



Frank Hantke

## Trade Unions in the 21<sup>st</sup> Century

### A Discussion Handbook for Trade Unions in the Transition Countries

■ The political and economic circumstances in the transition countries changed substantially after the turning point in the 1990s. To date the transformation process is far from being completed. This also applies to the trade unions. Their tasks and possibilities in relation to interest protection have changed fundamentally after the collapse of the socialist economic order. Trade unions today have to act as independent interest advocacies competing for members and political influence.

■ Following the transition processes, moreover, a dramatic change of the working environment and the employment conditions has taken place. Accordingly, the organisational structure of the trade unions shall be put on the test stand here in order to find ways, together with the relevant actors, to meet the 'old' trade unions' objectives in the future.

■ There is no patent medicine for the renewal and adoption processes. The country specific framework conditions of the transition states rather call for individual solutions that are, however, founded on the principle tasks of the unions. There does not exist a model which can be imported from outside. However, the courage and the creativity of 'outsiders' can help to ensure the success of the unions' future.

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## Foreword

*John Monks, General Secretary, ETUC*

The current publication is a specific event, a type of its own in the row of writings about trade unionism in transition societies. It comes with a pretty engaging name - about trade unions and the 21century. Taken at face value one may expect that the book is a product of applying fashionable developmental concepts or highly celebrated organisational designs to the realities of trade unions and societies undergoing complex transformation processes. This is exactly what it is not about.

This is a book derived from real life and aimed at the practical problems that the trade unions face in the process of "transition" to democratic societies and market economies in Eastern Europe. Inspired by the direct experience of living and working in the conditions of the same countries, the obvious aspiration of the author is to contribute to the efforts and discussions in the organisations to shape their understanding, structures and policy-making processes to match the diverse and constantly changing context for operation. It addresses various kinds of issues, ranging from shop floor questions to national level systems building, from strategy formulation and developing structures and democratic procedures to their practical implementation on the ground.

The value of the approach is that it makes very clear that there are no shortcuts in this process and it is only the actors directly involved in it that can deliver these outcomes and have the responsibility to find the best forms for each country and each stage of the transformation process. Yet, even if it is called "guidebook", it is not the "current" attempt to explain highly celebrated "models" from the developed countries, "best practices" under the European label or simply telling people what to do because it has been already done somewhere else. It does not sell "models" but tries to guide towards "modes" of creative thinking, to encourage local activists and trade unions in each country to develop their own system of industrial relations, of social dialogue and to strengthen their own potential – political, organisational, and financial to face the historical challenges of the time. As simple and fundamental these questions and issues may seem as difficult they may appear to find the right answers and put them into real action. The success of the even most sophisticated idea will at the end of the day depend on the power of the organisation –

efficient and well financed structures at all levels, strong sense of solidarity and mobilisation capacity, i.e. wide and motivated membership. Seemingly technical issues like the ability to organise and run effectively a trade union office, including in financial terms may seem less important compared to the challenge to react to economic reform policies but may turn out a key factor for developing or acting upon the demands of the organisations.

This brings to attention the second important advantage for the user of the guide book – its holistic approach. It is a guidebook but not a textbook – not the "a, b, c, of trade unionism" based on formal summaries of principles. And while, as mentioned before, it provides a sound base of knowledge for people entering trade unions, experts and leaders will also find it an interesting and useful reading. This is not to expect that everyone will or needs to agree or implement what is written – there are no recipes to success inside. The guiding effect is more in the questions it tries to raise and in the incentive to shape the right discussion which will engage and open chances for utilisation of the existing resources and talents of each organisation – the only way to find the answers needed.

In the third place but not of less value is the feeling of personal engagement and the attitude of respect for the achievements of trade unions in the transformation process while trying to identify the challenges ahead and the opportunities for trade unions to adequately respond to them. Writing in the midst of the raging financial crisis the issue can not be more relevant. The latest events in the banking sector and the stock exchange have delivered severe blows on the underlying logic for reforms in Eastern Europe: as long as reforms follow the IFIs model of change "the market will sort out all the problems" and "there is no alternative to that". The crisis has put market ideology and right wing policies at odds with reality but it pose equally fundamental questions for the left and other democratic stakeholders in society. Will trade unions be able to use this opportunity to deliver their part of the change needed? This guidebook is a one person attempt to contribute to that end.

## About this Handbook

*Frank Hantke*

This discussion handbook is designed to provide trade union members with suggestions for discussing the future of their unions. The facts, analyses and recommendations presented here are based on twenty years of experience in cooperation with trade unions in the transition countries. However, the focus is less on a scientific analysis but on practical statements and suggestions that can be applied directly in local discussions. In that regard this discussion handbook constitutes a supplementation to the recently completed scientific examinations by Heribert Kohl – inter alia for the Friedrich-Ebert-Stiftung – on the framework conditions for action in the social dialogue in the transformation countries.

My point in writing this book was therefore not to reinvent the trade unions or even to give them completely new tasks, but rather to use their existing potentials, experiences and achievements in such a way that they can remain successful in future struggles for employee interests. The old trade union 'virtues', such as solidarity and common action, are still modern and necessary. But they must be redefined and implemented with a full awareness of the new political conditions and a constantly changing working world.

As we explore this new world, we will discover few models for success that we can simply import wholesale. Instead, the trade unions must struggle together with their active members to find the right ways and means to powerfully assert workers' interests within the conditions of their respective countries.

And yet there are certain framework conditions and benchmarks that we can use to depict the European economic and social model. That is why experiences and discussions from our neighbours and from other countries in the European Union are important and helpful. But the emphasis must always rest on the practical implementation and utilisation of the principles of union organising within the specific framework conditions of one's own country or region. While this can only happen from within, impulses from the outside are helpful as long as they are not aimed at imposing prefabricated models.

The following pages cannot provide a complete overview of all experiences, opinions and diverging points of view that are emerging in the various discussions. Some readers may find that only one or

two keywords are relevant to their own situation. But this discussion handbook may be helpful in developing analyses for use in one's own discussions and in asking the right questions. How can proven principles of union organising be structured and developed further in such a way that they can have a positive impact on more wage earners in the transformation process?

## 1 The Function of Trade Unions

The main force informing the trade union experience in the transition countries of Central and Eastern Europe was a socialist economic and political form that allotted specific tasks to the unions. In those days, the state had little interest in the existence of autonomous trade unions that were independent of the party and other political groups and that represented the interests of wage earners in the tug-of-war between various interest bodies. Instead, the unions were expected to perform a certain task within the framework of this policy, particularly on the plant level. Organised wage earners were not supposed to contribute their own interests to the political process. Instead, they were merely expected to carry prescribed policies into the plants and see to it that they were properly implemented there.

### *The 'playing field' has changed*

For this reason, fighting for workers' interests on the industry level – let alone on the national level – with a full range of options was never part of the unions' repertoire. Furthermore, there were no other social organisations that could compete with the unions on any level of activity. In those days membership in a trade union was a given for wage earners, and was more like signing up for a social insurance system than becoming involved in an active and agile advocacy organisation that was eager to play its part on the stage of competing interests.

With tasks like this, the old unions were not structured around a powerful, centrally focused organisation, but instead were considerably more decentralised than union structures in the Western European countries – a fact that is only surprising at first glance. The starting point for union organising was the company union, which workers usually joined the moment they began working for a firm. To this day, company unions in most of the transition countries are autonomous legal entities that may also join a superordinate organisation (such as an inter-trade or regional organisation) on a voluntary basis. However, they are not compelled to do so, which can lead to highly visible company representation structures (e.g., sometimes up to ten different company unions may exist within a single firm).

### *New 'rules of the game'*

Due to these structures, trade union organisations in the transition countries are hobbled by a shortage of the funds they need in order to assert themselves on the medium and upper, centralised levels and to survive the increasingly difficult interest conflicts they are likely to encounter there. It is becoming clear that mere membership figures or a union's respective degree of organisation in a few specific areas tell us little about whether a trade union can successfully assert its members' interests.

This means that in proportional terms – i.e. in the sum of their umbrella associations – these unions often have far more members than many unions in the Western European countries, leaving aside the special situation in the Scandinavian countries. But despite this high degree of organisation and their high membership figures, they largely remain weak.

Within these growing democracies, the unions are now increasingly being called upon to assume new tasks in politics. They no longer serve as mere executing authorities but rather must frequently develop their own suggestions and present better alternatives than those offered by the political establishment or other advocacy groups. This calls for a higher degree of competency at the central level than has ever been seen before. In a nutshell: Today's unions are largely political organisations, whereas they used to be more active on the societal level. We can think of it this way: Before, we used to apply a plaster to our wounds. Today we want to avoid getting injured in the first place. This has, of course, become much more difficult now that more political players have stepped onto the pitch. More or less powerful employers' organisations have formed, and other interest groups are also wrangling over their own ideas in the common political arena.

### *More risks – more opportunities*

This means that the trade unions and their functionaries need to take much more responsibility for their own work than they have ever done before. In earlier times they were often solely concerned with implementing political decisions on the plant and interplant level. The responsibility expected from them today means two things: Higher risks for the actors and those whose interests they represent, but also greater opportunities for all participants when

it comes to actively designing their own working world, creating new and attractive jobs and generally creating better working conditions. After all, today the unions are still by far the largest political lobby in the transition countries.

How is it possible to use the existing high membership figures to start exerting political influence? This question raises the issue of power and the most effective ways of asserting one's own interests within a democratic context. Assertiveness must go hand in hand with the necessary organisational competence. Since the unions are now expected to provide more initiatives and practical contributions to political discussions, they need to put considerably more effort into adding a second string to their bow – competent organisation. Competence and assertiveness are the two pillars upon which the trade union movement will achieve success.

### *Competence and assertiveness – the twin pillars of the trade union movement*

In the following we will see that both pillars of the trade union movement – membership power and organisational competence – are closely interlinked and mutually dependent. While incompetent unions are unlikely to achieve success, even intelligent unions will not get very far if they do not have enough members. Incompetent trade unions are unsuccessful and will end up losing most of their members. And without members there are no funds to develop independent competence.

So how can the 'trade union giant' be unshackled in the transition countries so that it can develop its full potential? How can more people be approached, motivated and activated in order to enhance this potential even more?

### **Impulses for Reform**

- First of all, you can analyse how efficient your existing organisational structures are. You can then compare the results for individual organisational areas with your own self-appointed tasks and objectives.
- Previous tasks for individual areas of an organisation need to be examined in regard to both earlier and more recent challenges. You can use the results to develop new procedures and new information links.
- You can organise workshops with trade unions in other transition countries in order to get to

know their (potentially very similar) analyses and conclusions.

- You can conduct internal discussion events on different levels and in different forms. The goal is to examine previous work methods and their results and also to explore possible changes.
- Internal workshops for discussing the 'new playing field' and the 'new rules of the game' in a democratic society can provide input on possible structural changes or simply new focal points within the organisation.
- Workshops for discussing the tasks of trade unions in the transition societies and within a democracy can promote a reform discussion among the rank and file. They can also invite these potential members to join in and help renew their trade union.

## **2 Target Groups of Trade Unions**

The working world has changed enormously in all the transition countries since the start of the political shift in the early 1990s. As a result of the roles allotted to them in the Warsaw Pact, the economies of many countries were characterised by monostructures and their industrial sectors were based on comprehensive large-scale production structures.

It quickly became evident that this form of large-scale production is rarely viable within a capitalist environment. Consequently, these structures have mostly been divided up or to some extent even broken up through privatisation, meaning that considerably smaller and at the same time more productive units arose. Fewer employees could produce more goods and provide more and better services. In this way, companies with fewer workers have added more to the gross national product than ever before.

### *New structures in the working world*

Alongside this process, a growing world of small and medium-size companies has emerged. Their business domains are partially the result of outsourcing from previous large-scale production structures, meaning that many previous in-company processes could now be taken over by independent small companies. But the service sector has also grown to such a degree that in many countries it has already surpassed the share of the gross national product vis-à-vis the production sector. Today it is rare to find a single production-oriented society

in the transition countries. Instead, they are all developing along the Western European model towards knowledge and service-oriented societies.

Today, none of these countries has less than ninety percent of companies with fewer than 250 employees. The number of small and micro companies has grown immensely. Incidentally, this is a phenomenon that we can find in all the other Western European labour societies, which means that this problem is not unknown to the Western European trade unions. Of course, the Western Europeans have had much more time to adapt to these changes than have the trade unions in the transition countries. Even so, it is important to note that even the unions in Western Europe have rarely succeeded in retaining (let alone expanding) their earlier strength in the changing working world. That is why we can expect essential and important impulses to come from our neighbours in the transition sphere, and not only from the Western European trade unions. However, if we look at the problems facing the trade unions – the decline of large-scale production structures, growing small and medium-size businesses, the development of a growing service sector – then we are certainly justified in speaking of a problem sector that impacts all trade unions in Europe equally.

#### *Challenges for Trade Unions' Organisational Structures*

If company structures have changed so much, or are still in the process of changing, then membership structures have no choice but to change as well. Otherwise, membership will shrink – which will go hand in hand with the decline of large-scale production structures.

*Every wage earner should have the right and the opportunity to receive the protection of and membership in a democratic trade union.*

At first glance, this demand looks very simple. And yet in many countries in Central, Eastern and East Central Europe there are still a whole range of barriers preventing many people from becoming trade union members and joining together to stand up for their rights both at their workplace and in society at large.

Although the legal framework provides a great deal of room for manoeuvre, it also stifles attempts to develop viable workers' representation to an intolerable degree. This particularly applies to small

companies where in many cases a company-wide interest group may only be created when a certain minimum number of employees are on the payroll. In these companies, the trade unions often have few opportunities to publicize themselves and admit new members. There are also a number of legal restrictions on trade unions in certain professional fields, such as the police, other public service sectors and the military.

However, crass disregard for laws on the part of many employers – and it makes no difference whether we are speaking about small companies or multinational corporations – is considerably more 'effective' to repress employees' rights. Employers regularly forbid their workers from joining trade unions. This sometimes occurs openly in a job interview, or else later on, when wage earners begin showing interest in a union. Particularly in multinational corporations it can happen that a company will seek to attract workers by offering them better wages and salaries and also good working conditions, with the intention of preventing them from joining a union. Those who commit these legal violations can rely on a powerful ally: the vast unemployment rates afflicting the transition countries and a lack of professional alternatives. Thus many people who are in fear of losing their jobs will then refuse to join a union and will not make any active efforts to contribute to other forms of workers' representation in their plants.

