

Polish posted workers in the transnational space of subcontracting

Making ethnographic sense of new employment relations

Anna Matyska

Introduction

“So for whom do you work?” I asked Adam¹, a Polish quality-control specialist posted at one of Europe’s biggest construction sites, the Olkiluoto 3 power plant in Finland. “Well, we are all working for Energia, but we are actually employed by Constructor”, Adam told me. I had a rough idea of the company Adam might work for, but was curious about how he saw his employment relations: Olkiluoto has been notorious for its complex and controversial subcontracting arrangements (Lillie & Sippola 2011). Adam specified two of his Polish employers but did not mention two other companies that operated on top of Energia and thus were his indirect employers: a French–German consortium that was managing Olkiluoto and the

¹ All the names of research participants and companies are pseudonyms.

Finnish nuclear power company TVO, which subcontracted work to that consortium.

In the classical Marxist notion of class struggle inherent to the capitalist system, workers remain in relations of exploitation with a clear-cut employer. The employer extracts the workers' labour effort and asserts dominance over them through the ability to hire and fire, among other ways (Wright 2005). Subcontracting dilutes the class relations between labour and capital by creating a chain of employers who are in employment relationships with each other while also in a work relationship with the labourers. Transnational subcontracting, entailing employment of workers from abroad through subcontracting companies, dilutes class relations even further (Lillie 2006, 2012; Lillie & Sippola 2011). It casts doubt on who the real employer is and what that employer's obligations and responsibilities to the workers are. Adam signed the contract without clear knowledge of what a posting in Finland legally entails. He knew that the contractual salary exceeded his monthly income in Poland several times over and did not enquire further. He suspected, however, that the subcontracting chain is created to favour the company "bosses" and not the employees.

In this article, I discuss various aspects of posted workers' relations with their direct and principal employers. The analysis aids in understanding both how the workers themselves try to make sense of the power relations behind the transnational subcontracting and their subjective ideas about what exploitation and justice are in a transnational space. The article thereby shows what the workers see when they do not see the full employment picture and when direct interaction is dispersed across their various employers.

There is a substantial body of scholarship on the legislative and social-policy framework of posted work and transnational subcontracting. The discussion focuses on the ways in which transnational subcontracting allows the companies to externalise risk and shift the costs of flexible adjustments to the subcontracting

party and how the subcontractor, in turn, attempts to circumvent regulations (alongside Lillie's work, see Cremers 2011). Workers' perception of these complex employment relations and the heterogeneity of cultural and employment contexts to the workers' experiences are given less attention.

I argue here for a more in-depth and culturally nuanced picture of posting, in which, firstly, the transnational context of living affects workers' sense of exploitation and their perception of the employment relations (Sayer 2004) and, secondly, workers' moral estimation of their employers is complicated by the diffused responsibility inherent to the subcontracting system. In my account, I draw on ethnographic fieldwork I have conducted intermittently since 2007 among Polish posted workers in Finland. I also refer to three interviews done in Poland with workers posted to Norway. My interlocutors include blue-collar workers in shipyards and the construction industry along with engineers and technicians. In geographical terms, the paper focuses on the Nordic context, especially Finland, but I make reference to other countries too, following my interlocutors' global work experience.

The moral map of posting

The regime of mobility for posted work in the European Union was created to let workers take less protective regulatory regimes with them and hence encourage competition and internal-market integration (Leczykiewicz 2014). This implies transnational mobility from one precarious context to another; however, my interlocutors notice that sites differ in the amount of precariousness workers take with them. Through personal and second-hand knowledge, they draw what could be called a moral map of posting, indicating Norway and Finland as having the best-quality contracts, while Germany and the Netherlands have the worst. Although workers never use

the term “principal contractor”, I would argue that they apply this moral mapping as a mental shorthand for the hierarchy of principal contractors who contribute to good or poor contractual working conditions. Caro, Berntsen, Lillie and Wagner (2015) noticed similar country preferences among interviewees in their study of posted workers in Finland, Norway and Germany. The authors ascribe these to the well-enforced, extended collective agreements in the Nordic countries, with implied importance of salaries. However, my fieldwork indicates that more enters in than the pay. Salaries boost the already positive image of Finland and especially of Norway, but low salaries are not the reason Germany and Holland are particularly disliked by my interlocutors. I will start with the account of three men who worked at Olkiluoto 3 and whom I met early in my fieldwork in 2007. We talked when they visited the nearby small town of Rauma to go shopping.

