China, by early 2009 more than 20 million rural migrant workers had lost their jobs given the impact on export-oriented manufacturers (Anderlini and Dyer, 2009). In the UK, unemployment figures rose to 8%, although over the period of the crisis both unemployment and employment figures appeared remarkably resilient given the severity of the downturn, and in comparison with previous recessions (Coulter, 2016; van Wanrooy et.al, 2013). While some 3.5 million workers were made redundant between 2008 and 2012, this is actually comparable with the five years to 2000, a period of economic growth (Philpott, 2013). The overall redundancy rate in 2011 was also similar to 2004 (van Wanrooy et.al, 2013). Various explanations have been offered for seemingly resilient employment levels, including strong trading conditions pre-recession, low interest rates and a squeeze on real pay all potentially offering some financial cushioning to firms. It is also possible that firms decided to eschew job cuts and to hoard labour where this was feasible (Coulter, 2016; Van Wanrooy et.al, 2013). Alternatively, British employers might have mitigated job losses through the utilisation of flexible working arrangements, and there is certainly some evidence to suggest that employers used alternative adjustment to save costs (see Lai et. al, 2016). In 2009, for example, several automotive manufacturer including Honda, Nissan and BMW reduced working time at their plants (The Guardian, 21.2.2009). Management actions are likely to be influenced by national institutions and organisational context but agency remains important: Heery (2015) observes how “there is a trend in pluralist work to downplay the agency of employers viewing them instead as ‘institution takers’ confirming to systemic imperatives that operate above the level of the firm [rather than] actors with the potential for significant agentic action” (p.31). As Bacon (2008, 249) notes “the effects of market pressures on strategic choice are complex, cost pressures do force managers to act to reduce labour costs although such pressures do not direct managers in exactly how to act”. Indeed, cost pressures might actually increase management choice if it limits the ability of workers and unions to resist restructuring and organisational change (Osterman, 2000). Labour market deregulation and union decline have also offered employers in many nations increased latitude over employment policies and practices including pay, work organisation and working conditions.

Thus while firms may respond to a downturn by downsizing (Clarke, 2005; Dencker, 2012; Ferreira and Saridakis, 2017; Maertz et.al, 2010; van Dierendock and Jacobs,

2012), there are various other employment adjustments which may also be made. These include freezing wages and bonuses, reducing overtime, diminishing opportunities of promotion, relocating jobs and responsibilities, reducing expenditure on training and development, changing working time arrangements, revising pension provision, reorganising work, as well as deploying staff or inducing them to leave (Cappelli, 2000; Cascio, 2010; Gunnigle et.al 2013; Lai et. al, 2016; Mitchell and Zaidi, 1990; Strandholm et.al, 2013; Teague and Roche, 2013 ;Wilkinson et al 2013). The precise approach employers adopt may vary, contingent on factors including resources available, the business model, product and labour market conditions, organisation size, HR strategy and the characteristics of the workforce. Evidence from the UK suggests that most employers (75%) made at least one employment related change in response to the recession, and some of the most widely used included freezing and cutting pay (41%), freezing recruitment (28%), reorganising work (25%), as well as reducing overtime (19%), use of agency staff (15%) and working hours (14%). This compares with 10% organisations making compulsory redundancies and 7% voluntary redundancies (van Wanrooy et.al, 2013) suggesting employers have favoured alternative measures to job losses where possible.

However, it is Germany that has attracted most attention as an example of a nation deeply affected by recession, but which also demonstrated relatively stable employment levels and fewer mass layoffs than we might have anticipated. Most explanations attribute this to established German working time flexibility measures. First are short-time working arrangements (Kurzarbeit), which allow firms to temporarily reduce working time in a downturn to reduce labour costs, while a proportion of the shortfall for employees is made up by the government in the form of a short time working allowance. A key advantage of short-time working arrangements is that it enables organisations to quickly save costs without the need for permanent dismissals, while retaining skilled employees in anticipation of an upswing in demand. For workers the main benefit is enhanced job security in exchange for working time flexibility (Eurofound, 2017). The second main mechanism is the use of working time accounts (Arbeitszeitkonten), which have been used since at least the 1990s. These firm level agreements allow employers to offer overtime without additional pay for employees on the condition that working time can later be reduced by an equal time during which workers will still be paid. This gives the employers the ability to temporarily increase capacity without incurring overtime costs, as well as to reduce working hours in a downturn. For workers the main benefit is that when demand falls they can work fewer hours but receive a stable income. By 2011 it was estimated that over one third of organisations and around 50% German workers had access to a working time account (Baller and Gehrke, 2015), and that they were widely used during the recession to reduce costs while sustaining employment (Eurofound, 2017).

