EWCs as transnational organisations?

RUB-SOAPS, Bochum, 09/10 July 2007

EWCs: emergence of a European identity or still national bound actors?

Dr. Volker Telljohann Institute for Labour Foundation, Bologna

Emergence of a European identity or still national bound actors?

- General description of the problem: why is it so difficult to develop a European identity?
- Potential of EWCs is under-used
- Based on various research projects on the functioning of EWCs

European collective identity

- Identity as the central aspect of consciuosness
- EWC: definition of their specific characteristics and their position in relation to other actors
- Awareness of the specificity of the EWC as a European-level body of interest representation (interests, values, objectives)

European-level action

- to influence and counterbalance central managements' strategies
- need for a stable and consistent identity with the function of orientation and organisation in order to face challenges at European level
- to develop a shared European-level strategy, i.e. to carry out common activities to achieve jointly defined objectives

Twofold challenge

- Identification with the role as European employee representative shows to be particularly difficult
- to become a real actor of interest representation
- development of a specific European identity

Real actor of interest representation

lack of legitimisation:

- EWC directive/employers' associations
- Management
- National structures of interest representation
- □ Trade union organisations

EC Directive

- No effective body of interest representation
- Directive relegates EWCs to passive and subordinated role vis-à-vis management: neither negotiation nor co-determination rights (no right to strike)
- Negative impact on motivation and identity building processes
- Necessary to go beyond the EWC directive

Management strategies

- Neither consultation, nor negotiation
- Bypassing EWCs in case of restructuring processes (because of "national dimension")
- Playing off production sites against each other (in case of restructuring processes)

EWCs and restructuring processes

- Most important issues: closures, cutbacks, relocation, mergers, take-overs, acquisitions
- □ In 80 % restructuring processes in the past three years
- Only 19.9 % were consulted before the decision was finalised
- Only 19.1 % of EWC representives believe that the EWC is able to influence management

(Survey data J. Waddington)

Only few extraordinary meetings

The role of the management: two approaches to EU-level action

- Identification of common interests: voluntary legitimisation by management (global agreements)
- Conflicting interests (in the context of restructuring processes): enforced legitimisation by management (as a result of EU-level action)

Different levels of common activities

Soft issues

- Joint working groups
- □ Framework agreements (EU/global)

Restructuring processes

- Common action/solidarity action
- "Share the pain"- European-level solidarity
- Alternative proposals

National structures of interest representation

Diverging interests between national and EU level:

- Microcorporatism/business unionism
- EWCs might threaten national alliances with management
- EWCs as an extension of national IR
- Role of national labour law

Role of trade unions (I)

Ambivalent relationship:

- ☐ EWC designed as a structure of a two channel system (in which the second channel is missing): no role for TUs
- □ Important structure for the development of EU-level action
- ☐ General vs. particular interests: to overcome national microcorporatism (10 principles in the case of restructuring processes, e.g. European trade union coordination group)

Role of trade unions (II)

- □ National vs. European TUs (e.g. VW, Electrolux: to defend national membership)
 - EIFs are weak vis-à-vis national TUs
- Role of negotiation/collective bargaining is a TU prerogative (e.g. IFAs; performance related pay)
- ☐ Differences among national TUs (UK, Italy vs. Germany, NL, A ...)
- Representativity of EWCs need for unionisation in certain countries and sectors

A European collective identity

EWC members faced with a common challenge

- the European level as the appropriate level of action
- Capability to... jointly assess the challenge and to autonomously identify common values and interests
- agree in a following step on common objectives
- define and carry out a shared strategy

Dimensions of identity building

- □ Individual dimension
- Collective dimension
- Dimension of interaction
- Horizontal dimension

Individual dimension

- ☐ Development of the subjective factor <u>Development of individual capabilities</u>
 - language and the development of a collective identity
 - intercultural learning
 - consultation needs competences
 - creating awareness
 - contradictions between different roles (membership at local level)

Dimension of the EWC as a collective body

- ☐ Internal functioning
 (e.g. communication and working structures; involvement of all delegates)
- ☐ Internal cohesion (mutual trust:contradictions between different roles; outcome of learning processes and practical experiences)
- ☐ Autonomy

 (need for extension of rights and resources)

Dimension of interaction

- External relationships: capabilities of integration, cooperation, coordination, mobilisation
 - (need for TU support)
- □ Legitimisation
 (e.g. institutionalised rights, national structures
 of interest representation, national and
 European trade union organisations,
 management)

Horizontal dimension

- □ Resources
 - (e.g. training, external experts, travel, translation but also a better use of already existing rights)
- ☐ Time factor (European identity as the outcome of medium or longterm processes)

Going beyond the directive - why GME and Ford?

- ☐ Ford, General Motors Europe (US-based)
 - EWCs: balanced composition (country of origin factor not so strong)
- It is never a stable result each time it has to be reached again
- □ In other cases: national solutions (Volkswagen, Audi, BMW, DaimlerChrysler)
 - EWCs: dominance of parent company
 - Risk: EWC as an appendage of national IR

Conclusions

- EWCs operate in a situation characterised by a lack of rights and resources
- TUs, especially at national level, need to come to a common understanding how to use EWCs and which competences to delegate to EIFs

Thank you very much!