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Stephen Crowley

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Explaining Labor Weakness in Post-Communist Europe: Historical Legacies and Comparative Perspective

Stephen Crowley*

With expansion of the European Union (EU), the transformation of industrial relations in Eastern Europe becomes increasingly important. Studies on labor relations in post-communist countries have flourished in recent years, yet these studies have not reached a consensus on what they seek to explain. Is labor in post-communist societies weak or (in some countries) strong? And strong or weak compared to what? To the extent labor is weak, what would explain this weakness? This study demonstrates that labor is indeed a weak social and political actor in post-communist societies, especially when compared to labor in Western Europe. The article examines a number of hypotheses that have been proposed to explain labor’s weakness, concluding that the institutional and ideological legacies of the communist period best explain this overall weakness. Because labor in post-communist societies more resembles American-style flexibility than the European “social model,” the ability to extend the European model to new EU entrants is questioned.

Keywords: labor unions; trade unions; post-communism; corporatism; strikes; European Union expansion

With the European Union now expanded to include several post-communist countries, the transformation of industrial relations in Eastern Europe becomes increasingly important. To what extent are Eastern European unions and workplaces becoming more like those in Western Europe, and to what extent are they remaining distinct, and what might the consequences be for a broader Europe? This article will argue that while labor around the world

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* This article has been through a number of iterations, and I will inevitably neglect to mention the names of some who have helped shape it. Nevertheless, I would like to acknowledge the comments of Phinneas Baxandall, Marc Blecher, Chris Howell, Wade Jacoby, Mark Kramer and David Ost. An earlier version of this article appeared as Harvard University’s Center for European Studies Central and Eastern European Working Paper no. 55. The research for this article also benefited from my being a research scholar in East European Studies at the Woodrow Wilson Center for International Scholars.
is on the defensive, workers in post-communist societies are facing unique dilemmas. Moreover, labor’s quiescence in post-communist societies has important implications for these countries as they seek to further integrate themselves into the global economy. While labor relations in the region have indeed been transformed, the result resembles American-style flexibility more than the model of “social Europe” that many in the EU hope its new entrants will adopt.

Studies on the changing labor relations in post-communist countries have flourished in recent years, such that a review and analysis of what has been reported is overdue. Yet interestingly, these studies have not reached a consensus on what they seek to explain. Indeed, some of the main questions remain under contention. First, is labor in post-communist societies weak or (at least in some countries) strong? And strong or weak compared to what? To the extent labor is weak, what would explain this weakness? If labor’s power varies throughout the region, what would explain this variation? There have been a number of answers posed to these questions to date, but not a thorough testing of rival hypotheses. Moreover, the implications of labor weakness in the region have not been fully explored.

This article will demonstrate, using a variety of measures, that labor is indeed a weak social and political actor in post-communist societies, especially when compared to labor in Western Europe. That this finding of weakness holds throughout the region is rather surprising when one considers the now considerable economic and political diversity in the post-communist world. It will then assess several arguments that have been proposed to explain labor’s weakness, concluding that the institutional and ideological legacies of the communist period best explain this overall weakness. Moreover, while the impact of the ideological legacy on unions has already noticeably changed over the past decade, institutionally, unions have become consolidated as much weaker organizations in the meantime. As a result, unions are largely quiescent, and labor relations in the region more closely resemble the liberal model, with potentially serious implications for the expanding EU.

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While just a few years ago one could argue that “this has been a relatively neglected area of research,”¹ this statement no longer rings true. As concepts such as globalization command greater attention worldwide, there has been a flowering of studies focusing on changing labor relations in post-communist countries.² Yet these studies have not reached a consensus on what they seek to explain. I will briefly examine some of the points of contention.

First, is labor a weak actor in post-communist societies overall, or is labor, in at least some of these countries, rather strong? While the majority of these new studies point to labor weakness,³ some argue that relative strength—that some countries in Eastern Europe are stronger than others—is the most compelling finding. Ekiert and Kubik conclude that at least in the early post-communist period, “collective protest in Poland was intense,” as “waves of strikes swept through entire sectors of the economy.”⁴ Others argue that the “hallmark of labor mobiliza-

tion in post-communism is variation not uniformity. Indeed, there has been enormous variation.\textsuperscript{5}

Regarding corporatist institutions, which virtually all post-communist societies have tried to establish, there is considerable disagreement as well. Some have referred to “transformative corporatism,”\textsuperscript{6} which has maintained social peace in the region despite the wrenching transformation, while others have argued that post-communist corporatism is “illusory.”\textsuperscript{7} There is even disagreement on some basic empirical claims: whether, for example, the trade union movements in such countries as Russia and Hungary are centralized or fragmented.\textsuperscript{8}

While some of these disagreements result from different points of reference (weak or fragmented compared to what?) the question of comparative reference has been precisely the shortcoming of a number of these studies. Much of the focus has been on explaining relative variation in labor strength between countries in Eastern Europe. However, while there is variation in labor mobilization within post-communist countries, the available evidence suggests that the most significant variation is that between Eastern and Western Europe. Moreover, difference that needs to be explained, and the implications of this difference need to be explored.

Even for those who argue that labor is indeed weak throughout the region, it is unclear how this weakness is being measured, or to what this relative weakness is being contrasted, other than the expectation of significant labor mobilization. A number of studies focus on single countries, while other studies of labor in


\textsuperscript{7} Ost, “Illusory Corporatism.”

\textsuperscript{8} For studies that draw opposite conclusions about Russian trade unions, see Robertson, “Madding Crowd”; and Calvin Chen and Rudra Sil, “The Transformation of Industrial Relations in Russia and China: Diverging Convergences?” (Paper presented at the Annual Meeting of the American Political Science Association, San Francisco, 2001). A discussion of the Hungarian case will follow.

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post-communist societies base their conclusion on the comparison of between two to four cases, quickly running into the familiar problem of more variables than cases.\footnote{Ekiert and Jan Kubik, \textit{Rebellious Civil Society}; Pollert, \textit{Transformation at Work}; Iankova, \textit{Capitalism in the Making}; Robertson, “The Madding Crowd.”}

Indeed, some of the best studies have limitations along these lines. Greskovits, while making fruitful comparisons between Latin America and Eastern Europe, omits countries from the former Soviet Union and largely relies on the Hungarian case for empirical conclusions.\footnote{Greskovits, \textit{Political Economy of Protest}.} Ekiert and Kubik, while compiling a considerable database of protest activity, confine their study to four countries and the years 1989 to 1993.\footnote{Ekiert and Jan Kubik, \textit{Rebellious Civil Society}.} While such limitations are understandable given the arduous task of data collection, it is time to test their findings beyond these specific times and places.