However, as well as the immediate responses of firms to the GFC are questions regarding the potential impact upon employment practices in the medium and long term. To what extent does crisis act as a 'critical juncture' leading to the transformation of employment practices? Or do firms make only short-term adjustments while largely retaining the status quo? Roche and Teague (2014) identified three main scenarios. The first suggests that crisis can lead to the diffusion of high commitment approaches and long-term oriented investments in HRD and employee engagement. This perspective seems to be implicit in some of the more upbeat HR studies (e.g. Ulrich

et.al, 2010). In contrast, the second view suggests that a crisis can lead to the diffusion of a 'new employment deal', characterised by the increased utilisation of contingent labour, a decline in job security, and the expansion of more precarious forms of employment (Cappelli, 1999). Alternatively, it is possible that employers might combine elements of the both soft and hard HRM as part of a pragmatic approach to HRM. Yet while national labour market studies in the UK and Ireland appear to suggest continuity with existing models rather than transformation towards a new employment model (Roche et.al, 2013; van Wanrooy et.al, 2013), other evidence at a sectoral or workplace level reveal the introduction of 'harder' HRM regimes, even in sectors and organisations traditionally known for their paternalistic management styles (Cook et.al, 2017; Gall, 2017; Johnstone and Wilkinson, 2018).

One explanation is what Thompson (2013) terms 'disconnected capitalism'. Writing some years before the crisis, his core argument is that the increased significance of capital markets in driving firm behaviour means firms must engage in a variety of short-term measures to meet shareholder expectations. These measures are incentivised through executive rewards and tied to stock options. This context effectively undermines the stable conditions central to theories of high commitment management, which view job security as a pre-requisite. From this perspective, even the most good-willed and well-intentioned managers might find themselves prioritising measures to improve short-term financial metrics rather than investing in workforce development to support the long-term success of the organisation. The fetish for corporate downsizing in the US in the 1990s appears to provide some support for this suggestion, as major job cuts were no longer limited to organisations encountering difficulties such as the automobile industry. Job reductions were increasingly made in seemingly healthy organisations, as part of an effort to enhance organisational efficiency and performance, rather than as a response to crisis. Given that the stock market would be event 'reward' downsizing announcements (Mellahi and Wilkinson, 2010), it is perhaps unsurprising it became known as the 'cocaine of the boardroom' (Bruning, 1996). Such was the appetite for downsizing in the US 1990s corporate America the New York Times dedicated a week to exploring the phenomenon in March 1996.

Yet despite common external pressures such as globalisation, technological advancement and increasingly financialised capitalism, it is again important to remember that organisations can nevertheless behave in quite different ways. Why is it that even in lightly regulated liberal market economies we can find examples of organisations espousing more high-commitment approaches including job security? (Johnstone and Wilkinson, 2016). There is thus a risk of viewing employers as passively adapting to short-term market pressures or long-term fundamental changes in capitalism (Piore and Sabel, 1984; Thompson, 2003). While recognising that latitude for strategic choice may be constrained by economic conditions (Hyman, 1987), there is also a need to avoid institutional determinism and to consider issues of strategic choice (Bacon, 2008; Kochan et.al, 1986).