These kinds of violations always have at least two sides. So far, the unions have not succeeded – and in many cases they have not even attempted – to prevent or prosecute these violations. As long as the pressure the unions exert on these employers and companies remains as weak as it is now, unions will effectively share the blame in this situation.

#### *Modernising statutes*

In order to open up the possibility for membership to all employees the unions urgently need to modernise their statutes. As long as they continue to uphold previous organisational structures and statutes, the result will be what amounts to an automatic 'exclusion process' for membership in large sections of the economy. How does this happen? Most trade unions in the transition countries still operate under organisational structures that I have already described above as 'socialist structures'. This refers to the fact that an employee can normally only receive union membership within a company union. If there is no company union, then one can-



not become a member.

In view of the fact that more and more companies – new firms, small and medium-size operations etc. – have no (more) company unions, a growing number of wage earners also have no opportunity to join a trade union. And yet, some unions are starting to offer direct membership in inter-trade organisations alongside the usual membership in a company union. This is a step in the right direction. However, it can only develop its full impact if all members can eventually follow this path. For how do trade unions intend to effectively represent these previously fragmented industry members at the workplace? Their traditional working structures are simply not set up this way. Thus the circle of new members will remain small at first.

*Precarious labour – the trade unions should represent these employees!*

The transition countries in particular are experiencing the rapid spread of precarious labour conditions. This is often supported by porous legislation as well as the situation described above, where many people come under pressure as they look for or try to hold onto jobs. These labour conditions can be found in every sector of the economy.

## 2.1 Pseudo Self-Employed Persons

Large companies spin off entire divisions and transfer a portion of their previous employees into so-called pseudo self-employment. Only a very few trade unions even regard this sector as relevant, since these people have ceased to be classic wage earners. But while this assessment might seem nominally valid, in actual practice the opposite is true. 'Normal' wage earners in all countries are subject to the mandatory social security obligations of their employers. Pseudo self-employed persons, by contrast, must insure themselves and often cannot afford to do so. In only rare cases do such wage earners earn the same gross income as they did before as regular employees. How else could outsourcing pay off for employers? As a result, vast numbers of what are literally 'dependent employees' are practically shut out from the social security system. It is time for the unions to stop closing their eyes to this practice. They must seek ways to help these employees, too, and help provide them with an opportunity to work for their own interests within the trade union community.

## 2.2 Temporary Employees

This form of employment is also clearly on the rise, and only very few countries have sufficient legislation in place to establish even basic rights for temporary employees. Even fewer actually respect these rights. Who defends these wage earners and who gives them the opportunity to stand up together for their rights?

Usually we find a complete absence of either labour agreements or other protective regulations, meaning that temporary employees remain largely at the mercy of their employers. This provides trade unions with a broad field of activity. On the one hand, more legal regulations need to be introduced. On the other, unions must also discover ways to persuade these employees to join trade unions. This is particularly important since the transition between 'normal employment and temporary employment' can go in both directions, i.e. many previous members will end up working as temporary workers due to unemployment or other factors. These union members must not be allowed to disappear. In responding to this challenge, unions should also draw upon positive experiences in the EU member states and pay attention to the EU rules and standards that are already in place.

## 2.3 Short-Term Employees

In most countries we can find legal regulations that are more or less oriented on the EU guidelines. But here too, the legislation is porous and is easily circumvented. Long-term, consecutive fixed-term labour contracts are common, even though there are legal restrictions on this sort of thing. Prospective employees are often told: 'Either you can take this job or we'll take somebody else.' In other cases, employers arrange for interruptions so that consecutive contract regulations become void. Short-term employees in companies where there is a company union often fail to contact the unions, or else the unions 'cold-shoulder' them. But here as well the transition between the two forms of employment is blurred. Thus there are plenty of reasons why we should regard short-term employees as potential union members.

## 2.4 Disabled Persons

Disabled wage earners experience not only the 'normal' difficulties of working life in the transition countries but also considerable – and often existential – problems of their own. In only rare cases do they ever succeed in entering and remaining in the work force as respected employees. And yet, it has been shown over and over that disabled people are very capable of making an important contribution and can also provide for themselves. But in order to make this happen, appropriate framework conditions need to be worked out in cooperation with disabled employees. This applies just as much to the way workplaces are set up as it does to wage and salary schedules. Trade unions should not abandon this area to a few social projects but should instead work together with the disabled to address their concerns. One could begin with issue-oriented study groups and information events. These could then result in concrete plans to create and guarantee jobs for disabled people. It goes without saying that activities of this kind will also lead to an increase in union membership.

## 2.5 Pensioners

We should not lose sight of the fact that many union members have already left the workforce and will not be returning. This applies not only to pensioners who have left due to old age but also to persons who have been sorted out of the work force before their time and who are still 'full of juice'. In fact, we can assume that between twenty and twenty-five percent of a given union's total membership is made up of pensioners!

Active trade union social policy does not stop with old age pensions! This means that a great many people would work diligently to improve their health and retirement plans if they were offered the opportunity to work together with a powerful organisation.

Colleagues who are already union members usually find little room to explore these options in their organisations, let alone clear functions that they can assume. Since the unions need to have as many active members as possible, it is hard to believe that they regularly fail to fall back on this pool of experience. If older members were properly integrated into the organisation, they could perform important union organising in many areas – particularly in those towns and cities where unions are

scarcely present.

## 2.6 Job Seekers: Employees without Jobs

As a matter of principle, employees and people who want to enter the workforce but currently have no jobs should be regarded as employees. After all, they are potential workers and thus deserve the same protection and opportunities through trade unions that are enjoyed by actual employees. In many cases, unemployed people are former union members. But many young people would also like to join unions since these organisations would provide them with assistance and job opportunities so that they can fight for their own interests. Only those who regard unemployment as a permanent situation are content with the fact that the unemployed have so far received little assistance from the unions. But those who see this differently cannot fail to regard both the temporarily unemployed and job seekers as potential union members and provide them with a permanent place in the trade union community.

It would be disastrous – both for the trade unions and for persons in precarious job situations and the temporarily unemployed – if all these groups were not regarded as potential target groups for the trade unions. First of all, these groups continue to grow – in fact, they may grow even faster without union involvement. But they do so without protection. Second, these groups increasingly include people who already are or were union members, or else who would gladly become members if the unions would offer them the chance. Added to this is the fact that many of these people will certainly enter the regular labour market over the course of their careers. But if the unions reject them while they are going through a difficult personal phase, why should they turn to the unions in better days?

*Changing jobs and professions is becoming standard*

More and more employees are being forced to pass through various stations during their professional careers: training, temporary unemployment, a variety of employment forms and conditions etc.

It has been shown that in structural terms the unions are rarely able to assist these people smoothly and to retain them as members. The current organisational structures scarcely permit the employees to remain flexible in their capacity as

union members, even though flexibility is now vital in the labour market. When a worker leaves a company – for whatever reason, whether it is due to dismissal or a normal changeover – he or she also loses his or her membership in the company union. It then remains unclear whether this worker's new position will offer him or her new opportunities to organize, or whether the worker is willing to apply again for membership. In this way, the unions needlessly lose thousands of members every year. All that is needed to take better advantage of these possibilities are some organisational changes.

Now that we have examined a variety of employee groups, it makes sense to look at the various places where these groups are located – where they learn and work. First of all, I would like to point out that the working world has diversified drastically. It is characterised less and less by large-scale production structures and more and more by a vast range of working environments – from home offices to a slot alongside the conveyor belt.

## 2.7 Clandestine Employment

In some of the transition countries, clandestine employment accounts for almost half the gross national product, and this situation is unlikely to get any better. Here too it is hard to put your finger on the culprit. There is no doubt that the tense employment situation forces many people into clandestine employment, particularly people belonging to certain groups. For example, young people often have no opportunities at all of finding normal employment no matter how well qualified they may be. Women also frequently work clandestinely in the service sector. They have no protection and no opportunities whatsoever to demand fair treatment in conflicts of any kind. Nor do they enjoy social security, which can lead to personal disasters in the case of on-the-job accidents during their working years. Certainly, these disadvantages will, however, come to the fore in the case of illness or old age, since such workers are rarely guaranteed minimum payments.

There is no need to embark on a discussion of clandestine employment here, since the problems are obvious. But even when we look at normal working conditions, we can see a great deal of additional clandestine employment. This often takes place with the consent of the employees and only rarely against effective protests on the part of the

trade unions. By this I am referring to so-called 'envelope wages'. Employers officially pay the legally set minimum wages or the negotiated standard wages. At the same time, they compensate overtime, higher qualifications etc. clandestinely in an envelope which they then pass out 'under the table'. In the short term an employee might see some personal advantages in such a system, but in the long term workers end up without sufficient social insurance and perhaps also lose out on professional opportunities within the framework of their career. From the point of view of the trade unions, this widespread condition is intolerable and must be challenged directly. Many additional jobs could be created if we could contain clandestine employment and put a stop to illegal labour and overtime. Thus it is also in the interest of a growing workers' representation organisation to attract those persons who are affected by these structures to the trade unions in order to fight with them for better working conditions – or for a proper job in the first place.

## 2.8 Small and Medium-Size Companies

While in earlier times it was relatively easy for trade union functionaries at relatively few large plants to encounter relatively large numbers of employees at the same time, this has now changed drastically. More and more small and medium-size companies are offering fewer and fewer jobs and working hours now vary more than ever before. This raises a variety of questions about one's own work and the existing structures, for example:

- Is it still enough for functionaries to visit large operations (to which they usually have access) to speak to and recruit members?
- Is it enough for trade unions just to open offices and wait for potential 'customers'?
- Are plants the only places in the working world where trade unions should carry out their work and present themselves as organisations that can provide workers with assistance and protection?
- Is it not time to think about contacting and recruiting wage earners in places where they spend their off hours?
- In today's environment, are wage earners not increasingly confronted with indirect problems that profoundly impact their working capacity?

These are only some of the questions and suggestions that present themselves in this discussion. But

before moving on we will need to examine these issues in depth.

### *Going to where jobs are born*

Traditionally, unions have been particularly visible in large-scale operations, mainly in the area of production. Thus it is hardly surprising that their labour structures are focused on this area. It is even less surprising that most trade union functionaries – particularly on the lower and medium level – are themselves drawn from these structures and gathered their work experience there. As a result, the unions' personnel are just as flexible or inflexible as the organisation itself. These functionaries usually go where 'they know every nut and bolt' and not where conditions are very different and often much more difficult. This generally applies to small and medium-size companies. These operations often have no union representation and the 'boss' often prohibits organised trade union activities. In these cases there are two alternatives: Either the trade union functionaries simply do not go there, or else they specifically concentrate on these operations because they often justifiably suspect that the greatest legal violations or violations of union rules occur in such places. This is also where they can recruit the most new members for their work.

### *Survey*

Some results drawn from a survey carried out in Hungary may illustrate this better. In 2007 we launched a representative survey on the current status of the social dialogue and trade union membership in small and medium-size companies. Among other things, the survey addressed the following questions to wage earners. In Hungary too, one can usually only become a union member if a company union is already in place. Here are the results of the survey, which should make everyone think twice about this issue:

- Percentage of small and medium-size companies out of all Hungarian enterprises: > 90%
- Percentage of jobs in small and medium-size companies: ca. 50%
- Union organisation in all Hungarian companies: ca. 25%
- Union organisation in Hungarian companies with less than 250 employees: < 3 %
- Union organisation in Hungarian compa-

nies with less than 50 employees: < 0,3 %

- Desire by employees in small and medium-size Hungarian companies to join unions
  - Clear yes: 40%
  - Maybe: 20%
  - Don't know or no: 40%

Hungary can serve as an example for the transition of the working world in and after transformation. This means that there will be very similar developments – away from large-scale production structures towards smaller companies – in nearly all other transition countries. We can thus expect similar results from the employees of small and medium-size companies elsewhere in the region.

The large number of wage earners who would either eagerly or at least hesitantly join a union if they could is both encouraging and terrifying! It is encouraging because it reveals an immense potential for the trade unions. It is terrifying because it illustrates how much they lack and desire trade union protection, something that the unions have so far done little to provide.

## **2.9 Service Sector**

With regard to the presented results the immense growth of the service sector vis-à-vis the production and agricultural sectors has to be pointed out. If we keep in mind that there are vast numbers of small and medium-size companies in the service sector this will take us to the second important clue about an employment area that is both extremely heterogeneous and that will continue to grow.

## **2.10 Educational Institutions**

Usually future decisions about whether or not to get involved in organisations such as political parties or interest groups are already predetermined in school or at university. However, the fact is that in almost all countries the young people in the educational system learn virtually nothing about unions. And what they do hear is almost always second-hand information, which usually comes across in a negative way.

However, if we regard educational institutions for youths and young adults as the first step in their working lives, this makes us realise that the unions need to pay particular attention to this aspect of the working world. In fact, they must present them-

selves here in an adequate manner. This not only applies to information about trade unions and their work but also to practical matters that are of concern to young people over the course of their training. This includes both the content of education and training and conflict situations where students need to stand up for their own interests. Why should they not do so with support from their trade union?

### 2.11 Young People and Women

Two groups stand out particularly among all the precarious and growing labour sectors we have talked about here: young people and women. They are much more likely to be affected by unemployment (the official figures on youth unemployment in the South East European countries range from twenty to sixty percent!) – and to be employed in precarious working arrangements. Women's professional chances on the labour market are worse than those of men across the board – despite of better academic qualifications.

These groups may require even greater protection through trade unions. In any case, they need their full support. In many European countries it has been shown that particularly women in the service sector are happy to join unions, or else would join unions if given the opportunity. So why do the unions fail to approach them with suitable offers?