This focus on a relatively few cases would help explain why a rather large number of explanations have been proposed for labor’s relative weakness. In fact, there have been at least five broad types of explanations proposed by various scholars to explain the weakness (or relative strength) of post-communist labor.\footnote{A sixth type of explanation focuses on the political alliances of unions and has elsewhere been called political exchange theory: unions become restive when their political partners are in opposition and less so when their political partners are in power. R. Franzosi, \textit{The Puzzle of Strikes: Class and State Strategies in Postwar Italy} (Cambridge: Cambridge University Press, 1995). For reasons of space, it will not be discussed further here.} The first concerns the corporatist institutions mentioned above. The second type of explanation might be called union competition: unions will be more militant when there are a number of unions competing with each other for members and resources. A third type of explanation is based on the economic theory of strikes, which are said to be more difficult in conditions when unemployment is high. A related and fourth type of explanation points to the use of individual “exit” into the informal economy rather than collective “voice.” A final explanation for labor weakness in post-communism points to the legacy of communism, especially the institutional legacy of trade unions created in the communist period and the ideological legacy of a regime that ruled in the name of the working class that has hin-
dered worker action, and even identity, in the post-communist setting.

These various explanations are potentially complementary, and no single explanation need be, or likely is, able to explain the phenomenon of labor weakness on its own. Nevertheless, this is a large number of potential explanations, arguably the result of relying on a few cases. This article will attempt to survey a broader range of post-communist cases, allowing for the elimination of some of the explanations that have previously been proposed. While there are inevitable trade-offs in such an approach—the richness of individual cases is lost, and we risk blurring distinctions that might be made with a more limited focus—the potential gain of narrowing down this list of explanations is well worth taking.

Is labor a weak political social actor in this part of the world? Just a few years ago, many social scientists were predicting just the opposite. This argument was certainly made by those studying the developing world and the political economy of economic reform. While most of these conclusions were based on evidence from the third world, especially Latin America, others focusing on the former second world made similar predictions. Not least because of Poland’s Solidarity movement and its central role in ending communism, the assessment of workers as powerful social actors carried over into the post-communist era, and this assumption helped shape both radical and gradual strategies of economic transformation.

To these initial expectations of labor unrest, one must add that the economic hardship following the end of communism has been much greater than almost anyone expected—in Eastern Europe rivaling the Great Depression and in much of the former


Soviet exceeding it. Concerning workers in particular, during this transition depression the real wage bill was cut by approximately one-third in Eastern Europe and one-half in the former Soviet Union; “both cuts are larger than those experienced by labor in major countries during the Great Depression.” All of which leads one to ask: what has labor’s response been?

**Labor’s minimal response**

How would we know if labor in a given society is weak or strong? One might define labor strength as the ability of unions to secure material rewards for its members and exercise a degree of authority in the workplace and over national policy. The most commonly used measures of labor strength or weakness include union density, the scope and effectiveness of collective bargaining, and strike rates. While high strike rates are not synonymous with labor strength, as we shall see in the case of Eastern Europe there are good reasons for believing that labor quiescence is a product of labor weakness.

The rate of union membership, or density, “is usually taken as the first and perhaps most fundamental measure of union strength” since “only in very unusual circumstances is union density an unimportant indicator of the ability of organized labor to attract mass support and of its potential to mobilize workers for industrial action.” While union membership rates have dropped precipitously in post-communist societies, this decline was expected. Union membership was quite high in the communist period, in some cases virtually mandatory. With this in mind, one

18. Kubicek, “Organized Labor.” In recent years, union density has dropped in many places throughout the world, yet nowhere more so than in Eastern Europe. In Western Europe, the number of union members declined between 1985 and 1995 by 15.6 percent; in Eastern Europe and the former Soviet Union, membership declined by 55.9 percent. (For Bulgaria and Romania, the years of comparison were 1991 and 1993, for Slovakia and the Czech

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might argue that with declining union density, the former communist countries are simply converging to the West European norm. Indeed, Thirkell et al. argue that post-communist levels of unionization are “closer to the standards of the Scandinavian and north European countries.” According to the International Labor Organization (ILO) data shown in Figure 1, despite a steep decline in density in the East, as of 1995, unionization rates were still higher in post-communist countries than in Western Europe: average union density for these West European countries was 38.1 percent; for post-communist Europe average density was 49.2 percent.

Yet the argument for convergence in union density relies on questionable data. The ILO figures rely on numbers self-reported by trade union federations, which have an interest in inflating the results. Survey results suggest these figures are indeed inflated: for Western Europe, using survey data, union density drops from 38.1 to 33.7 percent (see Figure 2), a significant if modest decrease. However, according to survey data, the density rates for post-communist countries not only drop, they drop precipitously—from 49.2 percent for the self-reported figures to 29.7 percent according to survey results. This is close to a 20 percent differential between self-reported figures and the survey results.

Moreover, as I will discuss below, since trends in union membership do not bode well for labor, the density rates have almost certainly declined further since these surveys were completed in 1995 to 1997. And yet despite starting from much higher union

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19. Thirkell, Petkov, and Vickerstaff, Transformation of Labour
21. Ronald Ingelhart et al., World Value Surveys and European Values Surveys, 1995-1997 [computer file], ICPSR version (Ann Arbor, MI: Institute for Social Research [producer], 2000); Marc Morje Howard, The Weakness of Civil Society in Post-Communist Europe (Cambridge: Cambridge University Press, 2002). Howard reports a lower figure of 19.6 percent for post-communist union membership, but I have adjusted the survey data so it reflects only the nonagricultural labor force.
22. It is worth noting two further points about the East European union density figures. First, and rather surprisingly, Poland is the least unionized of those post-communist countries surveyed (and a close second to Estonia according to the ILO data). Second, only the (less “reformed”) post-Soviet states of Belarus and Russia have density figures that are higher than the West European average.
Figure 1: Union density, official data
membership rates, within a few years, post-communist societies were already at lower average density rates than their West European counterparts. Rather than converging to West European norms, post-communist countries have overshot the mark and appear headed toward Anglo-American levels of union density.

However, unionization rates can only tell part of the story. Another logical place to look for signs of labor strength or weakness is strike activity. Intuitively at least, given the transition depression and the degree of painful economic change in the region, one would expect to see significant labor unrest and strike activity, if not universally then at least in certain countries or sectors.