Finally, at the individual level, we can consider the implications of the GFC for organisational actors. First, are the workers who lose their jobs as a result of downsizing activity driven by an economic downturn. Existing studies suggest an array of negative consequences for the 'victims' of downsizing, including increased stress, anxiety, cynicism and uncertainty. Further possible effects might include

financial hardship, social and relationship strain, and negative attitudes towards their work and career. Studies also suggest a negative impact on earning potential, self-esteem, happiness and health, as well as levels of organisational commitment and loyalty (DeMeuse et.al, 2012; Gandolfi and Hansson, 2010; Hallock et.al, 2013; Pugh et.al, 2013; Tziner et.al, 2010). Second are so-called 'survivors' of downsizing who keep their job but may still be affected by the immediate changes and by changes to employment practices and job demands in the medium to long term. Survivors might experience heightened levels of stress and anxiety, feelings of guilt, anger, insecurity, and distrust towards management, as well as a lack of motivation or desire to leave the organisation (Brockner 1988; Brockner et.al, 1995; Siegrist and Daragaono, 2012; Tziner et.al, 2012). This might translate into dysfunctional employee behaviours including tardiness, absenteeism, psychological withdrawal, employee turnover, greater resistance to change and workplace conflict, and even sabotage and theft (Gandolfi and Hansson, 2010). Some survivors may also be the 'layoff agents' or 'executioners' responsible for the implementation of workforce reduction strategies including general/front-line managers, as well as HR specialists (McKinley and Lin, 2012). Again, studies suggest a similar range of negative consequences for these workers including health, anxiety, motivation, guilt, commitment, loyalty, and intention to leave (Gandolfi and Hansson, 2010). In short, the evidence suggests downsizing can be perceived as a serious breach of the psychological contract resulting in deeply negative consequences for all involved.

There are also more general questions concerning the impact of an economic crisis upon those representing different interests. One such question concerns the impact of crisis upon the HR function. There have been long-standing debates around the legitimacy of the HR function, as well as the role of HR specialists in times of crisis (Kochan 2004; Marchington, 2004; 2015). Does a recession marginalise the HR function in favour of more quickfire macho management approach with minimal specialist HR input? Might the HR department itself be viewed as an unnecessary cost to be cut? Alternatively, might the people management challenges created by crisis actually serve to raise the status of the HR function as organisations seek specialist advice and guidance in navigating through turbulent times? Or does the reality fail to fit neatly into either of these two scenarios? The limited research available suggests the implications for HR may not fit neatly into either of these categories and the reality is more an adaption to immediate circumstances. A study by Roche and Teague found that the economic crisis presented neither nirvana nor abyss for the HR function, as they combined 'business partner' activity with 'working the pumps'. Furthermore, what is the impact upon trade unions and collective bargaining? A similar range of scenarios might be envisaged. Can a crisis present an opportunity to consolidate or develop collaborative union-management relations in an effort to ensure the viability and survival of the organisation? Or does crisis lead to an attempt to dismantle or abandon established arrangements, or to marginalise union activity and influence? Equally, for unions and their representatives is a crisis an opportunity to reinvigorate their activities and relevance to both employers and their members, and if so which strategies are likely to work best to promote union renewal and influence? (see Johnstone, 2015). Or is the picture more nuanced with union-management relations deteriorating during the height of the crisis but subsequently being rebuilt during the subsequent period of recovery? (Johnstone and Wilkinson, 2018). The answers to much of the above are likely to be at contingent upon the specific

restructuring strategies adopted at an organisational level as well as the organisational and institutional context.

## **Contributions to the Special Issue**

Existing research has tended to focus mostly upon the macro level developments and less upon exploring the impact at the organisational and individual levels. This perhaps reflects the research interests and favoured methodological approaches of the various social science disciplines with an interest in such issues. This Special Issue of Economic and Industrial Democracy marks a decade since the beginning of the GFC and provides an opportunity to take stock of developments post-crisis. In particular the papers in the special issue consider a variety of issues, with studies conducted at a range of different levels, adopting various methodological approaches and drawn from various national settings.

The issues begins with three papers considering issues at the macro level, and especially the impact and implications of the crisis on collective bargaining and trade unions in Europe.

