Warsaw Forum of Economic Sociology 5:2(10) Autumn 2014
Warsaw School of Economics; Collegium of Socio-Economics; Institute of Philosophy, Sociology and Economic Sociology

Trade Unions in Central-Eastern Europe: Crisis as an Opportunity?[1]

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Abstract

This paper presents different models of capitalism and trade unionism that have emerged in CEE over the last 25 years. It then traces challenges and unions' strategic responses in five policy areas: membership recruitment; mergers and organisational restructuring; collective bargaining; political engagement and social partnership; and international trade union cooperation. The paper argues that trade unions in the new EU member states do have the potential for strategic innovation and, conceivably, organisational renewal. In order to revitalise, however, they need to take on board the concerns of an increasingly diverse workforce and invest more resources in organising.

Keywords: trade unions; Central-Eastern Europe; crisis; revitalisation

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[1] This paper is based on a Study commissioned by the Friedrich Ebert Foundation, published in April 2014 and entitled *Trade Unions in Europe: Innovative Responses to Hard Times*. The part on international trade union cooperation is based on Section 6 of the Report *European Trade Unionism: From Crisis to Renewal?*, published by the European Trade Union Institute in September 2014.

Introduction

During the transition from communism to capitalism trade unions in Central-Eastern Europe[2] (CEE) faced multiple challenges. They had to reform their internal structures, react to the economic shocks of transformation and changing labour market composition, and deal with the growing influence of international actors, in particular multinational corporations and the EU. Lacking the institutional supports which are common in the West, they have been particularly dependent on their own resources; the latter have been dwindling, however, in view of significant membership fall since 1989. The economic crisis of the late 2000s has compounded the difficulties. Social and collective bargaining systems in the region have come under pressure as a result of government action and external conditionalities, especially in countries subject to international rescue programmes provided by the EU, the World Bank and the International Monetary Fund.

This paper traces challenges and unions' strategic responses in five policy fields: 1) membership recruitment; 2) organisational restructuring and mergers; 3) collective bargaining; 4) political engagement and social partnership; 5) international trade union cooperation. It shows that, despite mounting difficulties, labour organisations in the new EU member states have tried to reach new constituencies by moving beyond their traditional political allegiances; some of them have also undertaken efforts to address membership decline. Moreover, in the context of the recent crisis, they played the central role in mobilising against austerity and neoliberal restructuring in their respective countries. This suggests that CEE unions do have the potential for strategic innovation and, conceivably, organisational renewal. For the latter to occur, however, they would have to take on board the concerns of an increasingly diverse workforce, and shift an even greater share of their resources towards membership recruitment.

The paper is structured as follows. It first presents different models of capitalism and trade unionism that have emerged in CEE over the last 25 years. It then maps key challenges and union responses in selected areas, highlighting, whenever possible, non-standard approaches and elements of strategic innovation. Brief conclusions follow.

[2] This paper focuses on trade unions in the ten CEE states that became EU members in 2004 and 2007 (Poland, the Czech Republic, Slovakia, Hungary, Lithuania, Latvia, Estonia, Slovenia, Bulgaria and Romania).

1. Varieties of CEE Trade Unionism, Varieties of Challenges

Over the last decades social scientists have constructed comprehensive typologies of West European capitalist systems and industrial relations regimes. Similar classifications for CEE states, however, were long in following. Ten years ago, Kohl and Platzer (2004) argued that these countries still adhered to a 'transition' model of industrial relations, marked by weak and fragmented structures of interest representation and a dominant state role in the formulation and implementation of socio-economic policy goals. Likewise, Visser (2009) found it difficult to predict which of the established models of industrial relations the CEE would ultimately follow.

The initial hesitancy to open the 'CEE black box' seems justifiable, given that new member states shared many important characteristics. First, for over forty years they had remained under communist rule, which imposed fairly uniform political and social structures. Industrial relations were subject to the control of the state as the sole employer, whereas unions assumed the role of 'transmission belts', communicating party decisions to their (often involuntary) members. Second, all underwent a simultaneous transition to liberal democracy and market capitalism. The latter required the creation of market-sustaining institutions, as well as a major reorientation of trade and opening to foreign capital. It also involved painful restructuring and social hardships, with growing unemployment and rising income inequality. Third, all chose the path of EU integration, submitting applications for accession between 1994 and 1996. At least at the formal level, they implemented social provisions enshrined in EU law, the social *acquis*, including legislation on workers' representation, health and safety and employee information. Fourth, partly as a consequence of the 'shock therapy' of marketisation, national income is generally well below West European levels, and welfare expenditure generally remains proportionately below the average for the EU15 (Bohle, Greskovits 2012).