A good indicator for making cross-national comparisons of strike statistics is relative volume, or the number of workers involved in labor disputes, relative to the total number of workers employed. Figure 3 shows the rates of strikes thus measured for Western and Eastern European countries for which there are comparable data.23

23. Exact comparisons between countries are difficult since different methods are used for compiling statistics. Nevertheless, the difference between Western and Eastern Europe are

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Figure 2: Union density, official and survey data
Figure 3: Strike rates, days not worked per thousand workers, Western Europe and Eastern Europe
The results are rather surprising. The unweighted average strike rate for these West European countries is one hundred days not worked per thousand workers per year. The comparable figure for East European countries is 25.\textsuperscript{24} Certainly there is great variation in the strike rates for West European countries. What is most surprising is that even the most strike-prone East European countries come nowhere near the strike rates of the most strike-prone West European countries.\textsuperscript{25} At the very least, this would suggest that a different form of labor relations exists in Eastern and Western Europe. \textsuperscript{26}

In theory, high strike rates might be an indication of union desperation rather than strength, and conversely, strong unions might not need to strike if they can obtain concessions without industrial action.\textsuperscript{27} However, to argue that Eastern European unions are strong despite such low strike rates, one would need evidence of such concessions. Yet the available evidence suggests just the opposite: over the past decade, there was a sharp decline in real wages throughout the region, and while wages


\textsuperscript{25} In their study of protest events in four East-Central European countries, Gregorz Ekiert and Jan Kubik found that “the magnitude of protest is by and large lower than in more established democracies” (Ekiert and Kubik, Rebellious Civil Society, 573, original emphasis). Since their study relied on the content analysis of newspaper accounts, it provides another indirect support for the general shape of the strike data. Moreover, since their study looked at protest generally, their findings suggest that quiescence is not confined to workers, a conclusion that might also be extended to civil society generally. On this point, see Howard, Weakness of Civil Society.

\textsuperscript{26} Moreover, the finding of labor quiescence among industrial workers is furthered when one breaks down the strike data by sector. For example, in Russia, which has the second highest strike rate in the region, a majority of those on strike have been teachers. See ILO, 2002 Yearbook. While there may be good reasons why teachers would strike, given the widespread phenomenon of wage arrears across Russian industries in the recent past, the lack of greater strike activity demands explanation. See Javeline, Protest.

have since risen in many countries, wages are still quite low in comparative terms, even for those countries joining the EU.28

More staggering has been the decline in the number of employees covered by collective bargaining agreements, a trend that is significant since “substantial declines in union coverage would indicate an erosion of the ability of trade unions to influence wage levels.”29 While collective agreements were virtually compulsory if fairly meaningless in the communist period, one hope was that these agreements might be filled with real meaning in a market economy. Yet the collective bargaining coverage rates in those Eastern European countries for which data is available is 44 percent on average (or 33 percent if one excludes the outlier Slovenia). The comparable figure for available West European countries is 75 percent (see Figure 4).30

Even these figures appear misleading when probed more closely. A recent study by Laszlo Neumann of collective bargaining in Hungary finds that agreements cover 51 percent of Hungarian employees in the private sector.31 Yet 80 percent of the agreements were at the company level, roughly opposite the experience of continental Western Europe (where most agreements are still made at the sectoral if not the central level). Moreover, in Hungary, “many company agreements are far from being real negotiated agreements, but are either defined unilaterally by employers or, following state socialist traditions, simply repeat the law.”32 Further still, in 37 percent of Hungarian collective agreements, there is no stipulation for wages. Since this would appear to make the Hungarian collective bargaining system more

32. Neumann, “Collective Bargaining,” 12. One survey of managers in Hungary found that trade unions and labor issues were almost of no concern; trade unions were described as “irrelevant” and having “no influence” on managers’ decisions. Marc Ellingstad, “The Maquiladora Syndrome: Central European Prospects,” Europe-Asia Studies 49:1 (1997).
like the U.S. model than those of most other advanced capitalist economies, Neumann follows the practice of American industrial relations studies and examines the union wage gap, or the wage premium that, after controlling for sector and occupation, unionized workers receive over their nonunionized counterparts. In the United States, the wage gap is typically somewhere between 5 and 25 percent. In Hungary, the gap is a mere 3 to 5 percent, suggesting that, regarding wages, even when the point of comparison is the United States, Hungarian unions provide little benefit at all.

There is little doubt, then, that labor is a weak social actor in post-communist Europe. The question that must now be addressed is why. As has been seen, a number of explanations have been proposed to account for labor weakness in post-communist societies. Given space limitations, I can only present a cursory discussion of these arguments here, since to fully address their merits would require a full-length article in each case. For some arguments, the available evidence might appear inconclusive or ambiguous. Nevertheless, I intend to present enough discussion to justify the
claim that the impact of communist-era legacies better explain the phenomenon of labor weakness than other proposed explanations.

**Post-communist corporatism**

As I have noted, a low strike rate might not be a sign of the weakness of organized labor but rather a sign of strength. Several Western European countries in Figure 3 have relatively low strike rates, in some cases lower than the average for Eastern Europe. The traditional explanation for low strike rates in certain Western European countries is the strength of those countries’ corporatist institutions.33

Post-communist societies explicitly sought to build corporatist institutions, in no small part from their desire to “join Europe.” Indeed, throughout Eastern Europe, tripartism—the institutionalized intermediation of the interests of labor, capital, and the state—“has become a regular feature of the social landscape.”34 The issue of corporatism is a crucial one, not only because EU accession countries need to adopt European institutions, but because the future of “Social Europe” rests to a considerable extent on the quality of interest representation among its new entrants.35

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35. Elena Iankova and Lowell Turner, “Building the New Europe: Eastern and Western Roads to Social Partnership” (Paper presented for the 12th International Conference of Europeanists, Chicago, 30 March 30 to 1 April 2000). The question of corporatism has been the most widely discussed aspect of labor relations in post-communist countries. Given this extensive literature, we will review it only very briefly here, and will focus on changes over time in tripartite institutions, to ask whether such changes have resulted in changes in labor peace or mobilization.
A number of commentators have argued that tripartism has indeed contributed to labor peace in the region. 36 Iankova argues that these institutions have largely been successful in their “pursuit of social peace through compromise on the basis of general consensus among all actors involved.” 37 Hungary in particular has been cited as a strong case of corporatism: Kornai referred to tripartism as a second government, while Hethy characterized it as a rival to Parliament. 38