Brandl and Bechter argue that the economic crisis has made national collective bargaining systems increasingly multi-layered, perforated and dynamically unstable. The authors explain these transformations in terms of the concomitance of two different sources of change which do not necessarily follow the same logics. They suggest that the first source stems from national systems' endogenous logic of path dependency, and the second from pressure to reform in accordance with exogenously applied strategies and logics. They conclude that these sources act like a whipsaw, pushing and pulling national collective bargaining systems between the two logics, leading to hybrid collective bargaining systems

Grady and Simms consider the implications of economic crisis for union renewal. The authors re-examine evidence which suggests that, despite considerable effort, British trade unions have struggled to renew themselves. They argue that financialisation has introduced new barriers to building solidarities within and between groups of workers, and suggest that it is necessary to develop a stronger response to the effects on labour of financialisation and the financial crisis. They also suggest that while the crisis highlighted the weaknesses of trade unions as institutions of economic and industrial democracy, it has also given some opportunities to establish narratives of solidarity in spaces and platforms created within a financialised context.

Bhankaraully then investigates corporate restructuring practices (specifically employee downsizing and wage moderation) in Germany from 2008 to 2015. Her paper presents a political perspective and draws on the insights of the power resources approach and of institutional analyses. The theoretical framework highlights how institutional arrangements structure power relations within companies by empowering, in an asymmetrical manner, different categories of firm stakeholders (employees, managers and shareholders) as well as shaping how they relate to each

other in an interactive manner. The article's empirical findings point to the importance of extensive, but contingent, corporate restructuring in Germany. The paper concludes that companies are more likely to implement 'defensive' corporate restructuring practices under conditions of high leverage/debt than when confronted by shareholder value driven investors, thereby reflecting the presence of overlapping interests between employees and managers.

We then have three case studies assessing the impact of – and responses to – the crisis in the UK, Australia and Spain.

Johnstone notes how in the UK there were fewer redundancies than might have been anticipated given the severity of the downturn, and that while it has been suggested that employers may have used alternative flexibility strategies, there are remarkably few studies of employer responses at the firm level. He then presents an in-depth case study of an automotive parts manufacturer deeply affected by recession but which did not make large scale redundancies. The study reveals how existing labour flexibility strategies, and especially the numerical flexibility afforded through the utilisation of long-term agency personnel, helped the firm quickly reduce the size of the workforce. In turn, remaining staff were expected to be functionally flexible and to accept modifications to working time. Secondly, the study also reveals how staffing practices have been modified since the recession as part of an organisational attempt to further increase levels of labour flexibility. This is achieved by further segmenting the workforce resulting in the creation of three different groups with quite different levels of certainty and security regarding when or how long they will work for.

The next paper by Clibborn observes how much progress has been made recognising the importance of power and politics in organisational processes but that legal regulatory institutional constraints on actors remain overemphasised in the extant literature. His paper then offers an analysis of General Motors, a firm which received significant publicity for its near collapse, government bailout and restructure through bankruptcy proceedings. During the crisis the company made various changes impacting its global workforce, and the article tracks three key employment practices from development in the United States headquarters to the implementation in the Australian subsidiary in the context of inconsistent local laws. Directives to cut pay for some employees, freeze pay for others and terminate the employment of a large number of workers were received and implemented in the subsidiary in varying and counterintuitive ways. The paper demonstrates the negotiated nature of organisational processes and outcomes, and demonstrates the range of options available to actors, both within and beyond apparent legal institutional limits. The author concludes that institutional consistency does not guarantee successful transfer, while even host country legal institutional inconsistency is no guarantee of failure.

Santana, Valle-Cabrera, and Galán-González then investigate the crisis in the context of the Spanish airline Iberia. Their study focuses upon understanding the coevolution

of the sources of decline, the turnaround human resource strategies, as well as employee responses to these strategies. Their analysis considers several moments of organisational decline at Iberia, comparing measures adopted in pre- and post-financial crisis periods. The authors argue that, in a sector experiencing a fiercely competitive transformation that negatively affects established companies, the use of downsizing in an organisation with internal deficiencies may create further problems within the company. On the other hand, it is suggested that a human resource strategy based on flexibility-oriented practices and a fostering approach to strategic negotiations may improve the requisite recovery strategy.