Michał, Leszek and Staszek had different amounts of posting experience. Michał was on his first contract, while the other two had worked on contracts for at least two decades. I asked them how they liked being in Finland. They immediately brought up the topic of work:

Leszek: The working conditions are very good. There is no such workload as in Poland or in other countries. You can work peacefully here.

Staszek: Yes. I agree. I decided to prolong the contract, above all comparing to the conditions and the work culture here. They really care about safety rules and personal relations at work [pozycie miedzyludzkie].

Michał: Yes. The same with me. I was surprised because I had heard a lot of horrible stuff about contract work.

Leszek: We experienced it personally with Staszek when we worked together in Germany or in other countries.

Staszek: [There] you could hit the ceiling. Here it's peaceful and stressless.

Leszek: It's a jungle there. [Tam jest dzicz.]

Anna (interviewer): And Finland?

Leszek: A "Promised Land". [Ziemia obiecana.]

Initially, I thought the men had exaggerated the positive picture on my account—as a representative of a Finnish university, I was often thought to have hidden ties to trade unions, which made me a potential liability. However, my fieldwork confirmed various aspects of the above image. Meeting with Marek, one of my closest interlocutors, took it one step further.

Marek had been posted to Finland for two years when we met in 2014. Because I was helping him with institutional matters, we talked at least once per week. Marek worked at a middle-sized construction site, his third site in Finland. Every time we met, he had some anecdote to share about his latest workplace. It often conveyed what he considered to be Finns' relaxed approach to work. He mentioned frequent coffee breaks taken by Finnish workers even if the job was not done yet and the relative freedom of work on the site. When we met on the Labour Day long weekend, he told me cheerfully that, yes, they had worked on Saturday but did not overwork themselves because the Finnish crew was gone, and there was almost nobody to delegate more tasks. Although Marek told his stories with a mix of amusement and moral superiority (implying that Poles are hardworking, at least when they have to be, while Finns are lazy), he concluded that working conditions of this sort should exist on all sites.

Marek's story helps to elucidate the posted workers' concept of a good workload. Marek worked fewer hours than many posted workers do (some work 12 hours a day), but this is not what left him with such a positive impression; in fact, he was rather disappointed

that there was not more work, since fewer work hours meant less money and more idle time. What he enjoyed was the freedom of the work, trust and respect: nobody disciplining him at every step and mistreating him for his foreign origin. Marek did not see this as related to his posting company. It was the Finnish local employer that made the difference. He felt, as Leszek and his workmates did, that he was treated as a person, not just a commodified labour resource. In Germany or Holland, on the other hand, Polish workers seem to face much harsher working conditions. “In Germany, [a] Pole is just meant to work, work and work. And it is never enough”, I was told by Mirek, an industrial painter. When I asked whether he was referring to long hours, he stressed, “No, it’s not that. When you are abroad, you want to have long working hours because you want to earn more. It’s rather about mental pressure [presja psychiczna], mobbing if you wish [taki mobbing]”. With the reference to mobbing, Mirek was speaking of lack of trust in the workers and exerting discipline through strict supervision. He cited his recent posting to Norway as a contrast. There, for instance, his principal employer (a Norwegian company) expected regular written comments on possible improvements to the work. “I didn’t know what to write”, Mirek told me, bemused.

The above narratives add another layer to Marx’s notion of exploitation as unequal exchange of labour. Writing about exploitation as degradation, philosopher Ruth Sample (2003, 57) states that exploitation involves “interacting with another being for the sake of advantage in a way that degrades or fails to respect the inherent value in that being”. In these terms, workers seem to suggest that employers in Finland and Norway recognise and respect their inherent value more than employers in other places. Good money is among the manifestations of this respect, rooted in several decades of Nordic social-welfare policies and class compromises between employers and employees (Korpi 2006). The welfare policies empowered the working

class in the Nordic countries, and now—at least partially—they empower the posted workers too.