However, it is increasingly clear that referring to CEE states as a single category obscures important cross-country differences. At the same time, the established western classifications are of little use, given the different origins and developmental paths of CEE institutions. Bohle and Greskovits (2012) have proposed a typology based on the analysis of communist legacies, transitional policy choices and transnational influences during the economic transition period, with three groups: the Baltic states plus Bulgaria and Romania; Slovenia; and the Visegrád counties. We employ the same classification.

The three Baltic states – Lithuania, Latvia and Estonia – gained independence following the collapse of the Soviet Union in 1991. The belated start of the reforms, and the zeal to catch up with other CEE countries, resulted in a radical path of transition that favoured macroeconomic stability over labour market protection and welfare provision. The Baltic countries did not attract high-value-added foreign direct investment (FDI) and hence experienced substantial de-industrialisation. Organised labour is largely excluded from policy-making, while industrial relations are marked by extremely low union density and collective bargaining coverage. Bulgaria and Romania share many similar characteristics, such as high levels of financialisation, 'lean' welfare states and a relatively high share of low-value-added products in their exports. However, the transition process was more protracted, with less radical privatisation and de-industrialisation. In the industrial relations sphere, at least until recently, the Romanian social partners were stronger, and collective bargaining coverage higher, than in the Baltic countries. In Bulgaria, union density is relatively low and is declining even further.

At the opposite end of the spectrum, Slovenia most closely approximates Austria and Germany' social partnership model. As the most economically developed Yugoslav republic, it had already forged strong links with Western countries before the system change. After independence, it hosted substantial FDI inflows, at the same time preserving a strong domestic industrial base and a nationally-owned banking system. The self-management tradition provided a framework for subsequent capital-labour compromises. Union density has been high; most employees are covered by collective agreements, and multi-employer bargaining is dominant. Unions have assumed an important position not only at the company, but also at the national level, influencing the course of transition and the process of eurozone entry through tripartite deals and social pacts. More recently, though, Slovenia too has undergone a 'neoliberal turn' (Stanojević 2014).

The Visegrád countries – Poland, Hungary, the Czech Republic and Slovakia – occupy intermediate positions. Like Slovenia, most had already experimented with a market economy in communist times. In the years that followed, they largely preserved their welfare states and managed to attract – not least thanks to generous subsidy packages – high-value-added, capital-intensive FDI that transformed and renewed their industrial base. Unlike Slovenia, however, they have not granted organised labour institutionalised access to the policy-making process, relying instead on a legalistic approach to labour market. Industrial relations systems, if stabilising in recent years, have remained conflict-ridden, fragmented, and marked by diminishing power of the social partners. Collective bargaining is decentralised and sectoral agreements are scarce (except in Slovakia); extensions, even if legally possible, are rarely used in practice.

This short overview of European capitalisms and industrial relations regimes provides a picture that is far from uniform. As will be shown in the following sections, differences between the groupings translate into specific sets of challenges faced by unions. They also shape power resources that unions can build upon, as well as their strategic responses.

2. Addressing the Membership Decline: Organising Efforts in CEE

Following the collapse of the former regime, the previous 'official' unions needed to redefine their role in the new economic system and reform their organisational structures and internal decision-making mechanisms. Similarly, new unions established in opposition to the old regime had to re-focus their activities, shifting from the pursuit of political goals to representation of employee interests. But the transition towards more inclusive and democratic labour movements proved to be a daunting task, given rapidly depleting human and financial resources. Between 1990 and 2010, CEE unions lost three-quarters of their members, more than triple of the loss experienced over the same period by their West European counterparts (see Table 1 for details). The reasons were threefold. First, in the course of the transition, most state-owned companies – traditional union strongholds – were closed or downsized; by contrast, greenfield sites and new small and medium enterprises were virtually union-free. Second, at least in the initial years following the system change, there was considerable public distrust of trade unions. 'Reformed' organisations were still identified with the old regime, whereas officials from the newly created unions were often viewed as co-managers of the painful restructuring process. Third, the structure of employment has changed, with new, non-unionised groups of workers (young graduates, white-collar employees and atypical workers) entering the labour market. All these processes made the issues of organising and internal democracy even more pertinent, confronting unions with a double task. Not only did they have to strengthen their membership base, which required the development of innovative organising strategies, especially in relation to non-traditional groups of workers, but it was also necessary to ensure that the interests of the newly recruited members are adequately represented within the organisations.

Table 1. Trade union density and collective bargaining coverage in CEE

	Union DensityUnion			Bargaining Coverage	
	1990	2000	2010	2000	2010
Slovenia	69	42	26	100	92
Czech Republic	–	27	17	41	47
Hungary	83	22	17	47	34
Poland	37	17	14	42	29
Slovakia	–	32	17	51	38
Estonia	94	15	8	29	25
Lithuania	–	17	10	12	14
Latvia	–	26	15	21	22
Bulgaria	81	28	20	–	18
Romania	80	40	33	–	70
Ave West (EU17)	47	42	37	76	73
Ave CEE	74	27	18	46	35

Source: ICTWSS database for 2010, based on national sources (Visser 2013). In some cases, the closest available figure was used.

