# EWCs – a trade union "free zone"?

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### **1. Introduction**

The following text is based on a two year study of transnational solidarity within European Works Councils (EWCs). Funded by the Hans Boeckler Stiftung, the project focussed on factors which contribute to the development of mutual trust and co-operation between EWC actors.<sup>1</sup> Although the question of relations between EWC delegates and trade union organisations was not a central theme we were nevertheless interested in the nature of this relationship for a number of reasons. Like most studies of EWCs we were aware that trade union organisations not only fought a long battle on behalf of the EWC Directive (EWCD) but they often played a leading role in setting up EWCs. Furthermore, irrespective of the fact that 'the Directive makes no mention of trade unions whatsoever, and regards workplace employee representatives as the agents of the employees' side and as those who should be informed and consulted' (Waddington, 2011: 28), certain "backdoors" to EWC meetings have been left open to trade union officials. Trade union officers have been successful in utilising the clause in the EWCD which allows delegates to consult an external expert of their choice usually a trade union officer. In addition, a trade union presence within the EWC, often by default it should be noted, has been facilitated by the fact that many EWC delegates are trade union members and in some cases directly delegated by their trade union to attend EWC meetings.

Seen from this perspective one might be forgiven for assuming that the EWC is not only a trade union construct but one which continues to be strongly influenced by trade unions. Certainly, a number of EWC studies (Lecher et al, 2001; Whittall, 2000, 2009, Telljohann, 2005) suggest we are now a long way from trade union "free zone" of the 1990s discussed in the work of Lecher et al (1998). On the contrary, as we shall below there exists a train of thought which argues that the EWC's autonomy, i.e. that it represents the interests of employees and not management, can only be guaranteed by such trade union involvement.

<sup>&</sup>lt;sup>1</sup> Factors perceived to support the development of "common interests" include, centralisation of production and management structures (discussed in the text under the heading of as micro-corporatism/Euro-company) and the level of co-operation and competition between the different sites, the latter making such co-operation more complicated although not always impossible.

However, drawing on the findings of five case studies the article demonstrates that irrespective of such interfaces, the so-called "backdoors", many EWC delegates noted that trade unions were conspicuous by their absence. Even in cases where they had been allocated a seat on the EWC, they either did not attend such meetings or when they did attend their presence was symbolic rather than substantial. In fact, contrary to many unions' EWC policy positions, positions that insist on close co-operation between themselves and EWCs, they often merely play a game of "shadowing" EWCs, keeping an eye on developments without actually being involved. Left in the main to their own devices EWC delegates, in particular a group of individuals we refer to as the European vanguard, namely active steering committee members, appear able to function without active trade union support. That is not to say that matter that they wish to usurp trade unions, i.e. that the EWC should become an alternative to trade union representation. In fact, respondents indicated how they would welcome a reverse of the current state-of-play, arguing as we shall see that unions have an important role to play in developing this still relatively new European institution.

The following represents a modest attempt to understand current relations between EWCs and trade unions. As will become apparent the relationship is complex to say the least. The article is structured as follows. First we offer a concise overview of the case studies and individuals interviewed. We then address some of the main debates surrounding relations between EWCs and trade unions, such as the issue of "capture" and "isolation". This concerns a belief that EWCs fall under the control of management when a strong trade union presence fails to materialise. We also consider the question of EWC collective bargaining – a variable which as we shall can have a bearing on EWC and trade union relations. This is followed by a consideration of trade union involvement in the five EWC case studies. Finally, we offer an analysis of this involvement or lack of it.

#### 2. Data and Methodological Issues

The text is based on five case studies considered by many EWC experts to represent best practice – that is to say EWC delegates have demonstrated an ability to jointly address, and at times influence managerial decisions at a transnational level. The choice of the five case studies occurred after intensive discussions with an array of EWC experts ranging from researchers in this field through to EWC consultants and European trade officers. This process was complimented by an extensive review of existing empirical work on EWC and our own

knowledge of EWCs built up after many years of studying this European institution. However, as our research demonstrates such a procedure is far from fail proof. In the cases of Sanofi-Aventis and Logistics Ltd our findings suggest the term "best practice" is not applicable.<sup>2</sup>

The five companies include two US multinationals, Kraft Foods and Ford, Unilever a Dutch-British concern, the French company Sanofi and finally Logistics Ltd based in Germany. Over a two year period we conducted between 10 mad 12 interviews with company level employee representatives in each of the five case studies, half of which were with individuals active in the various steering committees. These interviews also included non EWC employee representatives who played important roles within their respective national industrial relations systems (See table 1). We also interviewed national and European trade union officers either responsible for the five case studies in question or their unions' EWC policies (See table 2).