Such statements notwithstanding, the majority of the studies of post-communist corporatism have found these institutions to be rather weak and ineffective. Indeed, the language used is often quite strong: corporatism in the region has been described as “paternalist,” “illusory,” and a “sham.” 39 Rather than leading to social democratic outcomes, the process has been described as a “fragile tripartism subordinate to neo-liberal dictates” and a “political shell for a neo-liberal economic strategy.” 40

Ekiert and Kubik, in what is certainly the most impressive empirical study of protest in post-communism to date, tackle the question of why Poland appears so much more strike-prone than Hungary. 41 They argue that protest is a rational response to lack

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41. Ekiert and Kubik, Rebellious Civil Society. See also Seleny, “Political Rationalities.” For a critique of Ekiert and Kubik’s argument along different lines than those made here, see Mark
of access, such as the lack of corporatist inclusion, and they hypothesize that one would expect fewer strikes where there is institutionalized tripartism. They argue quite plausibly for the period of 1989 to 1993 that the difference between strike-prone Poland and quiescent Hungary is a social democratic party and institutionalized access to policy making in the latter case but not in the former. Moreover, Poland’s strike rates drop dramatically after the establishment of tripartism in mid-decade and the coming to power of the the Alliance of the Democratic Left (SLD), a Left/social democratic party.

While this is a significant correlation, the evidence for the second half of the decade does not sustain the argument. In Hungary, the socialist government in 1995 abandoned talks aimed at establishing a social pact when an agreement appeared out of reach and unilaterally enacted austerity measures and other neoliberal policies. As one source put it, “The most ambitious corporatist experiment to date in the region ended in failure.”

While there was subsequently a significant railway workers strike in Hungary, when tripartism was reestablished it was “reduced to consultation and information rather than negotiation and decision-making,” a far cry from being a second Parliament, and this was before a right-wing government openly hostile to labor came to power in 1998. Furthermore, in Poland, the establishment of tripartism in 1994 may have contributed to a decline in strikes, but the subsequent virtual breakdown of negotiations, and a walkout by the leading National Confederation of Trade Unions (OPZZ), union federation, did not lead to an increase in

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42. Poland’s strike rate (days not worked per thousand workers per year) for 1993 to 1994 was 60.5, while it was 5.8 in Hungary (and Polish data are unavailable for 1992, which would bring the figure higher). But for 1995 to 1999, the Polish rate drops substantially to 5.3, while the Hungarian rate rises to 21.5. See ILO, 2002 Yearbook. Thus, by this measure, Selény’s contention that “labor mobilization, then, has become a conspicuous and enduring characteristic of political life in Poland” appears unwarranted. Selény, “Political Rationalities,” 490.


44. Pollert, Transformation at Work, 144; Ost, “Illusory Corporatism”; Toth, “Failure.”
strikes or other significant reaction from labor.\textsuperscript{45} If corporatism appears able to explain labor peace at one time, it is not able to explain it in another.

Moreover, as I noted in regards to collective bargaining, in Hungary, at least, most bargaining took place at the company level, and unions appeared to have little influence on wage levels. Thus, the ability of Hungarian unions to carry out peak-level negotiations must be further questioned.

It may well be that corporatism in Eastern Europe has played a significant role in the post-communist transformation process and is simply different in kind from corporatism in Western Europe.\textsuperscript{46} However, for present purposes it must be underscored that corporatism—the main explanation for why low strike rates might not suggest a weak labor movement—is unable to account for the low rates of mobilization in Eastern Europe relative to Western Europe. Put differently, corporatism cannot be invoked as it has been in Western Europe to explain the considerable variation in labor activity there simply because in Eastern Europe, that variation is so much more limited.

**Union competition**

Ekiert and Kubik raise a second argument to explain the difference in strike activity between Poland and its East-Central European neighbors. Citing social movement theory that suggests movements in competition will adopt more radical tactics in search of support, they argue, “We expect more strikes if there are many unions competing for the same ‘audience,’ ” and likewise, “The higher the number of unions, the higher the probability of protest.”\textsuperscript{47} This explains the Polish case, they argue, because at least from 1989 to 1993, “Poland had the most pluralistic and competitive union sector in Eastern Europe.”\textsuperscript{48}

\textsuperscript{45} Ost, “Illusory Corporatism.” On a connection between tripartism and a decline of strikes in Poland, see Orenstein and Hale, “Corporatist Renaissance?” 277-78.
\textsuperscript{46} Iankova, \textit{Capitalism in the Making}; idem, “Transformative Corporatism”; Orenstein and Hale, “Corporatist Renaissance?”
\textsuperscript{48} Ekiert and Kubik, \textit{Rebellious Civil Society}, 106.
While in their view “fragmentation leads to competition” and then to mobilization, the standard view in labor relations suggests that fragmentation leads to weakness, since rivalry lessens solidarity, labor’s central resource. While in theory, fragmentation might lead both to the weakness of unions overall and to union restiveness, in the view of Thirkell, Petkov, and Vickerstaff, in Eastern Europe “fragmentation results in a numerical decline depriving some union centers of the critical mass of members needed for mobilization and pressure through branch and national actions,” almost precisely the opposite hypothesis of Ekiert and Kubik.

Indeed, not only is there a theoretical debate about the impact of union pluralism but also about the empirical question of which countries have fragmented unions and which do not. Ekiert and Kubik argue that Hungary has a “centralized labor sector,” whereas another study contends Hungary has “the greatest degree of union pluralism in the region,” with more than a hundred trade union organizations united into several confederations, with nine participating in the national tripartite negotiations.

However, the argument about union competition spurring mobilization would stress rivalry within sectors and firms rather than at the national level. A slight revision of the Ekiert and Kubik hypothesis states that “where there are multiple labor unions seeking a following within the same sector of the labor force, and these unions represent a real threat to each other, unions will compete for support.” Greskovits argues that for Hungary, “while pluralism was characteristic at the national level, ... in most cases only one of the unions was present at the industrial

49. Ekiert and Kubik, Rebellious Civil Society, 106. For the view that fragmentation weakens labor, see Cameron, “Social Democracy.”
sector level and in the workplace.” This appears to overstate the case, however, since union rivalry at the workplace level in Hungary was sufficient to lead to workplace elections in 1993 to determine worker representation within firms, a step sought in part by employers who wanted “to avoid chaotic multi-unionism and the continuous emergence of new unions.” Nonetheless, multiple unions within the workplace appear much more common in Poland and Bulgaria, two countries where labor has more often mobilized. Yet relative labor militancy is also apparent in Romania, perhaps the most consistently assertive workforce in the region. Here there is union fragmentation as well, with “many mininions, federations, and confederations at all levels of society.” Yet “though there are degrees of overlap, the main confederations are still somewhat based in industrial sectors with different ownership principles and production profiles, differences that produce different interests and orientations,” making Romania’s union structure more similar to Hungary’s than to Poland’s or Bulgaria’s. Thus, the differences in union pluralism between these countries may be differences in degree rather than in kind.