The extent of membership and representation problems varied across the three CEE country groups. In this respect, neocorporatist Slovenia was to some extent an exception among CEE states. Given the already relatively high density rates and extensive collective bargaining coverage, the recruitment of new members was not a priority for this country's labour organizations. Rather as in Germany and Austria, Slovenian unions relied instead on their institutional position within the political economic system. They used workplace negotiations and social partnership deals not so much to cater to the interests of non-traditional workers or to attract them to the unions, but rather to limit the extent of atypical employment. At the same time, they sought to ensure that wages and working conditions of precarious workers were in line with labour legislation and collective agreements. This strategy was pursued in sectors characterized by a relatively high share of atypical employment, such as retail (Mrozowicki et al. 2013), but also at the national level where unions actively mobilized against the so-called 'mini-jobs' scheme. The latter initiative was successful and resulted in the rejection of the mini-jobs proposal in a referendum. Unfortunately, unions failed to translate their campaign involvement into membership gains and, as a result, union density in Slovenia has been steadily falling, both throughout the 2000s and during the recent crisis.

By contrast, the Baltic unions were well aware of the need to broaden their membership base, but the acute lack of resources prevented them from launching large-scale organising campaigns. As a consequence, density rates have been among the lowest in the EU. During the recent crisis, unions in all three countries staged anti-austerity protests and tried to protect jobs and working conditions of precarious workers, but could not reverse the falling unionisation trend. In the late 2000s, Estonia's biggest confederation EAKL lost 30% of its members, while membership in Latvia's LBAS shrank by 29%. In view of the chronic weakness of labour in the Baltic states, Scandinavian unions recently launched the so-called Baltic Organising Academy (BOA) – a network of Nordic, Polish and Baltic trade unions that stimulates membership recruitment campaigns and assists local organising efforts in the transport, industry, and service sectors in the Baltic states. In Bulgaria and Romania, no major organising drives have so far taken place. In the pre-crisis period, three out of five Romanian confederations undertook some attempts to bring vulnerable workers from the shadow economy back to legal employment, whether the latter was based on an atypical or standard employment contract (Varga 2011). In 2011 Bulgaria's biggest trade union confederation, KNSB/CITUB, launched an innovative training programme Моето първо работно място ('My first workplace'), aimed at future labour market entrants. In co-operation with the Friedrich Ebert Foundation, the union provided a10-hour course on labour legislation, social security and trade union rights to the country's 68,000 final-year secondary school students.

Unions in the Visegrád countries had a weaker institutional position than in Slovenia, but possessed more resources than in the Baltic states and South-East Europe. This both required and enabled them to adopt a more proactive approach, with (at least partial) openness to a broader set of societal interests. Slovak counterparts tried to improve working conditions of atypical workers through litigation and mass media campaigns (Kahancová, Martišková 2011). Polish trade unions, in turn, have been particularly active in relation to membership recruitment. Applying US experience, Solidarność launched a major organising drive targeting security guards; it also recorded membership gains in the automotive industry and the retail sector, in the wake of a successful campaign for shop closures during public holidays. Polish unions were also remarkably successful in highlighting the problem of precarious employment, strongly criticising the increasing use of service-provision contracts, which were favoured by many employers over standard employment contracts. The label 'junk contracts' to signify the former, coined by a small radical union Inicjatywa Pracownicza, was picked up by mainstream organisations and entered public discourse (Mrozowicki, Maciejewska 2013). Even though the Polish unions seem, all in all, increasingly aware of the need to attract new members, but it is still too early to speak of a systematic turn to organising. By the same token, although unions have succeeded in capturing societal frustrations related to growing labour market flexibility, it remains to be seen whether the concerns of new categories of employees and other societal groups, such as women and the youth, will be integrated into their long-term agenda. In this respect, the reactions of Polish society to the September 2013 union rally against poor working conditions and growing labour market precarity were symptomatic: although 50% of the Poles supported the protest, more than a half were not sure if the organisers really sought to represent workers' interests (Wybieralski 2013).

3. Organisational Restructuring and Mergers in CEE

In their analysis of West European and US unions' revitalisation strategies, Frege and Kelly (2003) argue that mergers and internal re-organisation can strengthen unions by helping them achieve economies of scale and reducing inter-union competition. In the CEE context, however, unions have been rather reluctant to pool their resources. Nearly two and a half decades after the collapse of the communist system, the old division between reformed 'official' organisations and their counterparts created in opposition to the former system still holds strong. Also, in many countries plant-level union activists do not want to grant additional competences and resources to their colleagues at the sectoral and confederal levels, which precludes union centralisation.