Our final two papers then consider the impact at the individual level for managers and workers.

Prouska and Psychogios focus upon the experience of line managers, and especially how line managers experience voice and silence in times of crisis. They suggest that line managers are an intriguing group to study because they act as both supervisors to their teams and as supervisees (employees) to senior managers/business owners. Their article draws upon qualitative data gathered from line managers in 35 small non-unionized enterprises in Greece in two periods of time (2012 and 2014) during the economic crisis. The authors develop a framework for understanding line managers' experience of silence in such contexts and, within this framework, propose '*cynical silence*' as a new type of silence relevant to an economic crisis context.

The final paper by Richards and Sang, suggests that the 2007-2008 financial crisis has affected the prospects for workers in a range of ways. Their focus, however, is upon in-work poverty and how in-work poverty disproportionately impacts on marginalised groups such as the disabled. They note that little research has considered how disability and poverty intersect in the context of employment, and they conducted life history interviews with disabled people experiencing in-work poverty to address this gap. The authors then analyse their findings using the social model of disability and the lens of intersectionality. Their results highlight how government policies, employer practices and household finances impact on disabled workers' lived experience of in-work poverty. Their findings suggest that governments and employers can do more to reduce barriers to escaping in-work poverty for disabled workers.

The papers in the Special Issue thus demonstrate how the financial/economic crisis and its aftermath can be examined at a range of levels. At one level are macro level concerns regarding the impact of crisis upon institutions of employment regulation such as trade unions and collective bargaining. There are then various questions concerning firm-level responses such as how and why employers responded as they did at the company level, the efficacy of these practices, and the lessons learnt for both theory and practice. Additionally, the crisis can be explored at the level of individual actors, including the experiences and views of managers and workers. Our first aim in this issue is to take stock of developments just over a decade since the

emergence of the crisis. The papers aim to shed much needed empirical and theoretical light upon some of these as yet unanswered questions. Our second aim is to encourage further debate concerning the impact and legacy of the GFC and its aftermath, and the implications for the future of work and employment. Our hope is that the range of papers in this Special Issue of *Economic and Industrial Democracy* will both contribute to and stimulate such debate.

## References

Angrave, D. Charlwood, A. and Greenwood, I. (2015). 'Do economic conditions influence union activism behaviour', *Economic and Industrial Democracy*. [Online]

Appelbaum, E, Batt, R. and Clark, I. (2013). 'Implications of financial capitalism for employment relations research: evidence from breach of trust and implicit contracts in private equity buyouts', *British Journal of Industrial Relations*, 51(3), 498-518.

Ball, L. (2014). Long-term damage from the Great Recession in OECD countries," *European Journal of Economics and Economic Policies: Intervention*, Edward Elgar Publishing, vol. 11(2): 149-160.

Batt, R. (2018). The financial model of the firm, the 'future of work', and employment relations. In A. Wilkinson, T. Dundon, J. Donaghey, & A. Colvin (Eds.), *The Routledge companion of employment relations*. London: Routledge.

Bezemer, D. J. (2009). No one saw this coming. Understanding financial crisis through accounting models. Groningen: University of Groningen, SOM research school, (SOM Research Reports; vol. 09002).

Burgess, J. and Connell, J. (2013). 'Asia and the Pacific region: change and workforce adjustments post GFC', *Asia Pacific Business Review*, 19(2), 162-170.

Cappelli, P. (2000). 'Examining the incidence of downsizing and its effect on establishment performance', in D. Neumark (ed.), *On the Job: Is Long-Term Employment a Thing of the Past?*, New York: Russell Sage Foundation.

Cascio, W. (2010). 'Downsizing and Redundancy' in Wilkinson, A. Bacon, N. Redman T. and Snell, S. (Eds), *The SAGE Handbook of Human Resource Management*, Sage, London.

Cascio, W. (2014). 'Investing in HR in Uncertain Times Now and in the Future', *Advances in Developing Human Resources*, 16(1), 108-122.