Also problematic for the union competition argument is the unstated assumption that unions, at least when faced with rivals, seek to increase their membership. Yet in many cases, including Poland, there has been only limited attempts by post-communist unions to organize new members, whether in nonunionized or in unionized firms, since recruiting new members is too reminiscent of the compulsory membership of the past.

54. Toth, “Failure,” 44. While the leading National Confederation of Hungarian Trade Unions (MSZOZS), dominated those elections, the puzzle of labor peace in Hungary begins before the elections in 1993.
55. Ekiert and Kubik, 

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Unemployment and labor protest

As shown in the strike rates, the conditions of economic depression, falling real wages and high unemployment, did not provoke the amount of labor unrest one might expect. However, the economic theory of strikes states that workers are more likely to act collectively not when unemployment is high but when it is low, that is, when workers are strong and it is easier to pressure employers. Therefore the low level of strikes, and the weakness of unions generally, might be explained by persistent unemployment and weak and uncertain labor markets in the region.

Yet the economic theory of strikes has been challenged on theoretical and empirical grounds. As Tarrow among others has pointed out, in contrast to the economic theory of strikes, economic downturns can be times of considerable labor activity. Moreover, if weak labor markets were the explanation for labor quiescence in post-communist societies, one would expect to see an inverse relationship between the levels of unemployment and strike activity. However, when comparing across countries in the region, the correlation between annual unemployment levels and strike rates is close to zero. Moreover, while the number of data points is small, changes in unemployment levels within countries appear to have little impact on strike activity. It is possible that the availability of better data (such as quarterly rather than annual strike figures) might help one to discover a connection between unemployment and strike rates within countries, but this still would not solve the puzzle of why some countries


60. During the Great Depression, for example, both the United States and France witnessed considerable amounts of strikes and labor organizing. Sidney Tarrow, Power in Movement: Social Movements, Collective Action, and Politics (Cambridge: Cambridge University Press, 1994), 84.
have higher strike rates than others.\footnote{Franzosi finds that, with lag time and quarterly strike rates, unemployment can explain some, but by no means all, of variation in strike rates for Italy, but his study is confined to a single country. Franzosi, Puzzle of Strikes.} Indeed, unemployment levels have been high in a number of Western European countries as well, and while strike rates have declined there in recent years, as has been seen, average strike rates remain considerably higher there than in Eastern Europe. While the question of unemployment and strikes deserves a fuller treatment than can be given here, the available evidence from Eastern Europe suggests there is no clear relationship between the two.\footnote{Commander and McHale find little consistent correlation between levels of unemployment and wages in transition countries, whether aggregate or regional data is used. Simon Commander and J. McHale, “Unemployment and the Labor Market in Transition: A Review of Experience in East Europe and Russia,” in Bartolmiej Kaminiski, ed., Economic Transition in Russia and the New States of Eurasia (Armonk, NY: M. E. Sharpe, 1996), 301. More broadly, Ekiert and Kubik find little support for relative deprivation hypotheses in their comparisons of protest in the region. Ekiert and Kubik, Rebellious Civil Society.}

**Exit**

A number of people have pointed to another component of the labor market not captured by unemployment statistics—the existence of individual “exit” options such as work in the informal economy.\footnote{Albert Hirschman, Exit, Voice and Loyalty: Responses to Decline in Firms, Organizations, and States (Cambridge, MA: Harvard University Press, 1970).} Thus, Greskovits argues that “rather than voice, it has been exit that has dominated the pattern of social responses to economic stress in the east,” and that “the most frequent response to economic hardship is not to engage in strikes . . ., but to shift to the informal economy” which has involved a “massive exit from the formal economy.”\footnote{Greskovits, “Political Economy of Protest,” 87, 17, 92. Likewise, Iankova argues that “strikes in Hungary have been insignificant because of the country’s vast informal economy, which provides to important groups in the work force some compensation for losses.” Iankova, Capitalism in the Making, 21. See also Joan Nelson, “Social Costs, Social-Sector Reforms, and Politics in Post-Communist Transformations,” in J. Nelson, C. Tilly, and L. Walker, eds., Transforming Post-Communist Political Economies (Washington, DC: National Academy Press, 1997).}

Yet there are grounds for questioning just how extensive the use of “exit” is. One place to look for the extent of exit is turnover data, or the inflows and outflows between employment, unemployment, and nonparticipation in the labor force. If exit levels...
were high in post-communist countries, one would expect to find high levels of turnover. Yet this does not appear to be the case. According to a study of labor force surveys in the Czech Republic, Poland, Slovenia, and Slovakia, “transition economies display, on average, significantly lower rates of turnover than their Western counterparts” (see Table 1). Differences in churning rates—a measure of the amount of job reallocation beyond that needed to meet net change in employment—“are even more marked.”65 Turnover in Russia appears a bit higher than in these east European cases, but not more so than is typical in OECD (Organization for Economic Cooperation and Development) countries.66

However, turnover rates may not fully reflect the extent of exit, since the informal sector is only partly captured by the labor force surveys from which turnover data are derived.67 For that, one can look at estimates of the size of the informal economy in various countries (see Table 2).68 This measure would indeed seem to explain some of the cases. For example, the level is high

<table>
<thead>
<tr>
<th></th>
<th>Labor Turnover</th>
<th>Churning Index</th>
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<tbody>
<tr>
<td>Czech Republic</td>
<td>27.5</td>
<td>9.6</td>
</tr>
<tr>
<td>Poland</td>
<td>29.8</td>
<td>14.5</td>
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<tr>
<td>Slovakia</td>
<td>22.8</td>
<td>6.1</td>
</tr>
<tr>
<td>Slovenia</td>
<td>11.4</td>
<td>3.7</td>
</tr>
<tr>
<td>East Europe average</td>
<td>22.9</td>
<td>8.5</td>
</tr>
<tr>
<td>West Europe average</td>
<td>41.5</td>
<td>19.4</td>
</tr>
</tbody>
</table>


### Table 1. Labor Turnover, 1995

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in Hungary and low in Poland, and as has been seen, Hungary certainly has had a much lower level of labor mobilization than Poland (for the first half of the 1990s at least). In Russia and Ukraine, the informal economy is large, consistent with the argument that despite severe economic conditions in those countries, protest has been relatively low. However, the size of the informal economy in Bulgaria is also quite high, and so is the relative amount of labor protest; conversely, in Slovakia, the size of the informal economy is much lower than in Hungary, but with few signs of unrest. Moreover, changes in the size of the informal economy over time within countries do not appear to correlate with labor activity. For example, according to these figures, the underground economy in Poland shrinks over time, but then so do strike rates—the opposite of the trend one would expect. Likewise, in Bulgaria, the informal economy peaks (for the years measured) in 1995 at 36.2 percent of total GDP, but the next year Bulgaria witnessed “massive labor protests.”