In Slovenia, trade unionism was initially divided between the 'successor' ZSSS and the 'new' KNSS, created in 1990. Though ZSSS remained dominant, it could not prevent the emergence of rival organisations, in particular the powerful alliance of public sector unions KSJS, founded in 2006 which has counterbalanced the export-oriented manufacturing agenda of ZSSS. Currently, seven confederations have representative status in the Economic and Social Council.

The Visegrád countries offer a very heterogeneous picture. In the Czech Republic and Slovakia, ČMKOS and KOZ SR, the successors of the reformed Czechoslovak Confederation of Trade Unions (ČSKOS), are the strongest confederations. Their challengers, such as the Christian democratic NKOS in Slovakia or ASO – a breakaway from ČMKOS covering agricultural workers, railways and medical doctors – have significantly lower membership. Polish trade unionism, by contrast, was long marked by sharp political conflicts and turf wars between NSZZ Solidarność – the challenger to the former regime – and the 'reformed' OPZZ. The division has become less pronounced in recent years, with unions from both confederations cooperating at workplace level and in national protest actions. In 2002, a third large confederation emerged, Forum ZZ, consisting of breakaways from OPZZ and formerly independent unions that favoured direct mobilisation over political involvement. Recent years have also brought a growing popularity of radical movements; though their membership remains low, they have nevertheless influenced the strategy of mainstream unions, forcing them to take a more resolute stance on social issues (Mrozowicki, Maciejewska 2013). In Hungary the split between post-communist unions, on one hand, and those emerging from the democratic opposition, on the other, has also been very pronounced; inter-union competition and conflicting political allegiances have often precluded strategic cooperation among 'old' and 'new' confederations.

The structure of the Baltic trade unions is diverse. In Latvia, LBAS is the only national confederation, and all significant unions are affiliated. Estonian unions are divided along occupational lines between EAKL, which covers mainly manual workers, and TALO, which is mainly white-collar. There are three Lithuanian confederations, based on ideological differences, though they now largely cooperate. In Bulgaria, the division between 'old' KNSB and 'new' Podkrepa is still present, but the two confederations usually take similar positions and initiate joint protest actions. Romania has a more fragmented structure, with five umbrella organisations reflecting different ideological roots but usually able to cooperate.

All in all, there has been little evidence of merger activity in the CEE countries. Recently, however, it seems that the opposition to crisis-related austerity measures has acted as a unifying factor. Poland witnessed its three major union confederations united in protests against excessive labour market flexibility and anti-crisis policy measures. Both in Lithuania and Romania, national confederations pledged to coordinate their strategies and protest actions against their governments' austerity programmes. In May 2013 Hungary's three 'old' confederations – MSzOSz, ASzSz and SzEF- announced their unification plans, and the merger process is currently under way. These examples send a positive signal and raise new hopes for closer coordination of employee voices in the region in the future.

4. Collective Bargaining and Protests in Hard Times

Collective bargaining is considered one of the main pillars of industrial relations systems. In CEE, while bargaining institutions and mechanisms are formally in place, their actual impact is generally much more limited than in the west. Government policies in response to the crisis have put additional pressure on the region's weak bargaining structures.

Slovenia stands out as the only country with strong social partner organisations and robust multi-employer bargaining. In the public sector, both cross-sectoral and sectoral collective agreements exist, whereas in the private sector, after the abolition of the cross-sectoral agreement in 2005, negotiations are pursued predominantly at sectoral level and often supplemented by company-level deals. Overall, more than 90% of Slovenia's workforce is covered by collective agreements. In other CEE countries, collective bargaining is less established and takes place mainly at company level. Fragmented unions represent only a fraction of the working population and are thus unable to set the bargaining agenda. Most employers, on the other hand, do not wish to be bound by sectoral agreements, do not join employers' associations and refuse to engage in any form of dialogue above the company level. Some cross-country variation can nevertheless be observed. Bargaining coverage is higher in the Visegrád countries than in the Baltic states (see Table 1), and sectoral agreements are more frequent in Slovakia and Romania than in other countries. The Baltic states display the lowest coverage rates in the EU, with agreements concluded almost exclusively in the public sector and within large state-owned enterprises. Low incidence of bargaining translates into low levels of trust in bargaining institutions: as shown by a survey in Estonia in 2012, only 20% of employees believe in beneficial effects of collective wage setting (Osila, Masso 2013).

