

Roland Erne's Book on European Unions and Democracy

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In his book on 'European Unions' published in 2008 Roland Erne assesses the capabilities of unions to act across borders and demonstrates how unions can contribute to the development of a more democratic European Union. In this work Erne draws on his experience as a social scientist accumulated at various European universities as on his background as a former union official in a number of European countries. His work is based on a broad spectrum of research methods, including 87 interviews with unionists, works councils and business consultants at local, national and European levels. At present Roland Erne is a lecturer in International and Comparative Employment Relations at University College Dublin.

Possible trade union strategies

Erne's starting point is the frequently described "democracy deficit" in the European Union which particularly in recent years has led many citizens to question the European integration process. More democracy and more citizen participation in political decision making are important factors for improving the legitimacy of political institutions, in particular at the level of the European Union. As important actors of civil society, trade unions with their democratic structures and capacity to mobilise their members can make a valuable contribution to a more democratic Europe if they increase their transnational activities. In the context of the tense relationship between national politics and social relations, on the one hand, and the European integration process, on the other hand, Erne identifies four potential trade union strategies: namely a Euro-democratic or a Euro-technocratic one, a technocratic or a democratic re-nationalisation one. Unions can rely on European-wide mobilisation and transnational cooperation and politicise the EU decision-making process in the European public sphere. This would be the strategy contributing to the democratisation of the European Union. European unions, however, can also exclusively depend on lobbying in the regulatory governance structures of the European Union and on using the existing institutions of the 'Social Dialogue' (as the institutionalized forms of social partnership are called). The Euro-technocratic orientation has been followed primarily by the European Trade Union Confederation (ETUC).

A strategy perfectly successful in the short run may also be a retrenchment of union action to the national level (renationalisation). This means that trade unions focus on the national level, because here they can still make better use of their bargaining power. This was typically one of the main strategies of the Nordic trade unions. The primary aim

remains, though, confronting the neo-liberal EU-project by national left-wing or at least Keynesian policies. For a long time a typical example of this was the national fight for the 35-hour-week of the French trade unions. And the Nordic trade unions have tried in this way to conserve their special Nordic model of social partnership.

According to the technocratic re-nationalisation option unions try to provide or maintain the competitive advantage of their national economy by restricting wage demands and concluding 'social pacts' with employers and governments. Hereby they hope to increase economic growth and to maintain or create jobs in their own country at the expense of the other European countries. This strategy was pursued for instance for some time in the Netherlands ('Poldermodell') or by the German DGB. Similar tendencies exist also in Central European accession countries in order to maintain the existing competitive advantage of low labour costs.

Re-nationalisation failed

The latter strategy was partly imposed on unions in the 1990s through the so-called convergence criteria of the Maastricht Treaty. The EU-stability criteria as a precondition for entry into the monetary union forced the states to restrict their budgets and wages. In his analysis, Erne shows that, in seven of 14 old EU countries, a strongly corporatist re-nationalisation strategy of trade unions can be identified. This included also restraint in wage negotiations such as in Belgium, Finland, and Austria, Germany, Italy, Netherlands, Ireland.

The overall result was a disaster for the European trade union movement. The wage-cost competition triggered a wage dumping spiral, real wages stagnated or declined, the wage quota (i.e. the share of wages in gross national product) markedly declined in Europe, the re-distribution between poor and rich, from employees to employers and owners of assets accelerated. Moreover the trade union movement suffered a reduction in its potential of mobilisation. In most countries (not in all) trade union density declined. This trend was even more pronounced in terms of the number of days of strikes. These have declined in Europe since the 1980s, from 218 to 66 days of strike per 1,000 employees.

By the end of the last decade the wage dumping spiral forced unions to rethink their national strategies and to seek a closer cooperation at transnational level. Erne shows how different transnational trade union strategies can work out, by taking the example of transnational coordination of collective bargaining policy and trade union action in two company mergers.