This is not to say that the workers disregard the larger role of principal contractors in the subcontracting system. In the Nordic countries, posting itself may be considered as a sign of a declining commitment to labour-market agreements of the welfare state (Kananen 2014, 163–176; Kettunen 2006). Workers are keenly aware that, in Finland and Germany alike, they are posted abroad because principal contractors find them easier and less costly to hire and fire than local labour, and when their short-term contracts end or when they are left hanging until the last moment without any assurance of the contract's extension, it is the principal employer who has the final say. “Let's face it: we are just a cheap labour force for them”, one of the workers told me, where “them” implies all the Western production and construction companies that use Polish labour. Workers thus can be left with a sense of being elevated and denigrated by the principal employer at the same time.

The posting companies: “Because the Polish boss has to make money”

Inherent to the transnational subcontracting logic is that even if workers' legal rights are abused, the principal contractor can still be a good employer in the workers' eyes. For instance, the positive image enjoyed by Norway and Finland does not mean that transgressions do not occur in the Nordic countries. In fact, Olkiluoto itself became infamous for non-compliance with Finnish wage standards. From the perspective of the workers and the law, though, the subcontractors are first in line to be made accountable for any irregularities. In the extract at the beginning of this article, Adam dissected his employment chain and commented that it is made to favour the “bosses” and not him. However, he pointed not to all the bosses in the subcontracting

chain but to Polish ones specifically. He characterised their priorities sarcastically: “Obviously, it’s the Polish boss who has to make money” [Wiadomo, Polski prezes musi zrobic]. He suggested two things here: that the company that posts him is directly responsible for his situation and that because it is a Polish company, it is likely to exploit its employees. He echoed the words of another interlocutor, Jan, who on our second meeting acknowledged that his daily allowance is less than it should be but “this can be expected from the Polish company”. The suspicion of Polish subcontracting companies is formed in extension of the bad experiences workers have had with Polish companies at home and the bad image Polish companies have in the Polish media.

The suspicion of misconduct is centred on financial arrangements: workers assume (in light of various legal cases, rightly so) that even if the principal employer provides the subcontracting company with sufficient funds for good contracts, there is always room for mishandling those funds. Polish companies can gain money at the expense of higher salaries, better accommodation or more trips home paid for by the employer. Rapidly changing transnational and national regulations complicate matters because workers often are uncertain about what they are entitled to legally. Informal networks often lead them to guesses, but information remains scattered, and more formalized steps such as joining a trade union may result in the contract being terminated (see also Matyska 2019). At the same time, official claims require a basis in the law, and various aspects of posted work are a grey area that perhaps will never be regulated, no matter how important they are to the workers. These include the quality of accommodation and use of a worker-friendly system for rotation of work. In the absence of known, uniform, and objective rules, workers’ subjective perceptions dictate which expectations are ‘legitimate’ and hence where the line for employers’ transgression lies. Throughout the fieldwork, I have heard numerous complaints

and exclamations that point to “good” and “bad” posting companies. A “good” employer provides good pay and tools for transnational contact, such as frequent visits home, and allows workers to renegotiate dissatisfactory conditions. Workers are aware that not everything depends solely on the direct employer (for instance, trips home may be related to the production rhythm established by the principal contractor), but a good employer tries to maximise the benefits and reduce the costs (financial, moral and emotional) borne by the worker. A good employer also offers a safety net to some extent against the flexible employment strategy of the principal employer, mitigating the uncertainty of life between contracts.

Such mitigation can occur in two ways: if the company operates as a temporary staffing agency, it can offer the worker a new contract (transnational or domestic) almost immediately, or, if the company, in addition to transnational subcontracting, carries out business in Poland, it can employ the worker on a permanent basis. The latter arrangement is discussed the least in the literature because temporary staffing agencies dominate the posting business, but many Polish companies that act as subcontractors do conduct regular business in Poland too. This arrangement can seem the least precarious for the worker, who is granted the continuity of employment after the contract abroad is over. However, it has its pitfalls since a worker may be pressured to go abroad at a specific time, even if not wanting to do so, in the knowledge that refusal to go may result in no longer being posted abroad. For instance, one of my interlocutors refused only once in 10 years to go abroad, when his wife was about to give birth. Thus, I would argue, the posted workers’ sense of being exploited may cover both being laid off unexpectedly while under a short-term contract and being pressured to go abroad on demand under a permanent contract.