It seems almost moot to point out that the average age of trade union members and functionaries is steadily rising. This means that if not enough young members join, in twenty years we will have to ask the last union member to turn off the lights. As difficult as it is to recruit young people for an organisation these days, it remains just as essential as ever before. Even today, by no means all trade unions – particularly on the inter-trade level – have enough to offer or can even claim to possess functioning youth sections.

Why are so many areas of union organising dysfunctional? And why should they stay that way? These are existential questions – not only for all employees but also for the trade unions themselves.

### Impulses for Reform

- Although this may often not appear easy in the face of the existing possibilities for internal membership analysis, it is necessary to gather sufficiently detailed data. This data can provide

a focus for efforts to maintain existing membership levels and also highlight shortcomings across the entire employment spectrum.

- Depending on the industry or other specific conditions, the organisation must decide which groups are of greatest interest for the trade unions. Afterwards, the organisation can discuss ways and means by which it can 'reach' these groups.
- At the same time, it is necessary to analyse how the industry or region will develop in the future, what new employee groups are emerging or are needed, and also what contribution the trade union can make in its dealings with workers to help create jobs.
- If needed, concrete focal points can be developed to help meeting these goals on a step-by-step basis with a manageable degree of effort.
- Of course, it is also important to ask whether an organisation's existing human resources are sufficiently qualified and/or whether they are 'the right people' for these new tasks.
- It is a truism that it is much easier to convince people of something if you come from the same profession or belong to the same group (women, young people, pensioners etc.). That is why the right people in an organisation need to be motivated to help out with concrete tasks, or else experienced staff can be brought in from outside.
- When discussing these issues, it is also advisable to hold internal discussions and workshops in order to provide information, to transmit these considerations to a broad audience and to activate and motivate as many people as possible.

## 3 Necessary Recourses for the Work of Trade Unions

Now that we have reflected on the function and constituency of trade unions, it is time to examine the competencies and abilities that unions should acquire or develop in order to fulfil these expectations. We have already cited the two main pillars of union organisation: assertiveness and competence.

### 3.1 Large Membership + Assertiveness = Power

A trade union's power mainly emanates from its members. This applies in both quantitative and

qualitative terms. The number of members and/or their degree of organisation within their industry or country is an important indicator of an organisation's ability to exert genuine influence on policy. This power can be exerted in a variety of ways as long as the trade unions possess structures and mechanisms to consolidate, focus and make appropriate use of their membership. After all, mere membership statistics are not enough when it comes to making an impression on political actors and exerting pressure when the various pressure groups come together to juggle their respective interests. A brief look at some of our neighbours demonstrates that membership numbers alone have little impact. For example, the trade unions in most transformation countries often have more members and a higher degree of organisation than many West European countries in the EU. So why do they usually have much less influence?

#### *Unity means power*

On the one hand, the much celebrated diversity of trade unions can lead to a state where one plus one does not necessarily have to equal two. As long as various trade union leagues are unable to agree on the main questions of employee representation and do not present a united front, there may be cases where one plus one equals zero – and there are already too many examples of this. Counter demands or even bilateral agreements with a negotiating partner often weaken or marginalise the entire trade union movement. This happens every day in the transition countries, on all levels of union organisation.

The negotiating partner – in the employers' plant – will profit from this self-inflicted weakness as long as the state of internal conflict and competition between the different company factories and/or between their respective umbrella organisations 'works'. Incidentally, this can occur in a variety of ways. For one thing, it is a bad way to make good agreements. The facts and figures from many company labour agreements vividly demonstrate how poorly disunited trade unions can be. This eventually impacts the members as well. In the long run, few organisations will be able to retain their members or recruit new ones if they cannot demonstrate success.

#### *Members are pragmatic*

Too many trade union functionaries still believe that

ideological or party issues are central to defining or presenting their union. In fact, wage earners are extremely pragmatic when it comes to their own interests. As heroically as they may once have struggled against one '*ancien regime*' or another in the old days, an organisation's main purpose today is to do the best 'job' it can in handling present and future representation issues at the workplace and beyond. Extolling the victories of yesteryear does little to hold a member's interest, let alone attract new members. The same applies to so-called old unions. Many of them have simply clung too long to their old structures and political networks. And yet, many of them have already successfully reformed or are advancing towards a modern democratic society. They are faring just like the so-called new unions: they derive their strength from their successes and failures. Union members are generally pragmatic when it comes to their representation. If they want an ideological foundation for what they do, there are plenty of other organisations where they can find it, such as political parties or a vast spectrum of special interest groups.

#### *Strengthening membership activity*

In any case, a union's current membership figures have a more or less direct bearing on its respective assertiveness. However, this depends not only on its quantitative size but also on the quality of its members. What good are membership figures when members do not actively stand up for their unions and fight for their interests? One union's slogan was aptly chosen: 'The trade union – that's you!' It is the members' activities that transform membership figures into strength. That is why members need to be informed and convinced of what their union wants to plan and achieve. A union can only display its power and assertiveness by mobilising its members for protests and industrial action.

The history of the trade union movement has shown again and again that neither excellent arguments nor inflated membership figures are sufficient when it comes to success in balancing interests. So if we return to the question of why the trade unions in the transition countries have in many cases failed to achieve the assertiveness that their degree of organisation suggests they should have, the answers are now self-evident: Disunity in so-called trade union pluralism and insufficiently motivated members.

### 3.2 Competence

In the present and future balancing of interests in the transition countries, the trade unions must be in a position to present their own competence in practical discussions. For example, it is simply not enough for them to reject government A's legislative proposal or employer B's restructuring plans. Instead, workers expect their unions to lay out their positions. And that is not all. In the future, the trade unions will increasingly have to develop their own suggestions – suggestions that genuinely 'hold water' in virtually every area.

#### *Experts create competence*

That is why we need experts who are also rooted in the trade unions. This means that successful unions should also have their own first-rate professional staff when it comes to social, economic and labour market issues. This should ideally occur in inter-trade associations and umbrella organisations, but never on the company union level. After all, even large company unions with their income from membership dues often cannot afford to pay their own experts. So if we stay with the previous distribution of funds between company unions and regional, inter-trade and umbrella organisations, then the trade unions will end up eliminating a functioning system of experts within their own ranks – and will remain amateurs in many areas.

Incidentally, this also applies to many basic tasks in the unions, such as recruiting new members, campaign planning, internal information systems etc. Here too it is essential to locate, hire and train the right people.

Now it is obviously not possible to develop a pool of experts in the trade unions overnight. It takes time to integrate these experts into union organising and to place them in the most effective positions in the administrative structures. Thus it is important to start giving thought to staff planning in order to develop a vision of an expert organisation within just a few years.

But the unions can identify short-term solutions to shortcomings in expert issues if they start falling back on outside expertise more than they have done before. At many universities and institutes, and in some cases also in NGOs, unions can locate experts who will join them in developing expert reports and working out positions.

In any case, on many issues it is evident that the unions are out looking for issue-centred allies in

order to strengthen themselves both in terms of content and organisation. Although many unions have vast numbers of members, in many areas they lack the necessary knowledge that is available elsewhere. And other interest groups are often happy to receive union support on specific issues.

#### *Competence must be spread*

However, an organisation's competence also depends on whether the acquired competence can be transmitted both within the membership and towards 'the outside'. As stated before, a trade union's battle readiness depends on whether its members are motivated. This primarily includes appropriate information and also training. Thus developing an organisation's competence must also entail an internal educational system that can transmit this knowledge to the membership and also transform it into genuine advocacy. In view of the vast number of tasks involved in expanding competence, it is obvious that all of this must be centrally planned, managed and financed. A little training here and there is of little use. But that is not all: what is needed is intermediate and long-term educational planning that is closely linked with the organisation's main focuses and objectives.

This is not to put the kibosh on decentralised educational efforts. On the contrary, they are extremely important as part of the big picture, since decentralised educational measures must and can reach local colleagues. Moreover, there are a whole range of questions and issues that are particularly important on the plant level, such as health protection in the workplace and also pay rate policies in places where collective agreements are (still) being made.

What we have to do is to incorporate these factors – assertiveness and competence – in our daily work. Organisations will need additional skills in order to develop them effectively.

### 3.3 Local Base

From the beginning, trade unions have always based their work on personal persuasion and on physical proximity to union functionaries and members. This personal contact is irreplaceable. While it certainly can be complemented by additional sources of information, personal contact is always the starting point for a person's interest in a union's work and its objectives.

It is thus the goal of every trade union organisation to be represented everywhere workers live and work. Now it should be obvious that this ambitious target cannot be fully realised. The means at our disposal are often simply insufficient. But this is precisely why a modern trade union needs to make full use of its possibilities in order to develop a decentralised presence alongside its central authority. In the process, unions should not restrict themselves to areas where there are currently a large number of members but should instead target places where many wage earners are still waiting for their first personal contact with unions and would like to join them (see also the survey from Hungary depicted above).

#### *A new presence in new areas*

If presence is so important for a union, then this presence needs to be felt at all levels, ranging from a central office for the publicly visible inter-trade organisations and the umbrella organisations, all the way to representation in the regions and towns as well as on the company level. So far most trade unions have mainly been visibly represented on the company and national level. This image of comprehensive representation may well appear as a mere ideal, but the unions should strive to emulate this ideal of having the highest possible profile. This is not just a matter of maintaining sufficient visibility in places where there are already a great many members, but also – and especially – in places where many wage earners are still waiting for contact with the unions.

Proximity to members and potential members also includes a focus on relevant issues. This means that employers not only expect competence when it comes to general issues of social and economic policy from their unions but also hope for support in job-specific concerns. Thus the ideal of a decentralised presence particularly includes job-specific aspects.

#### *More tasks for inter-trade unions*

In order to fulfil this task, membership dues have to be spent. On the one hand, the trade union's presence helps support the members. On the other, however, this presence helps to recruit new members – which so far has not occurred in many companies (e.g. in places where there is no company union) – and helps the union to have an impact on both the population and the respective political

levels. This last task goes beyond the company unions' range of action and is difficult to achieve through the existing (usually centralised) structures. It is no coincidence that membership figures and the unions' relative political influence vary strongly in terms of region, city or the existing large companies. The trade unions are usually strong in the regions around capital cities, and also in the few regions or towns where there are large operations or a concentration of different industries. By contrast, vast areas are almost entirely 'union-free' and will remain that way as long as the unions do not set foot there. This means that a great deal of union potential is lost and the unions' assertiveness is weakened.

### **3.4 Campaigning Capacity**

This term is designed to encompass all targeted union activities. It refers both to publicity campaigns and to internal or political campaigns in the field of lobbying. Generally speaking, all kinds of campaigns should be designed to help introduce trade union demands or ideas to an outside group or to the public as a whole. They are characterised by a medium and long-term orientation on the topic and should thus help to present ideas and/or change opinions.

By this chapter at the latest it is clear how tightly all of these individual factors are intertwined. When planning a campaign it is essential to examine all the power factors and also expand competence. Solid ideas and demands have to be developed first before they can be taken to the public. It is essential to examine what means are available in order to find out how long the organisation can conduct the campaign and what opportunities are in place to take it to the next level.

Let us first examine the issues that are being presented in a campaign. They will naturally depend on the organisation's own focal points. However, it is also essential to examine how receptive others will be to these demands and whether the topic should be made into an issue. For example, a campaign against unemployment tends to attract more interest than a campaign in favour of a certain legislative demand. The latter has to be explained first and the issue must arouse the target group's interest. As long as people do not feel affected, it is virtually impossible to get them involved in any way.

It takes much more than mere personal conviction to arouse this interest. We need to develop



verbal and visual means of presenting a difficult issue in a comprehensible manner while at the same time arousing positive emotions. This requires experts who are either located in our own area or else need to be brought in by the union from outside. At the same time it is essential to transform one's own membership into an active factor in the campaign by utilising appropriate information material and training. Here too the unions require the right experts and they also need a pre-established qualifications system. This means that a campaign requires an internally functioning and experienced apparatus. Otherwise it must be at least partially supported by professional outsiders (agencies, scholars etc.).

It can be assumed that a campaign issue will first be discussed and voted on within the union so that the functionaries and the members can then actively support it. This also makes clear that a centrally supervised campaign must fit the interests of the colleagues on the scene. If it does, then the needed funds will have to be supplied from membership fees. If we take time to examine the current organisational structure of the unions in the transition countries, we can see that only a few organisations are in a position to conduct a genuinely broad-based and professional campaign over the long haul, since the centrally located funds are usually insufficient.

If a planned campaign has to be curtailed due to cost-cutting reasons, it is doubtful whether it will ever develop its full potential. For example, one-off events attract scarcely any attention, no matter how expensive they are. Success can only arise from a sustained public appearance. An unprofessional appearance is also counterproductive in the face of all the competitors who are wooing the public's attention at any given moment.

### 3.5 Flexibility

No one can deny that flexibility is generally a desirable quality to have. But what does this really mean for union organising? After all, trade unions – unlike most political parties in the transition countries – regularly meet in congresses where they commit themselves to medium and long-term planning goals along with a whole range of focal points. And this is a good thing, because then both members and other employees know 'where they're at with their union'.

However, few political schemes actually function according to the plans worked out by the trade

unions. For example, changes of government frequently point the political spotlight on more or less important issues. The same of course applies to regions and municipalities. Nor are privatisation processes predictable in the long term. Instead, they usually present the union officials involved with only short-term options.

#### *Linking long-term objectives with short-term necessities*

Sometimes protest actions – including strikes that reach beyond the company level – also can become necessary on a short-term basis. The same goes for concrete political projects, which often undergo many twists and turns and demand increased trade union activity. This can, for example, apply to legislative proposals, which are sometimes impacted by a wide range of players: the various internal interest groups, potential coalition partners and outside advisers, continuing all the way to the World Bank with its totally different priorities.

How can we get trade unions not just to react to this but also to become active in existing processes at an early stage? Let us imagine that a labour law is being amended in several important points. Once a text has been presented, it is usually already too late to effectively prevent its major drawbacks. At this point it is usually only possible to bring about partial corrections. The unions need to employ forward-looking political observation in order to intervene earlier in events. It may even be advisable in some cases to open up the political discussion about the amendment by including one's own well thought out suggestions. Unfortunately, when it comes to important course-setting events in the transformation process the trade unions have too often limited themselves to the role of an outside observer, making it difficult for them to make their own evaluations – usually based on disappointments over political intentions or decisions – after a completed event.