The lack of institutional 'voice' in CEE has gone hand in hand with relatively low frequency of strikes and other public manifestations of discontent. This is not to say that the region has not seen major labour protests. In Poland, mass demonstrations of the early 1980s gave rise to the Solidarność movement, while in Slovenia the general strike in the early 1990s cemented trade unions' position within the country's socioeconomic system (Meszmann 2012). Beyond these spectacular cases, however, unions have generally been more quiescent than in the West, or than Latin American labour movements in the course of their countries' transition from autocracy. The low incidence of protests in new member states is often attributed to cultural factors, such as apathy allegedly inherited from the socialist system, as well as economic variables, in particular the hardship and insecurity experienced by workers during the transition. In addition to this standard catalogue, Greskovits (1998) pointed to alternative, individual-level forms of expressing discontent that became quite widespread in the region, such as protest voting, electoral abstention or 'escape' to the informal economy. Following EU entry, there appeared yet another strategic opportunity: 'exit' in the form of emigration, which constituted 'a case of workers voting with their feet' (Meardi 2012) against poor employment prospects and adverse working conditions in their home countries. Latvia, Slovakia and Poland have seen large shares of their working populations migrating to the West. The resulting labour shortages in certain occupations boosted employee assertiveness and translated into a growing incidence of standard forms of mobilisation. At the point when the gap between strike rates in old and new EU member states started to close, however, the crisis broke out, changing the economic climate and policy mix in Europe.

The economic crisis hit new member states particularly hard. Poland was the only EU country that managed to avoid recession (mainly because of its manufacturing links to Germany and relatively stable domestic demand), and predictions of 'stormy times' in the region proved largely accurate. After more than a decade of spectacular growth, CEE states were among the first victims of the crisis, and three, Latvia, Hungary and Romania, needed to sign stand-by agreements with the IMF in order to stabilise their finances. Recently, Slovenia has moved under the radar of the EU and international financial institutions in view of its ailing banking sector and gloomy growth prognoses.

The downturn and the subsequent anti-crisis policies pursued by CEE governments had a considerable impact on collective bargaining outcomes and, more generally, on wage levels and working conditions. In an effort to reduce their budget deficits, Latvia, Romania, Hungary and the Czech Republic adopted drastic austerity measures in the public sector, including salary cuts and the elimination of supplementary payments. Crisis-ridden CEE countries have also witnessed a substantial fall in real wage levels: between 2007 and 2009, they shrunk by over 15% in Latvia and by 5 to 10% in Estonia, Hungary and Lithuania (Müller, Bernaciak 2013). In the most affected countries, collective bargaining institutions and practices came under direct attack. In Estonia, for instance, the number of collective agreements fell nearly by half, whereas Slovenia recorded over five times more instances of collective agreement breaches than in the pre-crisis period. By contrast, in states that experienced merely a temporary decline in exports the incidence of plant and sectoral bargaining increased, as unions and management debated short-term working schemes and restructuring measures. There are indications, however, that many of these deals have cemented pre-crisis patterns of labour market segmentation, protecting the core company workforce at the cost of temporary and agency workers (see e.g. Myant 2013; Kahancová, Martišková 2011).

During the crisis some CEE governments took the opportunity to transform the institutions and procedures of collective bargaining. In Hungary and Romania, which remained under IMF surveillance, such adjustments went particularly far, weakening the position of trade unions and increasing the decentralisation of collective bargaining. In Romania, the Social Dialogue Act introduced in 2011 abolished the national agreement for the private sector, reorganised sectoral bargaining structures and raised representativeness criteria. The changes have brought the bargaining process to a virtual standstill, causing a fall in coverage from 70% to an estimated 20% (ICTWSS, 2013). In Hungary, the new Labour Code that came into force in January 2013 restricted strike rights, limited protection for trade union activists and allowed collective agreements to deviate from the labour law. The anxiety accompanying the crisis also provided fertile ground for increased decentralisation in other CEE countries. Estonia, for instance, restricted the continuity of collective agreements after the expiry date, while Slovakia tightened its extension criteria.

With the crisis, conflicts over salary increases became less common. Nevertheless, unions in companies relatively unaffected by the downturn resorted to strike threats during wage negotiations. In Latvia, Slovenia and Romania, anti-austerity protests brought down the governments, but did not translate into increased trade union popularity. In the Baltic states, rallies were staged by various social and occupational groups, such as students, police officers and drinks producers. Even though they rarely took the form of mass events, their incidence signified widespread societal dissatisfaction with the countries' tough austerity course.

5. Political Engagement and Limits of Social Partnership

Under the previous regime, unions did not act as autonomous organisations but were dominated by communist parties. By and large, their role was to discipline workers at state-owned enterprises and familiarise them with party decisions and policy plans; they also performed certain social functions. Hence, in contrast to west European countries, there was no tradition of mutual interdependence and beneficial exchanges between unions and political parties. After the system collapsed, links between political groupings and organised labour emerged, but involving much less mutual loyalty than in the West (Avdagić 2004). Political parties, which in most CEE countries were stronger than their union partners, would default on their promises and pursue policies that went against workers' interests. They would also include union leaders in party structures and decision-making processes, which not only hindered unions' mobilising capacity but also stirred considerable controversy among rank-and-file members, especially when the policies that followed involved painful restructuring measures. All in all, rather than boosting the employee position, party-union links forged in the transition period have weakened labour.