# Table 1: Case studies

Company	Interviews per country	
Kraft Foods	France, Germany, UK, Czech Republic, Norway	
Ford	UK, Germany, Spain, Belgium	
Unilever	France, Germany, UK, Netherlands, Spain	
Sanofi-Aventis	France, Germany, UK, Spain	
Logistics Ltd	France, Germany, UK, Netherlands, Portugal, Denmark	

Table 2: Trade union interviews

Union	Nationality
IG Metall	German
IG Bergbau, Chemie, Energie	German
Gewerkschaft Nahrung-Genuss-Gaststätten	German
International Transport Federation	International
Confédération générale du travail	France
UnitetheUnion	UK

 $<sup>^{2}</sup>$  In the case of Logistics Ltd the company in question has requested that it remain anonymous. The reaming four case studies since the end of the research have agreed being named.

European Metalworkers Federation	European		
	_		
European Transport Federation	European		
1 1	1		
Vereinte Dienstleistungsgewerkschaft	German		
8.8			
Confédération française démocratique du	France		
5 1			
travail			
Confederación Sindical de Comisiones	Spain		
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In the main the interviews took place either prior to or proceeding an EWC or steering committee meeting. Such a procedure had many advantages. Not only did it allow us to have access to a larger number of respondents from different Member States (See table 3 for a breakdown of EWC delegate structure), it also had the benefit that we were able to observe part of the meetings as well as use the translation facilities on hand for EWC members who neither spoke English or German. Unfortunately such a procedure was not fail proof; the researchers were unable to conduct interviews with delegates from Italy. In terms of local representatives this also involved us visiting sites in Germany, England and France.

Company	Number of Delegates	Steering Committee members
Kraft Foods	37 delegates out of 19 countries	7 members from France (2), Germany (1),
		UK (1), Czech Republic (1), Norway (1),
		Belgium (1)
Ford	19 delegates out of 6 countries	5 members from UK (1), Germany (1),
		Spain (1), Belgium (1), Rumania (1)
Unilever	36 delegates out of 19 countries	8 members from France (1), Germany (1),
		UK (1), Netherlands (1), Spain (1),
		Poland (1), Belgium(1), Italy (1)
Sanofi-Aventis	37 delegates out of 16 countries	9 members from France (4), Germany (2),
		UK (1), Spain (1), Italy (1)
Logistics Ltd	54 delegates out of 29 countries	6 members from France (1), Germany (1),
		UK (1), Netherlands (1), Portugal (1),
		Denmark (1)

Table 3: EWC delegate structure
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# 3. A complicated but necessary arrangement?

To different degrees EWC literature has deemed it necessary to consider relations between EWCs and trade unions. Although it should be noted that with the exception of Waddington

(2011) questions relating to this relationship often appear as one of many issues being addressed by EWC studies. Nevertheless, there exists a general assertion that the nature of this relationship can have a bearing on the ability of an EWC to develop co-operation between EWC delegates. Trade unions are perceived as the potential glue that holds EWCs altogether, providing 1) best practice and expertise (Lecher et al, 1998), 2) a network through which employee representatives can communicate and 3) a normative basis which allows EWC delegates to speak a common language (Miller, 1999; Whittall, 2000, 2003). Generally, the literature throws up a number of issues that address the nature and importance of this interaction and its impact on the dialogue that takes place between these industrial relations actors. These include the following, *management domination, ideological and political differences* between employee representatives and trade unions' fear of *micro-corporatism*.