Yet the size of the informal economy can be only an imperfect measure, in part because, almost by definition, it is so difficult to estimate. Moreover, the size of the informal economy as a whole


Table 2. Estimates of the Underground Economy, 1989-1995 (Unofficial GDP as a Percentage of Total GDP)

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</thead>
<tbody>
<tr>
<td>Poland</td>
<td>15.7</td>
<td>19.6</td>
<td>23.5</td>
<td>19.7</td>
<td>18.5</td>
<td>15.2</td>
<td>12.6</td>
</tr>
<tr>
<td>Czech Republic</td>
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<td>6.7</td>
<td>12.9</td>
<td>16.9</td>
<td>16.9</td>
<td>17.6</td>
<td>11.3</td>
</tr>
<tr>
<td>Slovakia</td>
<td>6.0</td>
<td>7.7</td>
<td>15.1</td>
<td>17.6</td>
<td>16.2</td>
<td>14.6</td>
<td>5.8</td>
</tr>
<tr>
<td>Hungary</td>
<td>27.0</td>
<td>28.0</td>
<td>32.9</td>
<td>30.6</td>
<td>28.5</td>
<td>27.7</td>
<td>29.0</td>
</tr>
<tr>
<td>Romania</td>
<td>22.3</td>
<td>13.7</td>
<td>15.7</td>
<td>18.0</td>
<td>16.4</td>
<td>17.4</td>
<td>19.1</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>22.8</td>
<td>25.1</td>
<td>23.9</td>
<td>25.0</td>
<td>29.9</td>
<td>29.1</td>
<td>36.2</td>
</tr>
<tr>
<td>Russia</td>
<td>12.0</td>
<td>14.7</td>
<td>23.5</td>
<td>32.8</td>
<td>36.7</td>
<td>40.3</td>
<td>41.6</td>
</tr>
<tr>
<td>Ukraine</td>
<td>12.0</td>
<td>16.3</td>
<td>25.6</td>
<td>33.6</td>
<td>38.0</td>
<td>45.7</td>
<td>48.9</td>
</tr>
</tbody>
</table>

is only a rough indicator of the availability of exit on the labor market. For that one might look, in addition to turnover data, at informal sector employment as measured by surveys. According to the ILO, the average level of urban informal sector employment in selected post-communist countries was on average 10.1 percent of total urban sector employment (see Figure 5). Yet this level is far below that of levels in third world countries, where the informal sector is quite high indeed: in Latin America, urban informal sector employment is 43.2 percent of total urban employment, in Asia, it is 32.6 percent, and in Africa, it is 52.2 percent.

While this last measure is also imperfect, when combined with the data on turnover and the size of the informal economy, one must question how much the notion of exit can explain labor peace in the region. Indeed, as seen in Figure 3, a low level of labor activity holds across the region despite what are now significantly different macroeconomic conditions, including varying

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**Figure 5:** Informal sector employment

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70. *ILO World Labor Report, 2000*. This data would support the argument by Greskovits that there are fewer urban poor in Eastern Europe, a group that in Latin America has often to led rioting or other contentious actions. Greskovits, *Political Economy of Protest.*

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levels of unemployment, labor turnover, and informal economic activity in individual countries.

In this short discussion, I cannot give each of these arguments the full elaboration it deserves; nor can I claim to have ruled out these various explanations on their merits. Regression analysis might help sort out some of the contending explanations for variation in labor activity within the region, for example, in testing the interaction and dynamics between unemployment levels and the impact of the informal economy. However, for present purposes, the most compelling reason to question the explanations reviewed so far—whether economic explanations focusing on unemployment and the labor market or political explanations focusing on corporatism and union competition—is not that they fail to explain anything but rather that they explain the wrong thing. That is, these explanations have been proposed to help explain variations within the post-communist cases, and to a certain extent and in some combination, they may well do so. Yet recall that Figure 2 showed the much more rapid decline in union density in Eastern Europe, to levels below that of Western Europe; and that in Figure 3, while there was a wide variety of strike rates in Western Europe, the rates in Eastern Europe were universally low. This strongly suggests that the most compelling task is not explaining how the post-communist cases differ but explaining what they have in common.

This is all the more compelling when one recalls that more than a decade after the end of communism, the political and economic landscape in the region is quite diverse. In fact, some have argued that this political and economic diversity is the most striking feature of the post-communist transformations. Others, pointing to this diversity, have even questioned whether there any longer remains something that can be called “post-communism.” The politics of the region are diverse enough to include both consolidated democracies and virtual dictatorships (such as Belarus under Aleksandr Lukashenko). Economically, by

1998, Poland’s GDP had grown to 117 percent of its 1989 level; while in neighboring Ukraine, the comparable figure was 39 percent. Moreover, this considerable diversity within post-communist cases extends not only to broad political and economic indicators but also more narrowly to what one might call industrial relations variables—both centralized and pluralist union movements, various modes of privatization, the influence of old versus new unions, among other differences. That labor in the region appears to be a weak social actor across such varied political and economic conditions suggests there is a factor this region has in common that can help explain this common weakness. That factor, I would suggest, is the continued legacy of the communist period.

Institutional and ideological legacies

Perhaps nowhere is the impact of the communist legacy greater than it is on labor and trade unions. After all, the old regime claimed to rule on behalf of the working class. Moreover, more than a decade after the collapse, the largest trade union in every post-communist society, including Poland—indeed, in most cases the largest single component of civil society—is the formerly communist-led union federation.

The impact of this legacy is twofold: institutional and ideological (though these are closely intertwined). Institutionally, these trade unions were first established as entirely different organizations to operate in an entirely different political economy. The unions were typically allies of management, encouraging increased production, and often operated as social welfare agencies, dispensing benefits to members, who often viewed such benefits as the single advantage of union membership.

In a market economy, unions need to deliver concessions like higher wages, job security, better work conditions, and limitations to managerial authority. These are “the heart of

what unions promise to supporters. If unions deliver, they earn enthusiasm, willingness to mobilize, financial support, and loyalty.” Unfortunately, this is precisely what post-communist unions have thus far failed to do.