#### *Political influence always requires central competence*

But political observation and active political influence amount to one thing: we need to have staff to do this work. Officials on the various levels cannot be informed about everything, let alone intervene early on in all areas with their own well thought out standpoints. They need staff members for the various focal points of union work. This can only occur

on the central level, since no company union can afford to employ a team of social policy analysts. However, political decisions always impact the individual wage earner, meaning that it is also in the company union's interest to have access to centralised expertise when necessary. Does this not show how essential it is to sensibly distribute membership dues accordingly? Rapid and solid information for short-term decisions are the 'alpha' for effective union organisation in times of rapid transformation! 'Omega' stands for the rapid mobilisation of assertiveness: through mobilising members, campaigns etc.

### 3.6 Visions

The notion that organisations like trade unions should develop their own visions may sound odd at first. After all, it is the unions that are supposed to take a pragmatic stand in order to improve concrete living conditions and legal frameworks.

And yet some trade unions also became actively involved in the changes that occurred in the late 1980s and early 1990s. At the time they pursued a vision that held out the promise of more rights and better living and working conditions for their members.

Other trade unions have followed their example and today there are scarcely any other unions in the transition countries worth mentioning that do not actively work to integrate their country in the European Union, thus pursuing the vision of the 'European Social Model'.

#### *General direction – step by step*

But precisely because these steps towards a better and more socially equitable working world are often so small, the unions need a push in the right direction. This is the only way to evaluate both the success and failure of certain decisive steps. We can imagine it this way: an organisation can take many steps, but if these steps all go in a different direction then we might all end up going in circles or even find ourselves back where we started.

If the word 'vision' sounds a little fuzzy, we in Europe must flesh it out by pointing to the oft-cited 'European Social Model'. Today this term forms part of the basic vocabulary of all unions in economic and social policy conflicts. But it often hides very different notions of what it could mean. If even the unions think it is fuzzy, then the public in

the transition countries will understand it even less.

The trade unions should thus begin to illustrate the term 'European Social Model' and break it down into individual issues in their own countries. These issues could include:

- Minimum social standards
- Developed social security systems (health, old age, unemployment)
- Collective regulations for working conditions and wage calculation
- A coordinated bargaining policy equipped with Europe-wide guidelines
- A functional system of industrial relationships
- A modern structural and industrial policy
- A modern corporate charter with binding co-determination and participation rights
- Free access to educational facilities
- Labour and health protection
- Equality of the sexes
- Sufficient public services
- Rules against tax dumping and social dumping
- Ecologically and socially sustainable growth and employment policies

If the unions can succeed in making the vision of the 'European Social Model' more recognisable and relevant to the situation in their own countries, then they will have more success in recognising that individual steps taken by the unions are part of a long-term strategy. In addition, this can help them place what may appear to be very different issues into a clear context.

One good example we can use to back up this thesis is the discussion about flat tax rates in various transition countries. Why do trade unions resist lower taxes? You first have to look at the whole situation and the vivid reference to the foundations of the 'European Social Model' and its meaning for the individual citizen – and thus particularly for wage earners – before you can recognise how correct their rejection is. After all, tax savings reduce the state's ability both to investment and to measures supporting the economic and social balance – both are directly and indirectly important for most people in the country. So when the unions are successful in presenting these connections against the background of the vision of the 'European Social Model', then they will also succeed in winning people over – people in general, not just their members – for their ideas.

### 3.7 International Outlook

There is an old saying in the trade union movement that goes: 'Think globally – act locally!' This applies to everyday union life today more than it ever did before. There is scarcely an industry or profession out there that has not long since been shaped by international conditions in one way or another.

This might refer to the hairdressers on the German-Polish border with their different working conditions and wages who nevertheless compete for customers from both countries. It might also refer to the workers in steel plants who know all too well that Chinese demands for steel profoundly impact their jobs at home. International regulations have long been influential in the trades, in production and in the service sector – although sometimes there are none. After all, many of these 'regulations' are not compatible with the social and economic demands in the individual countries but instead are oriented on the notion that cheaper is better. For many years individual countries have had only a negligible impact on actual development in the economic and social sector. Trade unions that are only active on the national scale are equally powerless. The employers have long functioned on an international basis while the trade union may well have created institutions to cope with this but have by no means exhausted all the channels of international cooperation that are open to them.

#### *Participate actively in international processes*

International cooperation by trade unions always demands an active contribution from the national unions. Mere membership in an international trade union organisation is not enough. When I speak of the active contribution of the national members I am in fact referring to two major fields of activity. On the one hand, the trade unions have to work on joint international strategies and effectively implement them on the political level. On the other hand, the individual member organisation has to be in a position to make sure that these ideas are implemented in its own country and company.

While criticism of the current state of the European Union may well be justified, it is important to note that there is no other region in the world that grants trade unions so much latitude through its own regulations as the EU does. This latitude needs to be used and, if need be, expanded to the extent that this is necessary and possible. Within the EU – and to a certain extent also among the (as yet) non-

EU members in Europe – EU directives at least set minimum norms for a number of issues in the working world, and these norms are relatively high. This also provides the best opportunities for global cooperation, since the EU frequently appears as a unified economic actor on the global stage.

*The European Union is the smallest possible political unit for the effective implementation of employee rights.*

When it comes to union organising on the European level, we need to see additional qualifications and structures on the national level – but also in the individual plants. Those people who are now clamouring for the 'European Social Model' must also know what it is and also be able to utilise the existing corpus of regulation, known as the *acquis communautaire*, at least as far as the economic and social policy sphere are concerned. This may also apply to company functionaries in multinational enterprises.

#### *An international outlook is standard fare for today's functionaries*

All too often, trade unions in the transition countries are still content with letting just a few functionaries handle international affairs – as a sort of 'travel agency for top functionaries'. And, sadly, that is how many members see things too. After all, they are rarely provided with enough information on how important international efforts can be for their own situation. Conversely, the (too few) internationally active members are often not active enough in all matters pertaining to the development of pan-European trade union policy, or else they do not sufficiently present the point of view of their respective countries. So far they have lacked the capacity to do so.

In the future it will be important to include most of the organisations' fields of activity in European policy. This will yield a number of immediate benefits. On the one hand, it means that the organisations will be able to cooperate more actively and on a more solid basis on the international level. On the other, it means that more European knowledge – e.g. EU norms, best practice etc. – can be applied on the national and company level.

### Impulses for Reform

- Since any reform debate needs to be conducted over a long period of time, a 'reform commission' could be set up to prepare both an overall concept for the internal debate and also to undertake an evaluation of the discussion results. Otherwise, it should work together with existing 'programme commissions' (or something of this sort) as needed.
- It is important to talk with outside organisations regarding their experiences with regional offices etc. This could help unions avoid errors, both financial and staff-related.
- Both the practical and the organisational part of the reform debate can, for example, also entail differentiated campaign planning. Many of the previously mentioned areas in need of reform can be included.
- When it comes to structuring and focussing practical discussions on individual social and economic issues, it would be possible to conduct workshops concerning the cornerstones of the 'European Social Model' with the goal of relating the existing EU directives to the respective national regulations in order to develop relevant initiatives.
- Thematic and open workshops could also be conducted in regard to many trade union issues. 'Others' could be invited, e.g. the corresponding party commissions, NGOs or additional interest groups. It is possible to have an impact in two directions. First, the unions can always learn something new from these dialogues. Second, trade unions can introduce their ideas to a wide audience.

## 4 Structures of Trade Unions' Work

### 4.1 Objectives

This complex issue also has no model or 'recipe' to offer, since both the organisations' respective situations and the framework conditions in their countries are different, which means that each organisation in each country needs to develop its own functional model. To do so, an 'ideal model' has to be developed so that the individual reform steps can later be pieced together into a coherent mosaic.

Reforms – let alone organisational reforms –

cannot be decided or imposed 'from the top down'. Just as the strength of the unions ultimately resides in the competence and motivation of individual members, their objectives and structures can scarcely succeed without them. But what are needed most are functionaries on all levels who feel both a desire for – and who will also initiate – common steps towards reform. A lot of persuasion and a lot of discussions are thus essential to getting this process started.

### *Goals and structures are inseparable*

In view of the previously mentioned trade union functions and tasks, we should first discuss and determine the actual direction the organisations wish to take into the future. After closely examining these goals, the existing structures should be examined and evaluated. After all, they have not developed the way they have by chance, and they are closely linked to earlier tasks and objectives. Whenever these tasks and objectives have remained more or less the same, there will be less need to change them.

Some objectives are already set automatically by the orientation on the 'European Social Model'. The norms set by the International Labour Organisation (ILO) must naturally be valid in reality and/or be made valid. This is by no means the case everywhere – on the contrary: there are only a few countries where labour laws, some of which are already oriented on the EU directives and the ILO norms, have any practical significance for employees. The regulatory systems and norms are often largely unknown to both employers and employees. In the transition countries there is currently often no realistic implementation on the legal level. These countries suffer from a lack of both competent judges and – even more significantly – sufficient courts (i.e. labour courts) that could also resolve conflicts. In almost all transition countries, waiting periods of up to several years are the rule. This provides the affected wage earners little motivation to pay attention to their rights, let alone to demand them.

It is true: both goals and content are inseparable from the unions' organisational and work structures. How can we develop structures that can transform these objectives into reality – and in such a way that wage earners can gradually achieve the objective of a social, democratic and healthy working world?

## 4.2 Independence

Ideally, an interest group should always remain independent of other groups and policies. This should be obvious, for as soon as dependencies emerge, uneasy compromises are sure to follow. On the other hand, trade unions hardly act in an interest-free vacuum – on the contrary! Democracy means that different human interests are balanced within the framework of democratic processes. This means that as many interests as possible are implemented without sustained damage or existential threats to other groups.

This means that there are a lot of players having it out on the playing field of democratic debate. These players range from parties and large interest groups like the unions and extend all the way to the many non-governmental organisations (NGOs). The business of asserting one's own interests largely depends on the abilities of one's respective interest group when it comes to competent arguments and powerfully introducing and asserting arguments in the political debates. At the same time, the various interest groups have diverse members with their own respective interests. It is not uncommon for people to adhere to several interest groups at once. For example, many trade union members are also members of a party or of an NGO since they also support the objectives of these organisations.

### *Trade unions have existential goals*

This is what an interest group is all about: people who want to support an organisation's area of focus join together and work hard to make things happen. The unions also have another important factor working to their advantage: their role as protectors. This is not just about simple protection against unpleasantness or even misfortune, but rather organised protection of one's livelihood through work and ensuring the whole family's quality of life through social regulation. That is why the trade unions – to the extent that they are able to pursue these goals successfully – are always among the largest and possibly most powerful organisations within a pluralistic, democratic society. However, their membership size also entails 'problems'.

The unions' greatest strength – the size of their membership – is also one reason why unions rarely serve as social pioneers. Their membership is too heterogeneous for that.

When this is the case, then trade unions must always make great efforts to seek the greatest common denominator for their ideas and demands. This is only possible by ensuring optimal internal transparency and by operating according to a clear democratic playbook within the organisation.

This is another reason why the trade unions should under no circumstances seek long-term allies in the political world, since the interests of such allies will sooner or later have little in common with those of the unions and may even cancel them out. In any case, a large number of trade union members will never feel that this sort of alliance represents them. Many examples in transition countries have shown that a firm bond between a union and a party has been to the detriment of the trade union over the long term. It will pay for it through membership losses.

But this does not mean that no coalitions are possible or even desirable when it comes to individual practical issues. When, in dealing with important trade union issues, other groups or parties appear on the scene pursuing similar or identical goals, then it is in the unions' interest to enter into such partial and/or temporary alliances. In this way they will recruit more people to the same cause and can also frequently develop new forms of competence.

### *Good connections to democratic parties – but no permanent alliances*

The party spectrum in the transition countries is enormous. Nevertheless, it is hard to recognise firm programmes or medium and long-term working goals. Unlike unions, parties have to submit to an election after every legislative term – an election in which all eligible voters can participate. Thus it frequently happens that previously important issues get pushed to the back burner in order to make room for more topical matters. In addition, parties seek to design government positions and a government policy that will win them majorities. Thus they can never throw their weight behind representing the interests of one interest group. They are certainly unable to implement 'trade union policy' in their governments. There are simply too many other interests to be attended to – in an appropriate way. Trade unions have often erred by hoping for 'union-friendly policies' whenever a party that supposedly reflected their interests made it into power. Huge disappointments have ensued in nearly every case.

There certainly are some parties that stand closer to the unions in programmatic terms than others.

This mostly applies to more or less social democratic parties, while economically liberal parties rarely represent social policy concerns. And yet, as non-parliamentary interest groups, the unions have to remain 'in dialogue' with all parties in the democratic spectrum. Governments change frequently, which means that former contacts may be here today, gone tomorrow. But unions must always strive to maintain their influence on each democratically elected government. This entails neither a complete rejection of one party nor a complete attachment to another.

#### *Avoiding conflicts of interest*

When issue-focused coalitions of interest develop, then they must be presented in a transparent manner that is understandable to the members. If members perceive or even suspect that their top functionaries are making deals with the parties or other interest groups, they will respond 'with their feet': they will leave the union because they no longer believe in it. If the unions go this route they will end up gambling away their greatest potential.

The involvement of trade union functionaries in a party is an equally difficult issue. This has been – and is being – fiercely debated in all transition countries. In keeping with the idea that a direct representation of interests in parliaments may provide quicker or better assertiveness, trade unions have not only sought alliances with parties but have also sought to gain more influence by sending their own representatives to parliament. Now this is always a balancing act since this policy often draws these representatives into conflicts of interest. Both the party and the union demand loyalty. If these loyalties collide, the representative will end up having to leave one of the two organisations – either the party or the trade union – in the lurch. It is rarely possible to justify this sufficiently or even plausibly 'straighten it out' in one's own lobbying work. Experience has shown that this is not impossible, and yet it entails a high risk that it will not provide the union with the result that it is hoping for.