Examples abound. In Poland, Solidarność activists assumed important positions in the early centre-right governments and created their own party before the1997 elections, while OPZZ sided with the social democrats. However, this did not prevent the 'shock therapy' policy measures. In the mid-2000s, Hungary's reformed unions were excluded from discussions on major liberalisation reforms despite their formal alliance with the socialist party. Even if labour-friendly regulations were enacted, there was no guarantee that they would be preserved. Slovak labour laws, for instance, would reflect union preferences whenever left-wing parties were in power, just to be reversed by centre-right cabinets. On the other hand, the Slovenian example shows that party-union links can be effective if power resources of the two actors are roughly equal. Unions in the former Yugoslav republic constituted sizeable interest groups with large pools of voters, thus could not easily be ignored by politicians. As a result, they co-shaped policy-making through tripartite agreements and social pacts.

With the exception of Slovenia, the record of social dialogue has been much less impressive than in the West; even so, its role should not be completely dismissed. Tripartite negotiations in the newly democratised CEE countries ensured social peace by involving union and business representatives (at least to some extent) in policy discussions. In effect, it made it possible to establish 'a new capitalist order with a minimum of social unrest' (Iankova, Turner 2004: 85). In the initial years, unions managed to bring important social issues to government attention. In Poland, for instance, negotiations after the 1992 strike wave led to the Pact on State Enterprise in Transformation that addressed social aspects of the privatisation process. In 1991, the Bulgarian social partners and the state signed the Political Agreement for Peaceful Transition towards Democracy; in addition, they participated in drafting the country's laws on collective bargaining and dispute settlement. In the second decade of transformation, tripartite negotiations rarely resulted in formal social pacts. As Gardawski and Meardi (2010) claim, however, even such failed 'pacting' attempts gave social partners an opportunity to exchange views and fostered social learning.

The recent crisis brought an increase in tripartite activity. In Slovakia, the government set up a special negotiating body, the Economic Crisis Council, to discuss future policy directions; while in Slovenia austerity measures in the public sector were debated with the social partners within the Economic and Social Council and announced in the form of tripartite agreements. In Poland and Bulgaria, unions and employers' associations initiated bipartite talks and subsequently presented a joint list of policy proposals. This growing incidence of tripartite talks led some observers to proclaim 'the revival of social dialogue' in the region (Czarzasty 2009): in the majority of CEE countries, it was indeed the first time when governments and social partners thoroughly discussed issues not related to the systemic transition (Hyman 2010). Despite the promising start, however, cabinets often ignored hard-won tripartite compromises. In the Baltic states, early agreements on a progressive approach to wage cuts gave way to an across-the-board austerity drive (Gonser 2010). In Poland and Bulgaria, the governments defaulted on their initial promises and only partially addressed social partners' proposals. In view of the selective implementation, it seems that by temporary extending the scope for tripartite negotiations, CEE governments sought merely to demonstrate their responsiveness to societal initiatives. The resulting 'PR corporatism' helped them generate societal support at difficult times, but failed to improve the quality of social dialogue (Bernaciak 2013).

Increasingly aware of the pitfalls of direct political involvement and the limited effectiveness of tripartite negotiations, CEE unions have recently tried to increase their visibility in the public space by similar means. The most widely used strategies in this regard have been public campaigns on pertinent social issues. In Poland, campaigns for minimum wage increases and public protests against certain atypical employment forms brought together all three union confederations, irrespective of their traditional political allegiances. Unions have also tried to mobilise around broader societal interests. In April 2012, for instance, Czech unions staged the biggest demonstration since 1989, gathering around 100,000 people in protest against the austerity agenda. All in all, it seems that labour organisations increasingly seek to distance themselves from political parties, demonstrating instead their readiness to defend workers' economic interests. Hungary's firefighters and law-enforcement unions have tried yet another strategy: disappointed with the political establishment, they have launched an independent opinion exchange platform to stimulate political and economic debates (Neumann 2012).

6. International Cooperation: Opportunities and Challenges

There is broad agreement in the literature that trade unions are in the first place national actors, and that national-level social dialogue and collective bargaining institutions are their principal arenas of action. Over the last few decades, however, unions have become increasingly aware that traditional means and channels of influence might not be sufficient to defend their members' interests. In view of the growing internationalisation of the economy, they have expanded their activities beyond state boundaries and opened up to the possibility of forging alliances with their counterparts from other countries.