Post-communist unions have faced the daunting challenge not only of reorienting themselves to a capitalist economy but of doing so, at least initially, during a period of economic depression. But their challenges come not only from economic decline or even from the constraints placed by globalization. Rather, union members were facing these issues for the first time and were simultaneously reacting to the legacy of communist-era trade unionism. Once the various communist parties were removed from power, trade unions became the largest institutions to survive the communist era, and as such they faced significant problems with legitimacy. In Pollert’s study of Czech trade unions, for example, she discovered “a fundamentally contradictory conception of what workplace trade unionism should now be about” between leaders and members, “related to a desire to break with the past.” Since unions in the communist period were part of the production bureaucracy, members preferred that unions stay out of such issues and confine themselves to areas such as health and safety and breaches of the labor code. Questions about work intensity and pay “were not a matter for the union, but a private issue for the workers and their mistr (foreman),” a point with which union chairs agreed.

Yet the problem is not simply that union members are unsure of what unions should now do but also that union leaders and activists, a number of whom helped bring about the end of communism, are unsure of what stance to take toward capitalism. In short, they have been unsure about whether they should be defending their workers against capitalism or helping to bring it about. As Pollert has termed the dilemma, post-communist labor’s “ambiguous embrace of the transformation to capitalism” makes unions, in the words of a leading Czech unionist, “schizo-

76. Greskovits, Political Economy of Protest.
77. Pollert, Transformation at Work.
In Poland, in a survey of ninety-five manufacturing enterprises, Ost and Weinstein found that, at a time when the internal organization of the firm was up for grabs, enterprise-level union leaders were consciously acquiescing to management’s desire for vastly increased authority and to a general weakening of trade union influence at the workplace. And if this is the case in Poland, where unions have long had a strong presence in the workplace, what of unions elsewhere?

Taken together, these legacies have left unions—though often with significant institutional resources and memberships—with extremely weak links to their members. Recall in Figure 2 the difference between the membership figures reported by the unions themselves and those obtained from surveys. While it may be true that that former figure is more technically correct, in that it reflects dues-paying members, the nearly 20 percent differential between officially reported membership and those willing to claim union membership in a survey suggests a weak link indeed between these organizations and those they profess to represent.

Moreover, this weak link is also suggested by additional survey data. Surveys throughout the region have found that unions are the least trusted civic institutions in each case. For example, the New Barometer Survey, conducted in nine East European countries in 1993 and 1994, found that unions received the greatest distrust among civic institutions, exceeded only by the political parties and tied for second in distrust with parliaments out of a total of fifteen political and civic institutions. In a rough comparison with such attitudes in Western Europe, Mishler and Rose found that while 37 percent of respondents “trusted” trade

80. According to Commander and McHale, while “managers have generally acquired significant discretion in firm decisions” throughout the post-communist region, a “clear difference between Poland, on the one hand, and the Czech Republic and Hungary, on the other, was evident. In the former, workers or workers’ collectives had a clear voice in both the short- and long-term decisions of firms, something that was almost completely absent in the other two countries.” Commander and McHale, “Unemployment,” 30.

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unions in Western Europe, only 13 percent of those in Eastern Europe did. By 1998, the numbers of those placing trust in trade unions in Eastern Europe rose significantly to 23 percent, yet 53 percent of respondents stated that they did not trust them. Moreover, unions remained the least trusted of civic institutions. 82 This lack of trust is all the more troubling when one recalls that unions are the largest single example of civil society in virtually every country in the region (see Figure 6).

This finding has been confirmed by other surveys as well. A fourteen-country survey, though confined to the electronics and electric machinery industries, found that while “employee satis-

Figure 6: Trust in unions, East and West


faction with union activities” was 38.7 percent in Western European countries, it was only 15.3 percent in Eastern European countries.83 Furthermore, according to the World Values Survey, in West European societies, 41.1 percent of respondents had confidence in trade unions, while only 28.3 percent of post-communist respondents did so.84 Overall, this suggests a considerable gap in the amount of trust placed in trade unions between Eastern and Western Europe.

Legacies, transformation, and the future of Europe

It is the legacy of the communist period that best explains this relative lack of trust in unions, as well as the overall weakness of labor in post-communist societies. After all, this communist legacy is about the only thing these increasingly diverse societies have in common.85

Why might it matter, beyond academic debate, whether past legacies better explain labor weakness than the other explanations I have examined? The most compelling answer is that, unlike these other factors, legacies are more impervious to change. For example, economic conditions including unemployment levels and the size of the informal economy will change over time (and the fact that they already have changed, with little apparent impact on labor, strengthens the conclusion about the importance of historical legacies). Corporatist institutions could be redesigned or expanded; the level of union competition could be changed by revising laws on unions. The impact of decades of communism, however, while not unchanging, is more durable and less amenable to policy changes, including the adoption of EU laws and regulations.

83. Roderick Martin et al., Workers, Firms and Unions: Industrial Relations in Transition (Frankfurt, Germany: Peter Lang, 1998).
84. Ingelhart et al., World Values Survey. More precisely, as in the other surveys, the figures are the unweighted average of country means in each case. The surveys were taken in 1995 to 1997. The post-communist average does not include war-torn Bosnia, in which case the average would rise to 29.7 percent.
85. For an interesting and critical discussion of the notion of legacy, see Gregorz Ekiert and Stephen Hanson, Capitalism and Democracy in Central and Eastern Europe: Assessing the Legacy of Communist Rule (Cambridge: Cambridge University Press, 2005).
One might argue, however, that the influence of the past will attenuate over time, as the transition progresses, as capitalist class relations solidify, and as old habits and institutions are transformed or die out. Following this, one might hypothesize that as these countries develop more “normal” capitalist relations, unions will reorient themselves and prove better able to defend their members’ interests. Moving further away from the communist era might erode the pathological effects of communist legacies on the relative strength of labor, such as workers' skeptical relationship to trade unions themselves. The pressures of globalization might also push these societies to adopt labor institutions more similar to those found elsewhere in the world.

Yet rather than unions becoming stronger, as reforms have proceeded, unions have gotten weaker or at least certainly smaller. In countries across the region, the more private the economy, the less the union representation. Unions are strongest in large enterprises in the state sector, a part of the economy clearly in decline. Unions often survive in privatized former state firms, but their position is much more tenuous. And they are almost nonexistent in the new private firms that have risen in the past decade, as well as in smaller firms, and it is these smaller private firms where most future job creation is expected. Moreover, these trends do not simply represent convergence from compulsory unionization to West European norms: according to the survey data presented in Figure 2, within just a few years after the end of communism, Eastern European societies were already less unionized than those in Western Europe. Indeed, in terms of union density, the scope and the quality of collective bargaining, and industrial relations generally, the labor regime in post-communist societies has not been gradually converging toward EU practice but has been radically transformed from the rigid control of the communist era to a dramatically more flexible labor regime similar to that of the United States.