Trade union policy between technocracy and democracy

About the end of the 1990s the European Metal Workers' Federation (EMF) and the so-called Doorn-Countries (Benelux and Germany) developed mechanisms for an improved

coordination of their collective bargaining policy. This implied setting targets to be achieved in wage bargaining in individual countries. Later on such collective bargaining benchmarks were adopted also by the European Trade Union Confederation for the national umbrella organisations.

Setting such minimum requirements for national collective bargaining aimed at stopping the wage dumping spiral and pursuing a common European wage policy. Later again attempts were made towards a European minimum-wage policy, actively supported most recently by the Swiss Trade Union Confederation and UNIA.

The progress of these attempts at coordination as opposed to 'beggar-your-neighbour' policy is not contested by Erne. However, he classifies this approach as Euro-technocratic, because a mobilization strategy was not pursued at the same time. Whilst the coordination approach allowed for the inclusion of individuals in charge of national bargaining, national shop stewards were hardly involved. Up to date the resonance of these measures in sectors and enterprises of the individual countries and the success of these coordination attempts has remained limited.

As a positive counter-example Erne presents the strategy of the European Federation of Building and Woodworkers (EFBWW). Since 1994 this federation pursued a European strategy for the enforcement of national standards for labour immigrants in order to prevent wage dumping through migrant employees. Based on organised lobbying but also on the mobilisation of the membership, the EFBWW in cooperation with the ETUC managed to get the 'Posting of Workers' Directive' enacted and then also to fight successfully against the 'EU-Services Directive' which undermines these principles. Moreover the EFBWW actively supports attempts at transnational coordination of collective agreements and the organisation of construction workers.

The focus was on achieving co-determination and minimum conditions on large international construction sites, where firms and employees from many countries were present. The Swiss Alptransit-sites were part of this project. In contrast to the coordination approach of the EMF and ETUC, the EFBWW succeeded in mobilising works councils and shop stewards of the national trade unions and to integrate them in the efforts for developing a European trade union policy.

European Works Councils as agents for democracy

Taking the example of two large mergers in Europe and the respective actions of the European Works Council (EWC), Erne demonstrates different forms of action. These case studies are dealt with in great detail. Both the ABB-Alstom and Alcan-Pechiney-Algroup (APA) merger cases involved companies and unions from the same sector and the same countries. In the APA case the EWC and trade unions adopted the Euro-technocratic approach in that they lobbied the European Commission in order to prevent the APA merger and the loss of jobs. This strategy eventually failed as, without an adequate mobilisation vis-à-vis the Commission and the powerful General Directorate

for Competition, no pressure could be built up. In the case of ABBAAlstom, however, the EWCs and the trade unions chose a different Euro-democratic strategy. There was a common mobilisation and numerous rallies involving the employees of many European establishments. Thus pressure could be raised not only on the French government but also on the Commission, who had to agree eventually to public support for the maintenance of jobs at Alstom's.

The interesting point of the last example: in both cases the same trade unions, the German IG-Metall and the French CGT and CFDT commanded the strongest influence within the APA and ABB Alstom EWCs whilst, nevertheless, their representatives pursued entirely different strategies in the two merger cases. Erne explains this through the different cultures in the respective companies and through the fact that, for a successful Euro-democratic strategy, it is necessary that the actors, i.e. the EWC members and trade union experts involved, know each other well and have already set up a functioning network of relationships, as was obviously the case at ABB-Alstom.

Based on the fact that in both cases the EWCs and trade unions involved played an active role in the restructuring of companies, Erne concludes that at least at the level of companies the EWCs could play a leading role in the democratisation of Europe. Given the many 'dormant' EWCs, not having the slightest influence on group politics, and the vague competence conceded to the EWC by the EWC Directive, this may be a slightly too optimistic conclusion. Nevertheless, such active transnational trade union networks, which include also parts of national shop-stewards and are able to interfere actively in EU labour market policy, would be a decisive and necessary contribution to the democratisation of the European Union. This, last but not least, is also indispensable for the future of the trade union movement. For, if more and more free-market technocracy and rightwing nationalism replace the processes of democratic decision making, there will be no space any more for independent trade unions.

Source: www.worker-participation.eu