Concluding remarks: The disappearing act

Transnational processes bring about new labour relations. They make the threads of workers' exploitation and employers' responsibilities more complex and empirically trickier to disentangle. Labour-capital power relations behind transnational subcontracting can be described as a disappearing act: the exploitation is sometimes visible to the workers, while at other times it disappears along with its agent. Posted workers point to different tangible and non-tangible elements of exploitation: wages, accommodation, the length of contracts, trips back home and attitude towards the workforce. Responsibilities and transgressions of direct employers are the most visible. Principal contractors remain in the wings, setting the stage, and their liability is not always clear. They may, as my data suggest, appear to the workers as more ethical and respectful than the direct employers do. This bears traces of the Marxian/Gramscian idea of false consciousness whereby workers misidentify the sources of their exploitation. However, not all is opaque. My interlocutors are aware that they are posted because principal employers consider them a low-cost, dispensable alternative to the local workforce, with intermediary companies helping to meet demand. Although workers do not always see the full employment picture, these workers can put the pieces together and are fairly conscious of their position in the global division of labour. The question remains to what extent fragmented employment relationships pertinent to subcontracting undermine the workers' ability and desire for a collective and organised action which would equally challenge both principal and direct employers.

Acknowledgment

The research was funded by the Kone Foundation.

References

- Alho, R. (2015). *Inclusion or Exclusion: Trade Union Strategies and Labour Migration* [Doctoral dissertation]. Turku, Finland: Institute of Migration.
- Berntsen, L. (2015). *Agency of Labour in a Flexible Pan-European Labour Market: A Qualitative Study of Migrant Practices and Trade Union Strategies in the Netherlands* [Doctoral dissertation]. Jyväskylä, Finland: University of Jyväskylä.
- Caro, E., Berntsen, L., Lillie, N., & Wagner, I. (2015). Posted migration and segregation in the European construction sector. *Journal of Ethnic and Migration Studies*, 41(10), 1600–1620.
- Cremers, J. (2011). *In Search of Cheap Labour in Europe: Working and Living Conditions of Posted Workers*. Brussels: European Institute for Construction Labour Research, CLR Studies 6), International Books.
- Kananen, J. (2014). *The Nordic Welfare State in Three Eras: From Emancipation to Discipline*. Aldershot: Ashgate.
- Kettunen, P. (2006). The tension between the social and the economic—a historical perspective on a welfare state. In J. Ojala, J. Eloranta, & J. Jalava (Eds), *The Road to Prosperity: An Economic History of Finland* (pp. 285–313). Helsinki: Finnish Literature Society.
- Korpi, W. (2006). Power resources and employer-centered approaches in explanation of welfare states and varieties of capitalism: Protagonists, consenters, and antagonists. *World Politics*, 58(2), 167–206.
- Leczykiewicz, D. (2014). Conceptualising conflict between the economic and the social in EU law after Viking and Laval. In M. Freedland, & J. Adams-Prassl (Eds), *EU Law in the Member States: Viking, Laval and Beyond* (pp. 307–322). London: Hart Publishing.
- Lillie, N. (2006). Globalization and class analysis: Prospects for labour movement influence in global governance. *Industrielle Beziehungen*, 13(3), 223–237.
- Lillie, N. (2012). Subcontracting, posted migrants and labour market segmentation in Finland. *British Journal of Industrial Relations*, 50(1), 148–167.
- Lillie, N., & Sippola, M. (2011). National unions and transnational workers: The case of Olkiluoto 3, Finland. *Work, Employment & Society*, 25(2), 292–308.

- Matyska, A. (2019). Ambiguous mobility: Polish Transnational Workers Navigating and Changing the Institutional Landscape of Posting. In J. Arnholtz, & N. Lillie (Eds), *Posted Workers in the EU: The Political Economy of Free Movement* (pp. 70–88). New York: Routledge.
- Ristikari, T. (2012). *Finnish Trade Unions and Immigrant Labour* [Doctoral dissertation]. Turku, Finland: University of Tampere, Migration Studies.
- Sample, R. (2003). *Exploitation: What It Is and Why It's Wrong*. Lanham: Rowman & Littlefield.
- Sayer, A. (2004). *Moral Economy*. Lancaster: Department of Sociology, Lancaster University. Retrieved June 6, 2016 from [http://www.lancaster.ac.uk/fass/resoruces/sociology online papers/papers/sayer-moral-economy.pdf](http://www.lancaster.ac.uk/fass/resoruces/sociology%20online%20papers/papers/sayer-moral-economy.pdf)
- Wright, E.O. (Ed.) (2005). *Approaches to Class Analysis*. Cambridge: Cambridge University Press.