Concerning *management domination*, this involves what a number of authors refer to as EWC "capture and isolation" by management (Lucio/Weston, 2000; Hancké (this is fine), 2000; Royle, 1999. Hanké (2000: 55), for example, notes 'as a result of this relative lack of interest by unions, indeed this ongoing and accelerating Europeanisation of industrial relations in the car industry is increasingly taking place on management's terms, with the EWCs as a critical part of that process.' Royle (1999: 344) came to a similar conclusion when studying the McDonalds EWC, 'McDonald's has been able to take advantage of loopholes in national and European labour legislation (and in some cases utilize dubious election processes) to minimize trade union presence in the EWC. [Furthermore] international trade union organizations have been kept out of the process...' In short, the authors perceive trade unions function as a guarantor against EWCs becoming a managerial tool for country benchmarking, a threat posed by EWCs which has been addressed in a number of EWC studies (Wills, 2000; Hanké, 2000; Tuckmann and Whittall, 2002). In such cases EWC delegates have very little say over the yearly EWC agenda, they have very little chance to interact; in fact they demonstrate at best a sense of apathy towards working together and at worst they view each other in hostile terms. If nothing more EWCs are an important source for gaining access to top management, a means of lobbying on behalf national interests. Seen from this perspective EWC delegates appear content to play managements' "beauty contest" game. The argument put forward here concerns the fact that the development of an "autonomous" European employee representative structure, one in which EWC delegates jointly help set the agenda, meet independent of management and communicate on regular basis with each other is more likely occur when a strong and active trade union "presence" exists.

However, there also exists a strain of literature which suggests the need to treat such overoptimistic positions concerning the positive influence of trade unions in EWCs with some caution. Telljohann (2005) and Lecher et al (1998) remind us that EWC trade union relationship is extremely complex, problematical even. On the contrary, a number of variables can prove restrictive rather than progressive, this leading to friction between EWC members which in turn can be taken advantage of by management. For example, the nature of trade unionism within this European sphere appears to represent a potential source of conflict between EWC delegates. The key point to recognise here is that trade unionism, often a catch all phrase, incorporates ideological, political and structural differences, which as Pulignano (2005) and Whittall (2000, 2010) note; are often played out within EWCs. This involves a situation in which unions compete to impose their (ideological) interpretation of the world (Whittall, 2010; Waddington, 2011) - a fact that not only can have consequences for the roleplayed by trade unions but potentially the way this European institution functions. According to Whittall (2000) inter-union differences often arise when the question of seat allocation is at stake. A stumbling block he suggests that can lead disharmony amongst EWC delegates. Discussing the BMW EWC Whittall (2000, 2010) notes, that German works council representatives were fervently opposed not only to the notion of a British trade union officer should being allocated a seat on the EWC but that this individual should lead the British delegation as is tradition within British industrial relations. They were also perturbed at the thought that the allocation of such a seat would by default make the officer in question vicechair of the EWC. This ran counter to the tradition of the German dual model in which works council members are the main protagonists within the realm of company level representation. Needless to say British delegates were wary of the dual system, interpreting such a model as bordering on trade union de-recognition. Anderson and Thönqvist (2007) also note, that because of these cultural differences, although the issue of language restrictions should not be ignored here, the emergence of what they call "regional clusters" can occur. The most apparent being the North-South divide in which the former prefers social dialogue to that of industrial action practiced in many Mediterranean countries. In sum, there is an assumption that these cultural idiosyncrasies may paralyse the EWC as delegates become sidetracked by internal battles over important organisational issues such as the role of trade unions within this European institution.

Finally, another aspect of the literature, one considered to have a great bearing on EWC and trade union relations, concerns what is commonly referred to either in terms of "micro-

corporatism" or "encroachment". In short, this concerns company level collective bargaining - which as we shall see represents a nightmare scenario for trade unions functioning within an industry level collective bargaining environment. The emergence of a European system of industrial relations, which in the case of EWCs legally excludes trade unions from this realm, implies that there exists a conflict over the issue of representation. Waddington (2011) has eloquently pointed out that the EWC is a "contested institution" in which the "strategic orientation" of EWCs (Lecher et al, 1998), i.e. what their remit should be, is at stake. In short, EWCs are perceived as a potential threat to the authority of trade unions' negotiation rights. Undoubtedly, trade unions lobbied hard on behalf of the EWCD and have often played an influential role in founding EWCs. Lurking in the shadows of these developments, though, is a fear, one that generally unites trade unions irrespective of their national heritage, that the EWC could "encroach on the domain" collective bargaining undertaken by trade unions (EMF, 2000a). This implication here is that the EWC and trade union relationship is potentially combustive. Certainly, a review of trade union policy documents, particularly those of the European Industrial Federations such as the European Metalworkers Federation (EMF) (2000a, 2000b, 2000c, 2006), demonstrate that an important aspect of trade union involvement in EWCs concerns control, controlling the latter's agenda in a way that clearly steers the EWC away from entering into negotiations with management or where this cannot be avoided at least ensuring unions co-sign any such agreements.