It obviously remains the sole prerogative of the organisations to decide on how best to pursue their interests. However, when doing so they should pay just as much attention to the experiences from the transition countries – and also the EU countries – as to the danger of mistrust in their own ranks.

#### *Financial independence creates political capability*

In order to protect their political autonomy, a prior goal of the unions' work concerns their financial independence. This applies even if they will first have to accept some losses in terms of scope and quality of their activities, or else adapt them to the real opportunities. Ultimately, independent action in the all fields of operation is the only way to ensure successful trade union work in the long term. If sufficient money is not available for all of these tasks, then there should always be a democratic and transparent reduction, i.e. we should not entirely abandon one thing in favour of another.

### **4.3 Democracy**

It hardly seems worth the bother to discuss inner-organisational democracy in unions. There is scarcely a single organisation out there that is not informed by the notion of inner-organisational democracy. Even so, the trade unions – and not only those in the transition countries – often suffer from an inability to achieve or maintain their objectives in daily practice. Everyday operations often require functionaries to make quick decisions that cannot always be discussed thoroughly in advance. There are also many cases where the existing inner-organisational structures do not necessarily promote the democratic opinion-forming process.

Trade unions usually decide on their fundamental programmes, focal points and strategies at large congresses that are preceded by preparatory discussions in their various sub-organisations. This does not always conform to the overall line the union wishes to take. Particularly in the transition countries, decisions are quickly made or toppled this way. This applies to the large economic and social policy lines, as well as to individual operational decisions such as privatisation and restructuring. In these cases, it is necessary to act quickly and assertively. But these kinds of decisions have at least to be explained and/or brought up for discussion within the organisation. The members have a right to be clued in on these matters, and they increasingly want to take advantage of this right. As the unions in Western Europe came to realise, the 'iron allegiance' of past decades is long over. And that's a good thing! Even though trying to keep all levels of an organisation running at once means a lot of work, thoroughgoing inner-organisational democracy ultimately means a significantly greater willing-

ness on the part of functionaries and members to act. This is absolutely essential in every situation and in regard to every issue if you want to be successful.

That is why the trade unions must create or expand such structures in order to ensure the highest degree of inner-organisational democracy. This ensures that trade union positions also reach both non-members and the population at large on a positive note.

Long-serving functionaries in particular have a wealth of knowledge and experience at their disposal that can sometimes lead them to assume that their decisions and actions are 'the right ones' and do not need to be debated. While this may well be true in some cases, it is not a suitable *modus operandi* within a democratic organisation. The danger is that members and also functionaries on the lower levels may lose confidence or feel neglected as active parts of the union. In day-to-day operations this often leads to an extremely diverse image of the organisation being projected to the outside world, particularly when members or functionaries publicly oppose certain decisions. This in any case represents a weakening of the unions' position, but it can also erode the union's power in the form of growing passivity, resignation or even the resignation of members. Nor does it help in recruiting new members, since we can assume that convinced members and functionaries play an essential role in this.

In any case, when it comes to the democratic opinion-formation process, existing organisational structures should be retained, activated and expanded where necessary. After all, the unions' greatest asset is the fact that they (ideally) have active and convinced members on all levels who are both willing and able to represent the organisation's interests as a whole. No other political party or special interest group has this kind of support – on the plant, town, city, regional, industry and national level!

#### 4.4 Transparency and Efficiency

Inner-union democracy is closely linked to inner-union transparency. Not a single area can be excluded from this, ranging from finances to personnel decisions, all the way to presenting demands and positions on all levels of trade union activity.

People who hand their money over to a union in the form of membership dues have a right to know what is being done with this money at any given time. The existing structures within most unions in

the transition countries scarcely allow for this kind of financial transparency. It would be a disastrous mistake to conceive of these structures as a domain of personal failures and errors. Sometimes the existing structures promote these errors, including the mismanagement of union dues. In any case, mistrust thrives when transparency is lacking. Not all statutory dues are passed on to the other organisational levels. Sometimes they are halted altogether, which makes the orderly procedure of union organising impossible on these levels and certainly puts an end to long-term strategies. Moreover, this mistrust also encourages members to behave accordingly. One member might pay less than the statutory figure, or another might fail to disclose his current gross salary. Overall, the trade unions lose a lot of money – a little bit here, a little bit there. And yet money from membership dues is an essential basis for successful and independent trade union activity!

#### *Respect members' individual needs*

Active membership demands knowledge and proficiency. This means that trade union members should be informed immediately about all of their organisation's most important events and plans so that they can promote them positively within their working environment. Other information requirements that concern the members personally are also becoming increasingly important: for example, information regarding developments in their industry and their personal career opportunities, knowledge about the increasingly complex social policy decisions that often directly impact them. Providing this form of service towards the members is becoming more and more important, since there are also 'competitors', i.e. professional organisations, insurance companies etc., that are also vying for members' attention. But as long as trade union members feel as if they are being provided with all the information they need from their union, then they can and will be more willing to stand up for their organisation.

The knowledge and competence of many organisations is often much greater than the impact they are currently exerting. In many cases, information is generated in many places at once, but is often not sufficiently exchanged or passed on to the right agencies. The result is duplication of work while sometimes entire sections of an organisation do not receive enough information, depriving them of a basis for action.

Particularly in view of the fact that most trade

union organisations are short on personnel, efficiency plays a vital role in spreading information and planning for action. How can the greatest efficiency be provided with the lowest investment of time and effort?

#### 4.5 Presence

We have noted above that a trade union's activity and its success are largely due to the presence of competent persons. Despite growing technical possibilities, there is no substitute for personal dedication and personal contact with members and non-members. Personal presence is still the best way to approach people, to grasp their issues and problems and also to offer them practical assistance and protection.

But this also means that the success of presence derives from the fact that activities – the whole notion of 'meeting people halfway' – have to come from the unions themselves. Here too it is essential to pay attention to the new 'competition' that is vying more and more for wage earners' attention. This applies to areas such as job protection and occupational safety (insurance), but also issues where people want to become involved (political parties, NGOs, associations etc.). To this we have to add a growing leisure sector. How can trade unions remain and become sufficiently attractive in the face of such stiff competition?

##### *Attractive presence*

Presence has to be attractive. A union's attractiveness is aided by its competence in all issues of the working world and also through its successful work, which often manifests itself in a wage-earner's wallet. It is essential to take all this to the workers in the proper form. This offensive trade union presence can reveal itself in many variations: from informational flyers advertising competent information events all the way to 'fun' activities. The latter idea refers less to classic leisure activities than to trade union events that are planned and conducted together with the people involved, going beyond the classic formats of the demonstration or rally.

The locations for a trade union's presence should also be much more varied than merely the plant itself or – at rallies and demonstrations – classic sites such as the ministries for labour and social welfare. Despite what some employers and politicians might like you to believe, it simply is not

true that unions should just be good and work in their plants and nowhere else. In view of our constantly changing working world (with its different working hours, i.e. in the form of shift working, part-time, temporary and telecommuting), the unions must increasingly present themselves outside the plant. And this calls for something else as well: the element of surprise. If you ask people on the street about trade unions, what you usually get is an image that is composed of plant activities performed by trade unions, boring speeches by functionaries at rallies or tedious interviews in the press that normally complain about various shortcomings and make often incomprehensible demands. So presence must be joined by clarity, i.e. by openness towards 'normal' people, together with the ability to present one's own work successfully and more attractively than is usually the case.

##### *Celebrate success in public*

The public usually regards trade unions in a 'negative' way or in the context of 'bad news': they block traffic, make incomprehensible demands, complain about bad policies etc. It is rare for unions to hit the streets or appeal to the public with the same degree of effort when they have something positive to 'sell'. But that would certainly be worth their while in many cases!

The trade unions should also start presenting themselves as 'listeners'. After all, people are accustomed to only hearing from the unions when they are making demands or complaining about something, i.e. people are told that they are always supposed to listen to the unions. However, the unions could certainly learn quite a bit themselves if they would occasionally start listening to people instead of talking at them. This creates entirely new relationships and can help draw in new and different points of view that could be useful for future union activity. For example, new issues could play an important role in trade unions that they themselves never would have thought of.

Employees deal with a whole range of day-to-day problems that they themselves regard as critical but which the unions often know nothing about. If they could only pick up on these problems, then they could 'kill three birds with one stone': they could assist wage earners, generate new sympathy and also successfully recruit new and active members.



#### 4.6 Assertiveness

Alongside all the other issues we have discussed in this chapter, the issue of assertiveness is decisive for the trade unions. But before we can examine this in more detail, we must take a close look at two separate complexes. We first have to ask what goals and demands the unions are pursuing and who their audience is. Second, we have to look at what internal means the trade unions have at their disposal to achieve and maintain assertiveness.

When we look at the kinds of goals that unions are pursuing and also the audience they are addressing, it becomes clear to us that we are dealing either with demands aimed at policymaking, political parties, parliaments etc., or else with notions regarding how to design the working world. The latter ideas range from individual plant regulations all the way to industry-related concepts. But in every case it is all about unions wanting or demanding something. To achieve their goals, the unions have to catch the ear of the political decision makers – even if these deciders may not want to hear what they have to say. So how can unions make themselves heard? Moral appeals are of little help, as the years of transformation have demonstrated. Unions have to know how to make themselves heard. How can they develop this skill?

*Using every trick in the book – political influence*

Politicians and parties are fundamentally dependent on their voters. This means that when it comes to working with an issue, the voters can be approached in an effort to exert direct influence on policy. This leads to a whole range of opportunities for making oneself heard. However, this only works as long as the unions are in a position to develop their ideas competently and present them coherently. The area of potential influence then can reach from constant lobbying in politics to wide-ranging information services among members, all the way to effective presentation to the public. But first it is essential for the unions to harness the power of their arguments as broadly as possible.

If all else fails, it may become necessary to back up the power of the arguments with the 'strength of the membership' in order to increase the pressure. However, there have been many cases where trade unions have resorted to strikes and demonstrations too quickly and without sufficient information campaigns. In nearly every case, these measures failed because the unions could not even per-

suade their own members to take active part in them. Non-members showed even less interest in supporting the unions since they lacked information and were simply not convinced by what they saw. In these cases too, it is too easy for the opponents of various demands to rebut them with the means at their disposal since the unions did not sufficiently develop their arguments and carried them into the public. When this happens, union actions quickly end up looking like helpless protests against done deals. And this once more contributes to the negative public image of unions as 'losers'.

So once we confront the issue of how assertiveness – i.e. competence and large memberships – can be sufficiently developed, we have to base our strategy on the existing possibilities and then seek ways to develop them in such a way that they come as close as possible to fulfilling our ideal concept of assertiveness. The unions must thus create competence centres that are capable of providing solid analysis and developing practical arguments and solutions, which they can then take to the membership, the public and/or the political sphere. It is equally important to develop good arguments and ideas and also to present them to a broad audience in a comprehensible way. It is only then that the 'power of numbers' can be transformed into an active membership.

#### 4.7 Active Membership

'The union – that's you!' While this phrase might at first sound like just another catchy advertising slogan, it actually expresses a decisive aspect of union work. Despite their size and the relatively large financial means at their disposal, even the best-organised unions employ considerably fewer full-time functionaries than their adversaries in the political world or among the employers. That is why trade unions are to a large degree dependent on persuading as many of their members as possible to assume voluntary tasks. These members need to actively represent trade union ideas on the shop floor, advertise them in the public sphere and also convince non-members and motivate them to join. What can persuade members to do more than just pay their monthly membership dues?

*Motivation is the motor*

First of all, members need to be motivated. Since it is unlikely that volunteer activities will lead to any

direct, measurable benefits to any given individual, it is essential to ensure that people stand firmly behind the respective cause and the union as a whole. This is only possible through the above-mentioned baselines of transparency, democracy and presence. To this must be added appropriate and attractive educational and training opportunities.

*The more members and functionaries possess relevant expertise, the greater a union's power will be.*

In the long run, we are unlikely to see the rank and file become active unless they are kept 'up-to-date'. This is not just a question of practical issues, but also of issues such as negotiation skills, public appearances and presentation or the ability to discuss. Because of their knowledge, active members need to have sufficient self-confidence in order to 'take to the limelight' every so often in order to present their union's ideas to the public. Their personal and active presence represents more influence for the union as a whole.

#### 4.8 Trade Unions in the Midst of Society

We have seen over and over again that unions are more than only interest advocacies for employees in individual plants. Nonetheless, trade union's opponents often want to see them limited in this way. If the unions intend to effectively pursue the interests of the wage earners then they have to become more than just company organisations. They must reach out to the public and present themselves as an important component of society. This is not just a question of negotiated wages and working hours, but also one of social framework conditions, which includes one's place of residence and environmental conditions, and reaching all the way to cultural life. Trade unions obviously cannot be experts on everything, let alone pass out suggestions. And yet all of these questions are in different ways and to varying degrees a factor in the unions' claim to represent their members and help shape society.

There are often indirect connections, because in every area we can find employees – i.e. potential union members – who help shape policy through their work and their interests. For example, in today's world a construction union can scarcely afford to ignore issues such as energy savings, environmental burdens etc. Engineers who are involved in product development also help shape our everyday

lives. Organised teachers not only want to fight for better salaries or working hours but also wish to help design curricula and thus influence the education of future generations. Even an actors' union has more on its mind than just better wages. The range is much broader. This shows that unions possess a vast amount of knowledge and creative power among their membership which they can then draw upon in many ways.

#### *Using the 'gold' in members' heads*

Job-specific knowledge can contribute important arguments when it comes to company restructuring or even business decisions, provided that the trade unions make use of them. Across the entire spectrum of education, it is mostly schoolteachers, university professors and also kindergarten teachers who can and do have an influence on education. This ranges from active cooperation in the development of teaching plans all the way to the selection of seminar topics. Have the trade unions taken full advantage of all of these circles of competence? Because when you take a look at the creativity that is to be found among actors and directors, and the rhetorical skills of editors and others (all of whom are also union members, by the way), you really have to wonder why the unions have not put this potential to better use in their organising work.

Unions should try to make these professional qualifications and skills into a greater component of union competence. If more members were given the opportunity to contribute their specific qualities to political arguments and event planning, then much of trade union activity and the way it is presented would appear much more varied and colourful than it does today.