Chan, C and He, Y (2018) The transformation of ER in China in In A. Wilkinson, T. Dundon, J. Donaghey, & A. Colvin (Eds.), *The Routledge companion of employment relations*. London: Routledge, 402-417.

Clarke, M. (2005). 'The Voluntary Redundancy Option: Carrot or Stick?', *British Journal of Management*, 16, 245–251.

Conway, N., Kiefer, T., Hartley, J. and Briner, R. B. (2014). 'Doing More with Less? Employee Reactions to Psychological Contract Breach via Target Similarity or Spillover during Public Sector Organizational Change', *British Journal of Management*, 25, 737–754.

Cullinane, N. (2018) The field of employment relations In A. Wilkinson, T. Dundon, J. Donaghey, & A. Colvin (Eds.), *The Routledge companion of employment relations*. London: Routledge, 23-36.

Dencker, J.C. (2012). 'Why Do Firms Lay Off and Why?', *Industrial Relations*, 51(1), 152-169.

de Haan, A. (2010). A defining moment? China's social policy response to the financial crisis *Journal of International Development*, 22: 758–771.

Ferreira, P. and Saridakis, G. (2017). Firm Shutdown During the Financial and the Sovereign Debt Crises: Empirical Evidence from Portugal. *International Journal of the Economics of Business*, 24 (2):153-179.

Gould A , Barry M and A. Wilkinson (2015) Varieties of Capitalism Revisited: Current Debates and Possible Directions *Relations Industrielles / Industrial Relations* 70(4):587.

Goyer, M and Valdivelso del Real, V. (2018) International institutions and supranational influence in employment relations in In A. Wilkinson, T. Dundon, J. Donaghey, & A. Colvin (Eds.), *The Routledge companion of employment relations*. London: Routledge, 423-447.

Gunnigle, P. Lavelle, J. and Monaghan, S. (2013). 'Weathering the storm? Multinational companies and human resource management through the global financial crisis', *International Journal of Manpower*, 34(3), 214-231.

Hebson, G. and Rubery, J. (2018) Employment relations and gender equality in In A. Wilkinson, T. Dundon, J. Donaghey, & A. Colvin (Eds.), *The Routledge companion of employment relations*. London: Routledge, 93-107.

ILO (2014). '*Global Employment Trends 2014*', *The Risk of a Jobless Recovery*, ILO, Switzerland.

Johnstone, S. (2015). The case for workplace partnership in Johnstone, S. and Ackers, P *Finding a Voice at Work*, Oxford University Press, Oxford, 153-174.

Johnstone, S. and Wilkinson, A. (2016) *Developing positive employment relations: international experiences of labour management partnership*, Palgrave, London.

Johnstone S and A.Wilkinson (2018) The Potential of Labour–Management Partnership: A Longitudinal Case Analysis. *British Journal of Management*.

Johnstone, S. (2019) Wilkinson, A. Bacon, N. Snell, S. and Lepak, D. Downsizing in *SAGE Handbook of Human Resource Management*, 353-370.

Katz H and N.Wailes (2014) convergence and divergence in employment relations in A Wilkinson, G Wood, and R Deeg (eds) *The Oxford Handbook of Employment Relations: Comparative Employment Systems*, Oxford, Oxford University Press.

Kawai, M. and Takagi, S. (2010). Why was Japan hit so hard by the global financial crisis? In Shaw, D. and Liu, B. J. (eds), "The Impact of Financial Crisis on East Asia: Policy Responses from Four Economies", Edward Elgar Publishing Limited, UK.

Kochan, Thomas A. (2004). Restoring trust in the human resource management profession. *Asia Pacific Journal of Human Resources*, 42, 2, pp.132--146.

Kochan, T. (2006). 'Social Legitimacy of the Human Resource Management Professions: A US Perspective' in Boxall, P. Purcell, J. and Wright, P. (Eds), *Oxford Handbook of Human Resource Management*, Oxford, Oxford University Press.

Lai, Y. and Saridakis, G. and Blackburn, R. and Johnstone, S. (2016). Are the HR responses of small firms different from large firms in times of recession? *Journal of Business Venturing*, 31 (1): 113-131.