This fear of micro-corporatism is far from unfounded. Marginson and Sisson (1996), Marginson (2000) and Kotthoff (2006) have discussed this issue in terms of what they call an emerging Euro-company. Such a development represents a centralisation of managerial decision-making practices in response to the emergence of an economic and regulatory space in the form of the European Union (EU) (Marginson, 2000). Because of the economic and political dynamics unleashed by the EU 'The primary axis for internal organisation is shifting away from the national subsidiary, which groups all businesses operations within a particular country, and towards the international business division, which groups operations within the same stream of business across different countries (Marginson and Sisson, 1996: 9)'. The Eurocompany, is perceived as an independent organisational and managerial entity in its own right' (Kotthoff, 2006, 43). As a consequence this can create a greater feeling of independence between employees and their representatives across Europe. This continual process of centralized restructuring leads to a feeling of mutual suffering and creates a concrete sense of dismay. Such a development throws-up a number of developmental paths for industrial

relations generally, paths that have consequences for trade unions, certainly for those unions having to function within a system industrial level collective bargaining. One involves what has commonly become known as "arms-length bargaining" in which EWC delegates attempt to coordinate positions across counties. This option keeps trade unions strongly at the head of the collective bargaining process, EWCs merely supporting this task by co-ordinating the negotiations in the different countries where the company is present. However, as the literature demonstrates, trade unions are fearful that an alternative path could emerge too, one in which EWCs lead the way in the negotiation process. Such a scenario could involve face-face negotiations at a European level in which trade unions due to the current EWCD are not legally allowed to sit at the negotiation table.

To summarise it is an undisputed fact that trade unions either directly or indirectly have a presence within EWCs. After having played a decisive role in both lobbying on behalf of the EWCD and supporting, certainly in the so-called "pioneer phase", the foundation of EWCs, EWCs continue to interact with trade unions. Of course, this raises a whole array of questions about the nature of this association some of which we have touched on above and which we will return to below. The most pressing questions can be whittled down to the following: What degree and form of involvement can be observed? How does this involvement influence the functioning of the EWC? More specifically does such involvement promote or hinder transnational solidarity? Does a lack of trade union involvement lead to either "capture" or "isolation" and ultimately place the EWC on path towards company collective bargaining? Before turning to look at these key issues more closely we offer a brief overview of the trade union presence in the five case studies.

#### 4. Case studies – trade union presence

In all the case studies unions, in particular the German unions played a leading role in the foundation of the EWCs. They helped initiate contacts between countries and offer important advice in the Special Negotiation Body phase. However, as the following sections demonstrate, trade unions' initial enthusiasm would appear to different degrees and at different times not always sustainable.

#### 4.1 Unilever

Unilever respondents portray trade union involvement in the EWC as nothing more than peripheral. It was noted, that a Dutch union officer had been given responsibility to coordinate relations between EWC delegates by the Industrial Federations, European Mine, Chemical and Energy Workers (EMCEF) and European Federation of Trade Unions in the Food, Agriculture and Tourism (EFFAT). The individual in question, though, 'no longer comes and was totally' un-interested in EWC affairs according to a delegate from Germany. It was suggested that the Federations involvement was hampered by a co-ordination problem between EMCEF and EFFAT. However, such a lack of involvement is not restricted to the European Federations. Lower down the representative structure, national unions demonstrated very little initiative in shadowing events and issues dealt with by the EWC, too. Discussing the situation in Spain an EWC member from that same country pointed out that they attempted to keep the national federations informed of European developments within Unilever, but lamented that no systematic method was in place to facilitate such an information flow. Moreover, this was not a mere problem of the Spanish delegate. Although in Germany, the Netherlands, the UK and France unions are well organised in the Unilever factories they showed very little interest in the European level. Generally, EWC delegates could draw on the different national and European trade unions for support when required, especially information, but any initiative had to come from European employee representatives themselves as the EWC remains an issue still not on the formers' "radar". In 2007, for example, following an extraordinary meeting of the EWC a decision was taken to hold a demonstration in Rotterdam against the planned closure of 20 European sites. Although the unions supported this day of action EWC delegates noted that the initiative came from the EWC.