Precisely because the bulk of trade union members are active in society at large, it should also be possible to include and present important trade issues in a wide variety of areas. Of course, these are basically just ideals, but it is certainly also worth giving some thought to how we could contribute the competence and dedication of members to union organising wherever it is needed.

#### 4.9 Structures

Whenever we give thought to an organisation's structure we may soon find ourselves running the risk of orienting ourselves on existing examples. We need to make an effort not to succumb to this

danger. Instead, we should consider how at least some of these objectives could be transferred to various structural scenarios. Of course, we cannot avoid borrowing from successful structural concepts, but we should always regard them as mere signposts.

When it comes to designing its structures, a democratic organisation should fundamentally assume the broadest possible participation of its members and functionaries. This means that as much responsibility and self-initiative as possible should be transferred to all levels of union organisation. So-called 'sharp' hierarchies tend to prevent this while flat hierarchies best fulfil this purpose. The 'subsidiarity principle' used in EU policy-making, which transfers responsibility to the lower levels as much as possible, is also helpful. If this is successful, then both these democratic principles are fulfilled and – just as importantly – it becomes possible to activate the greatest possible number of members and functionaries. This is particularly vital in view of the lack of full-time functionaries and experts.

*The right hand should know what the left hand is doing*

A second essential precondition for successful union organising is a transparent and efficient distribution of tasks across the various levels of the organisation. While there will always be overlaps when it comes to performing tasks, it is important to avoid having some issues that are worked over two or three times while others remain untouched. This principle is an absolute must when the necessary human resources are scarce.

And yet, the different work areas on the different levels have to be interlinked in such a way in regard to content and organisation that the work performed there can develop and come to life on as broad a base as possible. Knowledge, experience and results need to be exchanged so that we do not have to 'reinvent the wheel' every other day. Ideally, the results coming from discussions could be vertically broken down in PERC study groups all the way to plant organisations, to the extent that they prove valuable in this kind of work. It is no doubt equally important for the experiences that organisations have made in recruiting new members to be passed on to other organisations horizontally. This applies both to the exchange of personal experiences in the appropriate bodies and study groups and to exchanges through a variety of media (email lists, trade union magazines, brochures etc.).

In light of the fact that in most transition countries there is more than one umbrella organisation, it should be possible to develop an exchange between these organisations. The idea of competition between umbrella organisations should give way to a powerful and united trade union organisation in the country. This is particularly important when we consider that there are still wide areas in the working world that have so far received little attention from the trade unions. Here the existing competition for new members can be guided in a positive direction in areas where few or no organised workers are present, e.g. in SMEs, in the service sector, in the schools, among students and trainees etc. Unfortunately, the various umbrella organisations and their inter-trade unions often compete in places where they are already well represented. From the point of view of a strong and united trade union movement, this frequently ends up as a zero-sum game. Members may shift allegiances, but few new members will end up joining.

Let us now take a look at this against the background of our goals for successful union organising in the transition countries. How can we find the 'right' structures?

#### **4.10 Trade Unionists stand Close to the People**

Union organising is always borne aloft by convictions and emotions. These convictions and emotions are best transmitted through personal contact. That is why we should always try to make all levels of activity as hands-on as possible. This can be realised on the company level when a company union is in place. In some countries, workers have elected shop committees. While these committees are not union bodies as such, they provide the unions with a good opportunity to carry their ideas and demands to the workers.

*A side note to the issue of shop committees*

More and more countries are issuing legal regulations for the establishment of shop committees. Although the terminology is the same, there are strong variations between both the functions and the possibilities of shop committees in the transition countries. Usually the shop committees merely possess consultation and information rights. Co-determination rules, if they exist at all, are only to be found in a few areas of lobbying work.

But one fundamental principle is evident everywhere this legal opportunity is present: the wage earners in a company can select an organisation to represent them – on the basis of the legal regulations – that has formal rights vis-à-vis the employer. Elections are held on a democratic basis and all wage earners can participate in them, both actively and passively.

Although committees possess few rights, in a great many enterprises, an interest group of this kind could do a lot more than what wage earners currently have on hand to represent them in the majority of companies, i.e. nothing at all.

Trade unions still have a hard time with their attitude towards shop committees. They usually reject them since they are afraid the committees will compete with the company unions. Although this fear is understandable, it appears foolish once we realise the opportunities the unions can gain from this. They have only to seize these opportunities 'by the tail'.

In places where company unions already exist, the unions usually expect that they will put the best and most competent candidates up for election. Where there is no company union – and thus no union membership – it makes sense for the unions to approach their elected representatives and offer them assistance. Why should they not put enough trust in their own competence to use this assistance to recruit new members? In other words, they can 'put their foot in the door' of a company in the form of a trade union.

There is yet another important argument against the competition thesis. Shop committees are generally not entitled to conduct wage negotiations. This extremely important principle provides the unions with considerable latitude and opportunities to leave their mark.

The laws regarding the establishment of shop committees will eventually appear in most of these countries (in keeping with the EU directive on information and consultation). The longer the unions reject them, the more others can take advantage of these opportunities – including the employers. That is why the trade unions should use this opportunity to go into new companies and recruit new members.

But in places where unions have no direct contact to wage earners through a company union or a shop committee they should endeavour to remain as visible as possible in order to develop their influence from the outside (with the objective of establishing and expanding new interest groups).

*In eight out of ten enterprises today there is no representation!*

Looking at all companies in the transition countries with between one and 10,000 employees, we have to assume that around eighty percent of all enterprises do not have organised representation. The establishment of a solid union presence on the town, city or regional level is thus one of the first and foremost objectives that have to be kept in mind when reforming trade union structures. Of course, financial limitations may be a restraining factor, but this does not mean that we cannot at least start marching in this direction.

That is why recruitment should take place on an inner-union basis over the medium and long term in order to pool the funds that are needed for a regional expansion of the organisation. The denser this representational network becomes, the better members and plant organisations can be assisted, new company interest groups can be developed and new members can be recruited to the union. Local presence often means close attention to issues, since wage earners first become aware of unions because of their own personal experiences and problems on the job. Nationwide advertising brochures etc. are no substitute for this. Both regional and local union offices could thus offer the appropriate type of event that is needed to appeal directly to prospective members. The range of opportunities is practically limitless.

*Personal dedication is better than the best brochure*

These offices can also assume further tasks that are vital to the larger organisation. We can assume that the decentralisation principle will continue to develop on the political level in the transition countries. As a result, more decisions will be made in municipal and/or regional parliaments. Many of these decisions will have a considerable impact on the workers of that town or region. This means that it is essential for unions to exert competent influence on these decisions. Central offices cannot assume these tasks for purely technical reasons, since the people working in these offices are simply not well enough informed about the region in question. On the other hand, experts on the central level can provide valuable assistance, e.g. with economic analyses and also with detailed best practice cases.

This means that we can usefully implement the principle of vertical and horizontal work on the regional level.

#### 4.11 Solidarity-Based Industry Policy

Turning to the industry level, we find evidence of a basic regional focus there as well. Up to now there has been a certain 'gap' in the transition countries when it comes to inter-trade union organisation. Alongside the company unions on the industry level there are also national industry offices. There are only a few cases where industry organisations have begun developing regional representational organisations, largely because many industry organisations are much too small or do not have sufficient means at their disposal. In these cases, it makes sense to start talking about cooperative models for several related inter-trade organisations in order to allow for greater presence.

##### *Networking of individual plant interests*

In structural terms, company unions have the plant, and sometimes the entire firm, as their field of action. That is as far as their interest should reach – in any case, it is often restricted by various laws and regulations. That is why it is common for completely different working and wage conditions to appear in one and the same region. Faced with frequently absent industry-wide collective bargaining agreements (particularly in the private sector) and sometimes simply lacking the strength to enforce existing collective bargaining agreements within the company, wage earners in companies without a company union or shop committee frequently find themselves without any protection from their employer. Unacceptable working conditions, starvation wages, illegal dismissals and many other such phenomena are an everyday occurrence. This sort of thing is common, even though just a few kilometres down the road there might be a plant in the same industry where a company advocacy group is managing to guarantee standard wages and occupational safety guidelines. Looking around, we can see a huge gap between working conditions within individual industries.

##### *Developing strike capability on the industry level*

How can this 'gap' between national (and international) inter-trade work and company interest representation be closed? It is obvious that we need to continue and intensify our efforts for industry-wide collective bargaining agreements. But to do this the company unions also need the kind of assertiveness that they frequently lack (e.g. industry-wide strike

capability), not least because of existing organisational principles. Efforts to set minimum conditions (labour laws etc.) must also be intensified.

But we have been falling behind on enforcing rights in the plant – rights that are often found only on paper! Government inspectors cannot provide much help here since the only true help and the only genuine protection can come from unions. Where there is no company representation, trade union representation has to take its place from the outside in one way or another. This gap may well be responsible for the fact that the company unions in many sectors are simply too weak to force industry-wide collective bargaining agreements or to pursue industry-related objectives. Regional representative bodies could pool the strength of company unions and help to strengthen the entire industry-wide organisation.

The same appeal to cooperate on the industry level also applies to the work of inter-trade organisations within various umbrella organisations. After all, one organisation normally cannot impose effective collective bargaining agreements in one industry all by itself, nor can one organisation safeguard the interests of all wage earners.

**This too can make the principle of horizontal and vertical networking of union policy more effective.**

##### *Horizontal and vertical networking*

This issue is anything but simple when we look at the realities of the situation. Every organisation has its own traditions, its own styles of behaviour and also its own special objectives. Although the division between the so-called new unions and the so-called old unions has now been largely smoothed over by widespread membership in the ITUC (International Trade Union Confederation) and the PERC (Pan-European Regional Council), these different traditions live on.

Due to their membership figures, by no means all organisations – and I am particularly referring to many industry-wide organisations – are in a position to fulfil even their most basic tasks. It is common for the chairman of a small inter-trade union to work for free, and to perform his work without teams of experts or other assistants. It is evident that these trade unions – at least as they present themselves today – will not last long, nor can they even actively represent anyone's interests. This is when the term 'merger' starts making its rounds, and this is indeed one way of focusing resources and becoming more

efficient. But it is only one alternative. A second option would be to consider how to preserve the desirable job orientation of small organisations while making structures more effective and also increasing their assertiveness. Perhaps the second alternative is in fact a step towards a merger – but it does not have to be.

#### *Cooperation before mergers?*

We can first think about what work areas can be combined or made to work closely together. If a union wishes to maintain its job-orientation, then the organisation's operational business should largely continue on a job-specific basis. However, there are a great number of work areas that certainly can be combined or closely dovetailed. These include legal protection and large areas of human resource planning, qualification and management. This applies to offices and equipment. Experts in various areas could also be sent to several industry organisations or else they could be placed by umbrella organisations. All of these measures could establish closer cooperation and may also pave the way for further efforts. Experiences with mergers have pointed to the dangers that arise when members or wage earners in an industry do no longer feel 'at home' in their unions. That is why all advantages and disadvantages need to be weighed against each other. The most important thing is for the unions to represent their existing members as well as possible and to recruit as many new people as possible for the union. This should be the focus of all structural decisions.

Which tasks should be assumed by which division of a union? There will probably be something about this in the statutes, but the rapidly changing reality has shown us over and over that the existing regulations are neither sufficient nor up-to-date. In too many cases, there is too wide a gap between the umbrella organisation on one end of the scale and its national industry associations on the other. Once we apply the principle of 'decentralise where possible, centralise where needed', we can find plenty of examples where this policy has not been taken to its logical conclusion.

#### *Too much independence can be limiting*

Because of the existing regulations, company unions have too much independence, which is not necessarily to their benefit. For example, they have to deal with most of their membership administration

themselves and they rarely enjoy enough expertise on many aspects of trade union work – all the more so if their industry is part of an international network. Conversely, industry-wide organisations do not know enough about their members, they do not have enough funds to develop central competence centres that could be useful in company organising, nor are they assertive enough toward employers and politicians. It makes no sense at all for an industry organisation on the national level to consist of a mere four or five functionaries! In line with the union democracy principle, an effective industry structure needs to grow from below. Every level of an industry organisation must secure the confidence of the other levels. But it must also guarantee enough transparency so that democratically elected and staffed supervisory bodies can safeguard this confidence. For this reason it should be self-evident that inter-trade unions have to elect their own leaders. This is not the role of an umbrella organisation, from the top down. Otherwise, this can severely disturb the organic link between a 'simple member' of an inter-trade union and its chair.

#### *Act internationally – implement locally*

For most industry organisations, the international stage is becoming increasingly important. This is where international corporations determine industry development – usually without democratic supervision. That is why the international trade union organisations need to become stronger on this level, and they can only do that if their individual national member associations become stronger and more competent. Viewed another way, international industry policy is becoming much more important and tangible for company organising. This means that the national industry organisation is responsible for the vertical flow of information to both sides. To do this it will need to get hold of the necessary finances.

A brief summary of the structural debate on the industry level could go something like this: local organisation and decentralised responsibility structures, interlinking the strength of company organisations with a forceful overall organisation, central competence development and autonomous industry policies.

#### 4.12 Cooperation within the Umbrella Organisations

What role do the umbrella organisations play among autonomous inter-trade unions? We have already discussed the different tasks that unions are concerned with. Inter-trade unions shoulder some of these tasks and deal with a large portion of them in close cooperation with an umbrella organisation. This principally applies to all tasks that help determine the framework conditions for free unions, legal regulations etc.

It is in the equal interest of all unions to take active part in these processes on the various political decision-making levels. This applies in equal parts to legislative proposals and to planning for regional policy and representation in fundamental issues on the international level. This lays out the pitch for effective umbrella organisation policy, i.e. from the local, regional and national levels all the way to the global arena. The umbrella organisations perform tasks on all levels. How can the various interests of the member organisations be focused into a coherent idea and cohesive demands on the industry level?

##### *The umbrella organisation – coordinating industry competence and strength*

Coordination must be organised. On the one hand, it requires competent input from the umbrella organisation by experts. On the other, it requires competent contributions from the industries. For this to happen, study groups, regulatory bodies and decision-making levels need to be created or expanded in order to develop common positions and vote on them in a democratic fashion. Here too the umbrella organisation is responsible for ensuring a vertical and horizontal flow of information.