Unions in CEE have had a particularly strong incentive to 'go international'. As we saw in the opening section, since the beginning of the transition process their countries followed an export-led growth model marked by a high degree of openness to overseas trade and to FDI. The role of foreign actors, in particular the EU and large MNCs, in shaping the region's socioeconomic structures was so substantial that Bohle and Greskovits (2007) referred to these countries as 'transnational capitalisms'. Given the depth of internationalisation that ensued, key decisions affecting labour in the CEE countries were taken either at the EU level, or at the company headquarters located abroad. The only option for unions was to become involved in international activities and organisations, if they wished to influence future policy decisions or obtain information on their firms' plans.

On the other hand, it was no easy task for unions in the enlarged EU to establish and maintain cooperative links. It proved challenging, first of all, to uphold international solidarity at times when sites located in different countries were competing over the same investments. Such zero-sum conflicts could be particularly dramatic in the case of production relocations. Second, on the eve of eastern EU enlargement, West European unions grew increasingly concerned about the potential impact of migration and posting from new EU member states on wages and working conditions in their countries, which we discuss below. Such fears sometimes led to accusations of social dumping and to measures which unions in the East regarded as protectionism. Third, the weakness of trade unions in most of CEE often prevented them from getting involved in cross-border projects, or considerably limited their active participation in joint initiatives. The lack of mutual language skills on the part of union officials, as well as divergent understandings of the notions of cooperation and solidarity, were additional impediments to good East-West trade union relations (Klemm et al. 2011; Kotthoff 2005).

Yet despite these obstacles, unions from new and old member states established cross-border links that were not limited to symbolic declarations of support. Joint initiatives took place at all levels of trade union activity, involving exchange of information, joint negotiations with company management, and cross-border collective action.

The first contacts between the ICFTU, WCL and ETUC on the one hand, and labour organisations in CEE on the other, took place already during the communist period. Relationships with 'transmission belt' unions were contentious, but Solidarność attained a privileged position. In 1986 it was allowed to affiliate to both international bodies, an almost unprecedented status (Gumbrell-McCormick 2000). Throughout the 1980s, Solidarność also managed to establish close ties with West European labour organisations. The latter staged solidarity strikes in the aftermath of Polish worker protests in 1980 and after the introduction of martial law in 1981. Solidarność applied for ETUC membership already in the mid-1980s, but at that point the confederation did not accept affiliates coming from outside the European Economic Community. Following the fall of the Berlin Wall, however, the ETUC gradually opened up to CEE unions, first within the framework of the so-called European Trade Union Forum, created in 1991 to bring together trade unions from East and West. Initially it was unclear whether the ETUC would liaise only with the newly established organisations, or also with the 'old' reformed ones. In the end, the second, universal approach prevailed, and the organisation has been accepting CEE unions as affiliates since 1996 (Degryse, Tilly 2013). CEE unions have come to view the ETUC and ETUFs as the main representatives of their interests at the EU level, even though they cannot actively participate in the workings of all their committees given their limited human and financial resources. CEE union officers have been integrated into ETUC's organisational structures; notably, Józef Niemiec from the Polish Solidarność became an ETUC Confederal Secretary in 2003 and Deputy General Secretary in 2011.

As from the launch of their countries' EU accession negotiations, CEE trade unions advocated unrestricted access of CEE workers and companies to old EU member states' markets. This is not to say, however, that they supported the cost-based competition and wage dumping that were so much feared by their West European counterparts. In the context of labour migration and employee posting, they insisted that the nationals of new EU member states should work in EU15 for the same wages as domestic employees. In the mid-2000s, they manifested their anti-social dumping position by joining an EU-level mobilisation drive against the draft Services directive (also known as the Bolkestein directive). Unions in CEE contested the initial version of the law, even though it would give a short-term advantage to companies and self-employed individuals from CEE wishing to offer their services in old EU member states at lower prices. Justifying their stance, they argued that they did not want to be the cause of 'unfair' competition with fellow workers in the West; they also claimed that the lowering of West European standards would reduce the prospects for the upward convergence of working conditions in CEE (Bernaciak 2007). In addition to the anti-Bolkestein drive, CEE unions became involved in cross-border projects targeting migrant workers, and signed cooperation agreements with receiving countries' unions to fight social dumping and employee exploitation jointly.