Given current global
pressures and trends, it is difficult to see how this decomposition of union organization will be reversed, especially in countries where a major comparative advantage remains the relatively low cost of labor.

While I have focused on a broad overview of the region and relied on macro-level indicators, some evidence from the micro-level supports this argument. In a fascinating sociological study, Guglielmo Meardi has compared union activists in Poland and Italy (home respectively of Solidarity and the *autunno caldo*).

Meardi concludes that in terms of class consciousness, union activists in Italy and Poland were more alike before the end of communism than at present. While unions in both countries have suffered from global economic shifts, Italian unionists have experienced change gradually, and aim to preserve as much of their past successes as possible, whereas Polish unionists are caught up in a much deeper transformation that they themselves helped bring about and explicitly reject past orientations and institutions. This means that far from being resistant to change, as some have suggested, Polish union activists embrace change, much of it counter to union members’ material interests, including privatization, company-level bargaining, increased wage differentials, redundancy measures, and overall flexibility. The result, Meardi argues, is rather than being “behind” Italy in its transition to capitalism, Polish industrial relations appear to be more “advanced” in the direction of U.S.-style flexibility.

The impact of the communist legacy on labor weakness in Eastern Europe is a complex one. The impact of communist-era ideologies (including the official ideology and the counterideologies it provoked) has shaped workers’ attitudes toward unions and the understanding of union leaders of their role in capitalism during a crucial period but will not continue over time unabated. In fact, some survey evidence suggests that the relative lack of trust in unions has declined over time. Union members and activ-

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89. Meardi, *Union Activists*. © 2004 American Council of Learned Societies. All rights reserved. Not for commercial use or unauthorized distribution.

89. Meardi, “Trojan Horse for the Americanization of Europe? Polish Industrial Relations towards the EU,” *European Journal of Industrial Relations* 8:3 (March 2002): 77-99 at 79.

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ists appear to be changing their stance toward capitalism and their role in it, if only gradually.

However, before that attitudinal shift could have much impact, over the past decade unions were being consolidated as much weaker institutions. Organizationally, unions have declined to such an extent—in terms of membership, collective bargaining coverage, and the overall ability to mobilize and to deliver tangible rewards to members—that a change in the ideological stance of union members and activists will likely not be sufficient to stem further union decline.

The notion of path dependence might help further elucidate the differences between unions in Western and Eastern Europe and the reasons for labor weakness in post-communism. In contrast to Western Europe, where unions met the global “post-Fordist” economy from a position of institutional strength, communist-era legacies meant that labor unions in Eastern Europe were faced with the introduction of capitalism and global pressures from an initially weak position. Some have argued about Western European unions that, despite their subsequent bureaucratization, “their identities, practices, and power remained profoundly marked by their origins” as social movement organizations built through grassroots mobilization. Such social and organizational capital, while hardly making them invulnerable, has allowed these unions to weather global economic changes. In contrast, the prevailing unions in Eastern Europe have had quite different origins, which have more often served as handicaps than advantages. As the notion of path dependence suggests, these origins will continue to shape these organizations well into the future.

At this point, one might question whether Western Europe really is the best comparison for post-communist societies. Not only do labor relations appear more akin to that found in countries like the United States, but the level of economic development of post-communist societies is more similar to that of developing countries than advanced capitalist ones. Some have usefully compared labor politics in Eastern Europe with that in


East European Politics and Societies
Latin America. Yet EU expansion makes the comparison with Western Europe crucial, not only for understanding labor in Eastern Europe, but quite possibly for understanding the future of Western Europe as well. The expansion of the EU is predicated on at least the long-term convergence of economic development between East and West and on the more immediate harmonization of industrial relations within the new Europe. Indeed, while the hope of many EU officials is to export the model of “social Europe” to the East, it is equally plausible that an additional impetus for a more flexible labor regime could enter the EU through the backdoor of Eastern Europe.

Conclusion

Contrary to initial expectations, labor has been a weak social and political actor throughout the region. This weakness has been seen in relative strike rates, declining union membership, and the scope and quality of collective bargaining, among other indicators of labor power. The relative lack of labor mobilization in particular occurred despite an economic decline that by many indicators was equal to or worse than the Great Depression.

I examined a number of arguments that have been advanced to explain variations in labor mobilization and labor weakness in the region—economic explanations focusing on the labor market and individual exit and political explanations focusing on corporatism and union rivalry—and found each of them unable to fully explain that variation. But more important, when viewed in comparative perspective, this weakness of labor holds throughout the post-communist region, and the more compelling task becomes not explaining variation within Eastern Europe but explaining this overall weakness in post-communist societies. Moreover, the need for such an explanation becomes all the


more compelling when one considers that this labor quiescence has remained largely constant despite the rather sharp macroeconomic and political variations that have emerged in Eastern Europe and the former Soviet Union. This constant despite such variations in other factors focuses attention on what these societies have in common.

Those common features are the institutional and ideological legacies of communism, particularly as they impact trade unions and the link between unions and their members. In every country in the region, the dominant trade union remains the one—though variously reformed in each case—that was created by the Communist Party and that had a monopoly on worker representation under the old regime. This past has created significant problems of legitimacy, alongside the simultaneous task of restructuring these large organizations to the entirely different demands of the new political economy. It has also been seen how the ideological legacy of communism has adversely impacted trade unions and workers generally, as workers and union activists are unsure of what stance to take toward the capitalist transformations and what role unions might play within it. Not surprisingly, then, surveys throughout the region find repeatedly that unions are among the least trusted institutions in society.

Yet even as the impact of communist-era ideologies on trade unions attenuates, and the desire for more assertive unions under capitalism rises, unions and labor relations in the region have become institutionally consolidated into a rather liberal and flexible labor regime. This would appear to present problems for efforts to export the model of “social Europe” to the East and may present greater difficulties for labor in Western Europe than is currently realized. Far from a linear transition to West European norms, by a number of indicators these unions, despite their apparent strengths in the communist period, appear to be moving toward a model of labor flexibility found in the United States and parts of the developing world. They may yet reconstitute themselves in the future as effective labor movements, but there is little evidence to suggest this will happen.