Coordination bodies are also responsible for higher-ranking education, training and qualification tasks for the functionaries, the members and other interested parties. Overall, the umbrella organisation is the union's mouthpiece to the outside world. Its tasks include planning and implementing higher-ranking campaigns and introducing important political impulses to public discourse. The umbrella organisation embodies the unions' claim to take active part in the general economic and social development process as a socially relevant group.

For all of these tasks the umbrella organisations require more resources than most of them currently have at their disposal. They need experts on na-

tional and international law, they need professionals for campaigns and information generation and transmission, and they need coordination instruments in order to manage the development task from the vantage point of common positions. These positions need to be developed from the ideas of the various industry organisations.

A brief summary might go like this: umbrella organisations have cross-sectional tasks. They professionally coordinate and structure the various ideas of their member organisations on all trade union levels and present these common positions in public and in the political arena.

#### 4.13 Financial Structures

The unions' financial structure probably represents the most sensitive aspect of the structural debate. After all, finances are what makes it possible for unions to develop and expand competence. They also make activities possible. In addition, members pay their dues expecting that the organisation will put them to good use. They trust that this contribution will make their representatives better able to advocate their respective personal interests and also allow them to show solidarity towards other members.

Whenever this trust is violated, members leave the union and thus also halt their membership dues. When we look at it this way, unions have to hold their ground every day and demonstrate the success of their work.

Members see a return on their investment in the form of successful wage negotiations and competent representation in legislative procedures.

##### *What do members get for their dues?*

Nevertheless, the use of memberships dues must be presented as transparently as possible. People have to understand precisely how each Lew, Dinar and Euro has been spent. This is particularly important in the transition countries where many people have little trust in organisations and the way they handle money. A centralised, thorough and democratically-controlled collection system can provide transparency when it comes to collecting and spending funds. While this may have a bureaucratic ring to it, there are simply no true alternatives. After all, as long as there are still information gaps between the individual revenue levels – the company union, inter-trade organisation, regional organisation or

umbrella organisation – members will not be confident that their funds are being used properly.

Here we come to another major aspect. Only a centralised collection system can provide a complete and seamless overview of membership statistics and membership structures. This also means information regarding changes, shortcomings and success in assisting and recruiting members. These figures are vital when it comes to developing union strategies and priorities.

#### *Collecting dues – a union's fundamental task*

Most trade unions in the transition countries have made no changes in the way they collect membership dues since the socialist period. This means that the employers still directly deduct contributions from gross wages and transfer them to the company unions' accounts. While this is practical it nevertheless entails serious risks. For example, there have been many cases where an employer has refused to continue providing this service to a union, or else where an employer has used this system as a 'weapon' against the unions during inner-company conflicts. When this happens, the company union is usually helpless when it comes to collecting membership dues.

But this system contains other dangers as well – dangers that impact the members directly. For one thing, employers receive a complete list of organised employees 'delivered straight to their doorstep'.

There have been numerous cases where a surprising number of union members have lost their jobs during privatisation and restructuring measures – although no one ever admits they were fired for belonging to a union. The unions have frequently protested this, but they rarely consider the possibility that this old-fashioned collection system encourages such job losses.

For this reason it is high time for the unions to start collecting their membership dues themselves. While this means more time and work, it also protects members. Moreover, in the European Union, membership in a trade union is protected as confidential information and may not be passed on to third parties without a member's consent.

#### *Membership in a union should not be dangerous*

That is why we can assume that those European transition countries that observe EU regulations will eventually introduce new laws rendering the old system obsolete. And that is why it is time for the

unions to consider establishing new systems.

But let us put this issue aside for the moment. Right now the question is where members should pay their dues and/or which organisation they legally belong to or wish to join. Aside from the problems mentioned above, unions are faced with another structural problem regarding the previous form of membership in a company union. An employee can only become a union member when there is a company union. Or, conversely, wage earners cannot take shelter under the roof of a union when there is no company union in their plant. In this way the unions maintain a vicious circle that is now leading to a situation where hardly any new members are being recruited in the growing number of small and medium-size companies, in private companies and in brand-new firms.

#### *Membership on the industry level*

It is precisely in these growing sectors that today's trade unions are rarely represented by a company union. Although there are many legal barriers hindering the establishment of a company union or even a shop committee, the simple fact that these factors prevent many wage earners from joining a union should persuade the unions to start discussing and implementing new membership structures.

Some inter-trade unions have already taken the first steps in this direction. Wage earners can now apply for direct membership, even if there is no company union. These steps have to be taken further, because, armed solely with their previous resources, the inter-trade unions can do little to protect these members in their everyday lives, as much as they might like to. They can only help after the fact (in regard to layoffs, reprimands, demotions etc.). 'Preventive care' is simply not an option. This refers us back to the general issue of organisational structures and reminds us how important it is to enhance assertiveness, competence and inter-trade union resources.

Seen from this vantage point, the issue of an individual member's position, protection and successful representation by a trade union organisation is decisive. It is the true starting point for any reform discussion.

#### *Advantages of centralised membership*

Once we have managed to pull together the various issues discussed here, centralised membership administration on the industry level might well appear



to be a better solution. It would in any case be much more transparent to manage. In addition, such a centralised system would make the unions much more proactive.

However, this must include a fundamentally new approach towards dues distribution. It is evident in the transition countries that many inter-trade unions and umbrella organisations have had difficulty in performing their tasks because they have simply lacked the funds they needed to do so. This is not necessarily due to the total sum of membership revenue, which is often too low, but rather to the way the money is distributed across the various working levels. If this is true, then the company unions could forego a large portion of their dues in favour of the industry organisation. It then could and should provide many practical and organisational services that would directly benefit the company unions. As far as individual members are concerned, such a redistribution would protect them better and make it easier to represent their interests.

This suggestion flies in the face of many special interests and the myriad deep fears that threaten to hinder or even prevent its rapid implementation. There is an obvious interest by officials on the company level to hold on to as much of this revenue as possible. And there is no doubt that they can do a lot of good for their members.

*Modern unions are political organisations, not social clubs.*

However, many services provided by company unions concern social issues, such as providing inexpensive goods, locating vacation spots, purchasing gifts for anniversaries, paying compensation for burials and staging sporting events. There is no doubt whatsoever that these services are useful to members. But they nevertheless take a back seat to the tasks of a modern union. More than anything else, modern unions are proactively concerned with providing people with better framework conditions and secure jobs in order to enable them to provide sufficiently for themselves. As long as they can fulfil these tasks using modern structures and well-developed competence and assertiveness, there will still be plenty of room to attend to social services for their members. The relationship between political clout and social services needs to be raised and discussed!

If we were to sketch a picture of what a reform of the financial structures could look like in the future, then it would certainly contain the following organisational features: central and transparent financial structures under democratic supervision, priority for finances in the development and expansion of internal competence, protection for all members, campaign expertise and organisational assertiveness.

#### **4.14 Guidelines for a Modern Trade Union Organisation**

Now it should be obvious that these considerations are still far away from providing us with a clear vision of what a future organisational structure will look like. As stated above, the respective framework conditions are just as varied as the organisations' respective structures and traditions. But if we still want to look at some of the components of a future organisational model, these ten cornerstones and/or goals could be helpful:

1. The starting point for all reform considerations is the fact that a union's top priority is successfully representing the interests of each individual member.

2. Every wage earner is a potential union member – regardless of his or her current job situation, profession or company affiliation.

3. Trade unions work democratically and transparently in regard to all inner-organisational and union issues.

4. Trade unions are politically independent and are structured in financial terms in such a way that they can also perform their primary tasks independently.

5. Trade unions are both capable of dialogue and compromise as well as of argument and strike potential.

6. Trade unions are designed in such a way that they provide the greatest possible presence in all areas. Presence provides opportunities to offer not only protection and assistance but also member recruitment and campaign capacity.

7. Particularly in the midst of socio-political change in the transition countries, the unions are demanding to be recognised as important players, and do so through matching actions and arguments.

8. Those trade unions that are equipped with competence and sufficient human resources are in a position to impact company and industry-specific issues as co-managers.

9. Trade unions are political organisations that are able to actively and competently co-develop their countries' social welfare and economic policy.

10. Trade unions are interlinked through international networks. They cooperate in developing international and global strategies and are also capable of implementing these strategies in their own countries.

### Impulses for Reform

- Existing control mechanisms and the criticism they receive should be discussed in an open debate aimed at forming a consensus on developing new regulations or improving existing ones. This will allow for considerably greater acceptance among the various trade union levels.
- As part of a comprehensive discussion within the umbrella organisation, an attempt should be made to identify which organisation or organisational level is best suited to implement a prudent decentralisation project. Here one could also start taking the first steps towards realising such a project and these experiences could then be utilised within the organisation as a whole.
- The unions could check whether it might be possible to activate people in certain sectors of their membership, e.g. on the local or plant level. But previously passive or largely ignored membership group should also be taken into consideration. Women's and youth sections could be particularly promising. After all, they are the wave the future. The goal should be for every organisation to one day be able to draw upon such sections as needed.
- Wage earners who have left the working world often possess great experience and large amounts of time, which they could contribute to the unions. Possible subjects range from open membership campaigns to pension issues.
- In order to test the unions' effectiveness as a socially relevant group it might be possible to examine practical activities outside the plants, e.g. by taking advantage of existing social dialogue panels.
- If it is true that there is 'gold' to be mined in the heads of many members, then this mining

should be organised. One could conduct issue-focused workshops and invite competent union members to join the discussion. The results could then be used in the unions' public activities. These could include not only expert panels on various production techniques but also teacher groups are engaged in improving curricula and journalists interested in fostering better internal communication, among many other possibilities.

- Discussions could take place in large company unions concerning 'sponsorship for more union protection', which could then be extended to other plants.
- In view of the weakness of individual industry organisations, 'determination groups' could be established to try to create a 'win-win' situation for several organisations at once by means of sensible technical and practical cooperation, without the 'takeover' and 'merger' issue arising.
- There is no doubt at all that when it comes to issues of financial structure, the existing discussion circles need to be systematised. There is a great need for both a broad discussion and greater transparency. It makes sense to develop a discussion plan with practical and scheduled benchmarks without trying to 'sell' ready-made opinions.

## 5 Pragmatic Approaches – New Ideas – Best Practices

In the following we will examine a few of the ideas that some unions in the transition countries have already picked up on and, in many cases, have successfully implemented. This will include thoughts from the FES regional team in Belgrade, which we have already discussed at various places. This list could easily be extended and the author welcomes responses from trade union discussions so that he can add them to these best practice examples.

### 5.1 Develop Ideas Today – Implement the Projects tomorrow – Discuss the Statutes later

Organisational reforms and the discussions they entail are often hindered by existing statutes or even restricted by laws. That is why it is worth giving thought to how we can get things going again below the statute-amending and law-changing level

in order to start moving towards future organisational structures.

It makes sense to start developing concrete projects linked to a concrete issue with a predefined running time so that they can be limited both in regard to size and expense. This approach also gives us time to evaluate such questions as what was worthwhile and what was not, and what we could do better to achieve even better results – or even whether the entire concept was right or wrong.

In addition, all those who take part in these projects in any way can be closely involved in the supervision and evaluation process to ensure sufficient transparency in the use of funds and human resources. Projects do not necessarily have to be one hundred percent successful. If they are not, then this is of no concern to the unions (aside from the effort involved), since the statutes have remained untouched. But we can speak of success whenever we have gathered additional experience in the quest for better solutions. In this way the project character of many existing reform ideas makes it possible to include new and promising ideas and also to take larger practical risks.

## 5.2 Issues and Project Ideas for Organisational Reforms

When it comes to structural changes within an organisation, the principle of project orientation naturally lends itself to application in many of the areas we have already discussed. Permit me to mention a couple of points in order to drive home the point that it is possible to achieve a great deal. In fact, when you look at the opportunity that a project gives us to develop alternative ideas for organisational reforms, the risks are relatively few. How can we realise these projects?

After a project has been worked out in detail and its financial requirements have been presented, it is usually up to a company union itself to start convincing its own members. A regional conference or something similar could bring representatives from the company unions together. One could present this project there in detail and seek support for utilising a targeted portion of the membership dues in order to implement it. Fundamentally, only those who are taking part in the project in financial and/or personal terms has a right to transparency, cooperation in all decisions related to the project and naturally also the benefits of the project's results. Conversely, those who do not participate

cannot expect to enjoy these additional services that have been generated by the project, either for themselves or for their company union.

Thus it is up to the project organisers themselves to convince their colleagues of the meaningfulness and necessity of such projects. What areas could best be covered in this way?

### *Competence in core areas of trade union organising*

Nearly all unions are short on experts even in their key areas. There are too few experts on social and economic policy. There are too few experts on inner-organisational information policy and member recruitment activities. Of course, all of these projects need a minimum running time. The success of a particular transformational activity usually is not visible within half a year or even a full year. These activities often require two, three or more years to fully develop their potential. Colleagues need to be trained so that they can contribute their knowledge to union work. A campaign is only successful when experts prepare it.

### *Precisely defining project results*

If we now move away from the human resources perspective, it is clear that at the end of each project we must be able to provide a concrete, visible and verifiable result. A project obviously cannot focus on current or short-term issues. Instead, it needs to address fundamental questions such as changes in health insurance legislation or something of this sort. That is why we first need to find experts for the questions under discussion and integrate them into the project.

The same applies when a union becomes actively involved in a legislative procedure, e.g. where a union takes the lead in developing a solid proposal and feeding it into the public and political discussion. The experiences of international trade union organisations are usually helpful in these situations.

### *Respecting the company unions' interests*

If these project goals for company unions are not sufficiently concrete or appear to be of limited use, then one option is to launch a member-driven campaign to win company unions over for an idea. This applies both to recruiting new members in existing plants and to recruiting members in plants where the unions have not yet taken hold.

Alternatively, in view of the increasingly complex and complicated legal situation, many company unions are in no position to take part in discussions on all current issues or to take action in their plants. They require competent assistance from the outside that could come about through a project, e.g. regarding job protection issues or similar matters.