Among CEE unions, cross-border cooperation at the company level has been particularly important in the Visegrád countries. These renewed their industrial base thanks to FDI inflows, unlike the Baltic states that underwent large-scale deindustrialisation. On the other hand, in contrast to Slovenia where national ownership was preserved, manufacturing in the 'Visegrád Four' is controlled mainly by foreign investors, leading often to a high degree of structural interdependence between Visegrád and West European locations. Despite the high potential for distributional conflicts, on numerous occasions unions from the two settings have managed to move beyond their short-term particularistic interests and to stage mutually beneficial exchanges. In the car industry, for instance, CEE unions have refrained from underbidding their West European counterparts in exchange for organisational assistance (Bernaciak 2010). Socialisation between union representatives from old and new member states was greatly enhanced by the presence of EWCs, which gave CEE unions an opportunity to obtain information on company affairs that could be used in local negotiations, or even to circumvent the local management and achieve improvements in work organisation and working conditions through direct intervention at company headquarters (Meardi 2004). Some EWCs, like that of IKEA, negotiated pan-European agreements addressing workers' representation rights or health and safety issues; others, like the one at General Motors, managed at least temporarily to counter the management's efforts to play off individual sites against each other by staging joint negotiations on investment distribution.

All in all, links with foreign labour organizations and pan-European union structures gave CEE unions an opportunity to enrich their strategic repertoires and rebuild their power resources. Through participation in EU-level campaigns, CEE unions became acquainted with new forms of protest and gained new arguments for national-level debates. Thanks to additional information and assistance obtained from their West European colleagues, company-level organizations improved their bargaining positions vis-à-vis employers. As demonstrated by the anti-Bolkestein drive and continuous exchange of benefits between the Polish and German automotive sectors, it has been possible to reconcile the interests of workers from the new and old EU member states despite high potential for distributional conflicts in the East-West European setting.

Conclusion: Towards Union Renewal in CEE?

The austerity drive and direct political intervention in the collective bargaining process have put considerable strain on weak industrial relations institutions. In most cases, however, societies have not remained passive when faced with the harsh policy course. Across the region, there has been growing discontent with elite-driven cost-cutting measures, and mounting opposition to political attacks on social entitlements and labour market protections. Perhaps somewhat paradoxically, this presents trade unions with a strategic opportunity to reassert themselves as representatives of the broad sections of the population that are disillusioned with the neoliberal policy prescriptions.

There is mounting evidence that unions in the new member states are taking up the challenge and lead a struggle against neoliberal restructuring. They have staged protests against austerity measures, labour market deregulation and social exclusion; they have also actively opposed to the privatisation of health care and other services of general interest. The fact that such actions enjoy high levels of societal support shows that despite enduring weakness, unions are not merely 'the creatures of the past'. Just the opposite, they have a crucial role to play in the new capitalist systems insofar as they highlight the contradictions of the economic 'catching-up' process and stand up for workers' rights 'in hard times'.

In order to transform ad hoc mobilisation into long-term relationships of trust and membership gains, however, CEE unions have to make substantial and simultaneous efforts in a number of interrelated domains. They need to modernise their communication strategy with increased use of new communication tools, including the social media, and new forms of interaction with their current and potential constituencies, such as media campaigns, signature-gathering, and naming-and-shaming tactics. Such technological opening should go hand-in-hand with a readiness to adopt new discourses and take on board specific concerns of marginalised or underrepresented groups, such as youth, women and atypical workers. These groups' demands should be integrated into unions' agenda and raised in the course of collective negotiations and tripartite talks.

The broadening of union discourse would prepare the ground for more vigorous membership recruitment. There is no doubt that organising is a costly endeavour that requires a shift of union resources away from other fields of activity (Krzywdzinski 2010). Nevertheless, it needs to become a priority in CEE in view of the substantial membership losses that unions have experienced since the beginning of the transition process. Even in countries like Slovenia, where unions assume an active role in shaping the country's socioeconomic policy course, high membership figures are needed to legitimise their institutional position; recent government attempts to sideline the social partners indicate that unions cannot rely solely on tripartism but need to invest in boosting and empowering their members. The specific approach to organising might differ depending on the type of sector. In services, which are generally difficult to organise, top-down campaigns drafted and implemented by central or regional union development offices may give an impulse for shop floor actions. In manufacturing, bottom-up organising efforts will be more effective thanks to greater concentration and homogeneity of the workforce but even there, higher-level union structures should provide newly created workplace organisations with logistic assistance, legal advice and further training possibilities (Mrozowicki 2014).

CEE unions are not unique in their struggle for recognition and their efforts to extend their membership base. Western labour organisations face similar dilemmas, even though their density rates tend to be higher, and their institutional position is somewhat stronger. In view of this commonality of challenges and interests, it is important to continue assistance programmes and organising support granted by more experienced and more powerful Western organisations to their CEE counterparts, and to stimulate cross-border experience-sharing in relation to collective bargaining and recruitment techniques. The recent austerity measures and liberalisation measures likewise call for a coordinated union response. So far, even though the policy prescriptions formulated by the Troika and the IMF have been very similar in the East and the West, union discontent has largely been manifested at the national level. As demonstrated by the anti-Bolkestein mobilisation, however, pan-European resistance can be successful in countering the deregulatory agenda.

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