Larsen, T. and Navrbjerg, S. (2013). 'The economic crisis: testing employee relations', *Economic and Industrial Democracy*. [Online]

Marchington M (2015) Human resource management (HRM): Too busy looking up to see where it is going longer term. *Human Resource Management review* Volume 25, Issue 2, June 2015, Pages 176-187

Maertz, C. Wiley, J. LeRouge, C. and Campion, M. (2010). 'Downsizing Effectives on Survivors: Layoffs, Offshoring and Outsourcing', *Industrial Relations*, 49(2), 275.285.

Mellahi K and A.Wilkinson (2010) Slash and Burn or nip and tuck ? Downsizing, Innovation and Human Resources *International Journal of Human Resource Management* Vol.21 (No.13). pp. 2291-2305.

Mishkin, F. S. (2011). Over the Cliff: From the Subprime to the Global Financial Crisis *Journal of Economic Perspectives*, 25(1): 49–70.

Mitchell, D. and Zaidi, M. (1990). 'Macroeconomic conditions and HRM-IR Practice', *Industrial Relations*, 29(2), 164-188.

Peetz, D. Le Quex, S. and Frost, A. (2011). 'The Global Financial Crisis and Employment Relations' in Wilkinson, A. and Townsend, K., *The Future of Employment Relations*, Palgrave.

Roche, W. K., & Teague, P. (2012). 'Business partners and working the pumps: Human resource managers in the recession', *Human Relations*, 65(10), 1333-1358.

Roche, W..K, Teague, P and Coughlan, A. (2014). 'Employers, trade unions and concession bargaining in the Irish recession', *Economic and Industrial Democracy*. [Online]

Saridakis, G. (2012). Introduction to the Special Issue on Enterprise Activity, Performance and Policy during times of Crisis. *International Small Business Journal* 30 (7): 733–735.

Strandholm, K. Schatzel, and Callaghan, T. (2013). 'Inducing employees to leave: a comparison of four severance options', *Human Resource Management*, 52(2), 243-262.

Svalund, J. (2013). 'Adjusting labour through crisis: a three industry comparison', *Economic and Industrial Democracy*. [Online]

Teague, P., & Roche, W. K. (2013). 'Recessionary bundles: HR practices in the Irish economic crisis', *Human Resource Management Journal*.

Thompson, P. (2013). 'Financialisation and the workplace: extending and applying the disconnected capitalism thesis', *Work Employment and Society*, 27(3), 472-488.

van Dierendonck, D. & Jacobs, G. (2012). 'Survivors and victims: a meta-analytical review of fairness and organizational commitment after downsizing', *British Journal of Management*, 23, 96-109.

Verick, S. and Islam, I. (2010). The Great Recession of 2008-2009: Causes, Consequences and Policy Responses, IZA Discussion Paper 4934.

Wilkinson A and G.Wood (2017) Global Trends and Crises, Comparative Capitalism and HRM *The International Journal of Human Resource Management*, 2017, doi: 10.1080/09585192.2017.1331624

Wilkinson A, Redman T and T.Dobbins (2013) Downsizing in Wilkinson et al (eds) *Contemporary Human Resource Management*. Harlow Pearson

Wilkinson, A. Wood, G. & Deeg, R.(eds) (2014a). '*The Oxford Handbook of Employment Relations: Comparative Employment Systems*', Oxford, Oxford University Press.

*Wilkinson, A, Wood, G and Deeg, R 2014 (2014b) , 'Comparative Employment Systems' in A Wilkinson, G Wood, and R Deeg (eds)The Oxford Handbook of Employment Relations: Comparative Employment Systems, Oxford, Oxford University Press.*

Wood, G. Deeg, R and Wilkinson, A 2014, 'The Rise and Fall of Complementarity and National Institutional Orders', *The Journal of Comparative Economic Studies*, vol. 9, March, pp. 29-46.

Zagelmeyer, S., & Gollan, P. J. (2012). 'Exploring terra incognita: preliminary reflections on the impact of the global financial crisis upon human resource management', *The International Journal of Human Resource Management*, 23(16), 3287-3294.