When it comes to implementing the project, it might be possible to refer to experienced colleagues from the company unions. Beyond that, we need to develop strategies, create materials and agree on long-term work routines. While all this costs money, in the end – assuming it has the desired effect – it will provide the union with added value.

*What nearly all projects are really about: new members*

Recruiting members is nearly always the main issue in projects. After all, projects open up new work areas. They push the unions out into the public and put them into direct contact with potential members. In this way, entire canvassing teams can be assembled within a project, where they are then trained and sent out exclusively to recruit new members. Some unions have already done this with great success (e.g. Solidarnosc in Poland). The benefit of this kind of orientation can be found in the fact that participants learn from every action and gain new experience for future work. This approach could be used to organise entire new sectors of the working world. The purpose of these projects is to explore the unions' previous (and usually limited) opportunities to recruit new members in plants without unions and then to expand them creatively. For example, it is possible to organise entire chain stores and, later, even link them together. Of course these projects entail certain risks, but they are manageable and represent no threat whatsoever to the unions.

*Learning by doing*

Another publicity project could concern itself directly with the issue of addressing wage earners and small businesses and recruiting them for union membership. After all, these employees often face great pressure from their employers. At the same time, they usually know extraordinarily little about trade unions and the opportunities that are out there to work together with unions and/or receive protection from them. Previous ways of reaching out to potential members will no longer do. This

should be obvious, since the membership figures in small and medium-size enterprises speak a clear language. This means that we must find new ways and means, which can only be developed through a targeted project.

*Topic: campaigns and public relations – the power of surprise*

In one highly successful campaign the Slovenian trade unions resisted the introduction of a flat tax rate. This example clearly shows what goals are attainable and what conditions have to be created to make this possible. It also shows why unions have to do much more than they have previously attempted:

*Flat tax rates averted in Slovenia*

When nearly every party in Slovenia started talking about introducing flat tax rates, the trade unions became alarmed. After all, what at first glance looked like a dream come true for wage earners might later turn out to be a nightmare.

The unions began thinking about how they could present this largely positive issue in a way that would not highlight the surface but rather the 'fine print' of the proposal. In order to do this they first needed all the information they could assemble and so they deployed working and planning staffs. These were necessary since all important information and arguments had to be transmitted both to the membership and to the public at large.

Then strategies had to be developed to enable a successful campaign. The issue itself is hardly a 'normal' topic for unions and their members did not expect at first that the unions would adopt such a political issue and transform it into one of their focal points. Every successful strategy depends on its ability to raise the stakes. In that case, people began handing out handbills, which were then joined by poster series. Then they collected signatures and finally pushed through a political referendum that led to the rejection of the flat tax plan. But all this could only be implemented because the unions included the means they already knew, namely demonstrations and rallies.

When in the end it was announced that the flat tax rates would not be introduced, the unions gained great respect, not only among the population but also among the political establishment. And respect is a good foundation for a positive image – which the Slovenian trade unions earned both in

their own country and beyond.

#### *Stirring up a lot of 'dust' with little effort*

However, there are also smaller ideas that we can use to make the public aware of the trade unions and their concerns. In recent years many colleagues have joined in to develop such ideas. They have thought them through and implemented many of them. Sadly, many of them were never used – often because functionaries did not dare to take such new forms of union organising to the public.

In today's world surprises often have the greatest impact. It is a fact that the public only expects certain forms of behaviour from certain groups, particularly from the trade unions. If a trade union does not fulfil these expectations but instead surprises people with something completely unexpected, creative or even funny, then this new approach is guaranteed to attract attention. To illustrate this idea let us take a look at a couple of ideas from different unions. Some of them are still waiting to be tried.

#### *Policemen knit for more money*

Just twenty or thirty uniformed policemen could turn plenty of heads in a shopping street if they would sit on little stools knitting a half-completed jumper. A little preparatory work with the press can help get the story out. Some passers-by will obviously ask questions. This provides an opportunity to develop discussions and spread arguments.

#### *Journalists read aloud*

One could achieve a similar effect with an action where journalists would publicly read from books. Or else they could present quotations from politicians on the freedom of the press etc. The press would just about show up by itself – and also engage in discussions about their current work situation.

#### *Bus drivers are friendly*

What a surprise it would be for many users of public transportation systems if they were greeted with extraordinary courteousness when they climbed aboard buses on a certain day. In this way one can point out the fact that employees could be friendlier every day if, for example, they were more satisfied with their wages and working conditions.

#### *Trade unionists mind children*

On one day trade unionists – of course only after plenty of press work – could offer to look after children for a couple of hours. This could be performed in public. The goal could be to highlight the additional burdens that women have to bear in the working world, to promote better child care or to address other women-related issues.

#### *Trade unions observe politicians*

In some countries the unions have already successfully observed the behaviour of politicians in parliaments and decision-making processes and have publicly commented on it. All too often they have registered significant differences between these politicians' 'happy talk' and their day-to-day work. Showing them up in public frequently leads to changes in behaviour – either the behaviour of the politicians themselves or that of their voters.

Further ideas could include:

- Open houses with young trade unionists – exchanges with other countries
- Open discussion events with female trade unionists
- Trade unions tackle canteen food quality

Many more ideas can be developed along these lines, and existing ideas can be implemented – usually with a minimum of personnel and expense. Such activities are often part of larger campaigns. But it is essential to remember the following: do not use the action to satisfy the public's expectations about the unions' image, but rather surprise them with the unexpected.

### **5.3 Important Groups for the Trade Unions**

Whenever unions conceive of themselves as protective organisations for wage earners, they must place particular attention on those persons who are proportionately under more pressure and/or do not even have an opportunity to find a decent job. This particularly applies to two groups: women and young people.

#### *Women in the working world*

Women usually do not work on the shop floor of

the large steelworks, in auto manufacturing or in the chemical industry. Women work in administrative jobs, but more often in small enterprises in the service sector. They are forced to endure a vast array of disadvantages vis-à-vis their male colleagues. These problems are frequently cited by trade unions, and yet the unions do not bother to seek ways and means of approaching these women. They rarely persuade them to cooperate with unions, let alone provide them the opportunity to work together to bring about change. Nor do they even offer them concrete assistance in their job situation.

*Women are better experts on women-related issues*

This situation calls for women in the role of experts who can handle the situations facing their female colleagues with the necessary legal expertise. Here too it is easy to imagine projects and concrete project goals that could be implemented with the right kind of project team. If the project team succeeds in dealing with women-related issues and/or in improving women's situation in the plants, then it is clear that the trade unions would become considerably more attractive – particularly if these experiences are made public and used to recruit members in other companies.

*Youth must enter the working world!*

It is hardly necessary to keep pointing out that the unions need new young members. The youth issue is too broad to discuss here in depth. But it begins as early as the schools, where young people start developing their first vocational orientation. This goes on through the universities all the way to their usually precarious jobs in companies.

For each of these areas it will be necessary to develop specific means to interest young people in unions and at the same time to give them the opportunity to get involved in unions. These projects should also make it their task to ensure that young people have certain free spaces where they can tackle their own problems in their own way. In these cases, formal membership is not the issue, but rather the effort to interest young people in unions and to show them that it is only within and alongside the unions that they will discover opportunities to implement and assert their interests. Any kind of pressure to cooperate in existing trade union structures and hierarchies would normally be extremely counterproductive at first. The very fact that we

have to emphasise this suggests that special expert groups should be created from among junior union members in order to further this goal.

*Youth-specific work requires new ideas*

There is a widespread notion that young people no longer want to organise and work together for their own interests. They have merely given up due to the complete absence of good options and thus risk falling into isolation. In fact, they may even begin to 'learn' that they can only control their own destinies. (Here is a great motto used by the youth union in Bulgaria: 'For some activities two is enough – but for most things you need more!') Youth projects provide the unions with a further field of activity, namely the task of firmly convincing young people again and again that an organised interest group – in whatever form – is better than isolation and a 'go it alone' attitude.

And there really are plenty of examples that show how skilful our young unionists are!

*The international campaign 'It's Time!'*

*For the first time since the Balkan War, trade union organisations have succeeded in successfully implementing a joint public action with one slogan on one day. 20 June showed that youth unions from Albania to Hungary and from Croatia to Rumania are 'pulling on the same rope' when it comes to combating youth unemployment and working for better perspectives for young people in the region. Some 20,000 mostly young people took part. Taking advantage of the press, radio and TV, they seized a variety of opportunities to report on youth issues and their event.*

*Youth unions from ten countries belong to SEEYNet, the South East European Network: Albania, Bosnia-Herzegovina, Bulgaria, Kosovo, Croatia, Macedonia, Montenegro, Rumania, Serbia and Hungary. These youth unions have succeeded where their 'elders' have failed, thanks to a self-developed EU project and additional support in the region: To speak with one voice and to publicly address people across the entire region. Their common slogan 'It's Time!' was intended to wake people up and make it clear to them that the widespread exclusion of youth makes it nearly impossible to develop an economic and social perspective for the countries in the region. This campaign was designed to show that young people want to join together in developing their region and that the*

*youth unions are seeking the active cooperation of an increasingly isolated younger generation.*

(From a press release)

#### 5.4 The Membership Fee Issue

We have already seen that so far only a very few trade unions have designed their statutes in such a way that wage earners can directly join inter-trade unions. They have included this in their statutes because these unions have now realised that there are a great number of wage earners within their purview who would like to join a union but cannot do so because the statutes prohibit it.

##### *'Secret membership' in the organisation*

Thus some trade unions have included a clause in their statutes allowing employees to join inter-trade unions directly and pay their dues there. This also guarantees that the wage earners will not necessarily have to reveal their union membership to their employers and that they may conceal it if they feel they need to do so. This is vital since many candidates for such a membership either come from anti-union companies or else from firms that are very small and have previously prohibited union representation.

Adding this sort of stipulation to the statutes represents no risk whatsoever to the unions and does not violate any law. Yet, this membership opportunity has to be linked with guarantees ensuring that these members are sufficiently taken care of. This not only applies to the transmission of information but also to the opportunity to cooperate actively within the union and perhaps even to assume functions there. Issue-related study groups lend themselves to this. They should be largely designed by the affected persons themselves and can help in the genuine integration of new members in the union. And of course this guidance of members includes an awareness that each new member represents a starting point for recruiting additional members in these companies. This can certainly include the later establishment of a company union as a long-term goal.

##### *Future collection of membership dues*

Up to this point the employers have generally collected membership dues from their workers' pay checks every month and transferred them to the

company union. Whether they like it or not, when it comes to their most important source of income, this makes the unions dependent on their employers! As if this was not enough, unions endanger their members in every plant where employers keep tabs on union membership and use it to the members' detriment, e.g. when it comes to restructuring and other changes. Why should there not be a project in a subzone of an industry that is aimed at avoiding this dependence and danger in the future? Can the unions develop their own collection system – either through a banking system or the 'good old-fashioned cashier'?

##### *Dues payment in the 21<sup>st</sup> century – strictly cashless*

There is much to be said for the modern option of direct debit, which is now in place in one form or another in most of the transition countries. A new system will require both new computer systems and trained colleagues. (Let me point out once more that expenses will be lower the sooner dues collection is centrally organised!) As long as there are no concrete legal regulations that could stand in the way of such a change in dues collection, a simple arrangement should be made with the employer whereby the union can begin collecting its own dues after a certain date. In case of legal hurdles, it is important to examine whether a voluntary agreement between employers and unions is sufficient to allow the unions to collect their dues in this way. If there are serious doubts, then such a project can be terminated by mutual consent for a certain period. However, in most cases the end result will be a continuation of this kind of dues collection.

##### *Centralised dues collection through an inter-trade union*

In any case, the technical modernisation of dues collection is essential in laying the groundwork for such a system in the future. But central collection is not merely a technical issue. It is opening up a discussion on the respective distribution margins of these funds on the various union levels. In other words, which level will receive what portion of a member's dues?

We have already heard a great deal about the benefits of the centralised system. Perhaps we can find a union that would like to adopt such a project and could examine whether this kind of collection system is indeed more efficient, more transparent

and simply better than the previous one.

### 5.5 Starting today – Projects create Possibilities

All of these projects share one common feature: their scope and objectives can be easily described, their sequences can be precisely determined and both supervision and evaluation can thus be made thoroughly transparent. They lead to concrete results that can provide the basis for further discussions and – assuming they bring positive results – they can give us concrete suggestions for possible changes in organisational structure.

This type of scheduling of time and money provides the 'sponsors' – i.e. the company unions – with an opportunity to become much better informed on the uses to which these membership dues are being put. After all, they also sometimes feel that they do not know enough about, and cannot influence, what is being done with 'their' money.

#### *Developing projects together – implementing and evaluating them together*

It is clear that the company unions' interests in the different industries are extremely diverse, which means that there can be no clear models or 'recipes'. However, experience has shown that projects that have at least partially been developed in cooperation with the persons affected also received strong approval and support throughout. (There is certainly additional outside help available for these projects from other trade union organisations, EU project funds etc.)

One final aspect may also play a role. Many topics for these projects are set up in such a way that other groups could also be brought in to help out. This sort of union alliance policy is particularly appropriate when unions can use it to develop additional competences and/or present their concerns to a wide audience. These allies could include women's groups in parties or youth groups among students, or even issue-based NGOs on specific practical issues. Beyond that, international alliances are also conceivable. This way the inter-trade unions in two neighbouring countries can work together on such a project and thus develop a greater degree of experience.

#### *A new image is needed*

In conclusion, let me draw attention to one aspect of union work that assumes increasing importance and at the same time constitutes a significant condition for its success. It concerns the image of the unions which in most transition countries is rather negative. While there are a few exceptions, such as Slovenia and the Czech Republic, these have been the result of long-term transformation processes within the trade unions that have moved them in the direction of more modern structures and more modern political styles. Here presented ideas and working approaches shall serve as suggestions and stimulations for the work of the individual unions to improve their public presentation. Changes and challenges have to be embraced with confidence and have to be presented with high-publicity.



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This contribution incorporates Frank Hantke's long-time experience gained through the practical work with the trade unions in transition countries as well as through his earlier activities for example as a member of the federal board of the German Trade Union Confederation (DGB).



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