#### 4.2 Kraft Foods

On the surface trade unions have a far greater presence within the Kraft Foods EWC than they in the Unilever EWC. More than anything else this is the result of the affinity that key actors within the EWC have with trade union principles - these individuals' biographies heavily influenced by being involved in their respective trade union at a national level. Clearly, the trade union presence is a deceptive one, though. It is one that has come about by default rather than active design, dependent on an individual's biography, i.e. a "spill over" effect between national and European responsibilities. For example, although the EWC advisor is a NGG union officer, respondents strangely played down his role as a union officer. An expert in European affairs, he is undoubtedly viewed as invaluable to the EWC chairperson, but he is not seen as an external union officer rather as an inspirational individual within the steering committee. Discussing the union officers role one respondent noted, "He (NGG officer) is always at the meetings, but he can not make up for the lack of general trade union influence in the EWC. How can he do this?" Certainly, the relative strong trade union biographies have helped facilitate a bonding process between the chair from Norway, the vice-chair from France, an Austrian delegate and the external trade union expert from Germany. Furthermore, the north-south division that divides union relations outside of the steering committee does not prevail. In fact, the delegate from France has embraced the notion of co-operation promoted by EWC delegates from northern Europe. What has emerged is a triangular relationship, one that could be observed within the Unilever EWC too, that has become the heart of the EWC and in which notions of co-operation and solidarity are ever present. It is the engagement of active EWC delegates rather than the involvement of trade union officials which has helped to generate a common European perspective. Such a situation leaves a bitter taste in the mouths of these trade union ambassadors – the EWC embassy would gladly welcome a more active trade union presence.

#### 4.3 Logistics Ltd

Of all the five case studies Logistics Ltd proved to be the most complex in terms of relations between the EWC and trade unions. This complexity is directly linked to the company itself. A state owned company until 1995; it has become one of the world's largest logistics providers in less than two decades. It remains, however, a hybrid structure, the result of a competition between interest groups affected by different pressures. On the one side there exists a German workforce strongly associated with an old State owned company, a work force used to high social standards and job security. On other side stands the global part of the company home to low skilled and poorly paid employees. In many respects Logistics Ltd consists of two companies, Logistics Ltd Germany and LOGISTICS LTD Global, a fact that greatly affects relations between the key actors and as a consequence makes this EWC quite different from our other four case studies.

Although Verdi played a key role in setting up the EWC in 2003, a year after Logistics Ltd went global following the take over of a global logistics company; Verdi's position within the EWC is extremely contentious. Firstly, Verdi, the potential power base within the EWC has seen no value in this European institution – if anything its fears the EWC might open the door to a depreciation of German employment standards. Instead it has continued to focus its energies on representing its core members in the German logistics sector through the German model of industrial relations. Secondly, it supported the transfer of jobs from Belgium to the new European hub in Germany. As a consequence of the German union's stance, in particular

its absence at many EWC meetings, this has allowed delegates from Denmark, France, Spain and the UK with strong trade union connections, together with UNIEUROPA and the European Transport Federation (when they attend), to have a greater saying in the direction of the Logistics Ltd EWC. All in all a strange constellation prevails, one in which a traditional German company sees its EWC strongly influenced to a large extent by non-German employee representatives.

Faced by an aggressive management stance the EWC has become a network for developing trade union opposition to managements' global restructuring of Logistics Ltd as well as the company's disrespect for trade union rights outside of Germany – but with very little success it should be noted until now. Therefore, in contrast to the other case studies social dialogue with management is (virtually non-existent) poor within the Logistics Ltd EWC – on the contrary relations are marked by conflict. Although non-German trade union activists play a decisive role in guiding the EWC, respondents generally agreed that there were certain limitations to what it could hope to achieve due to the persistent lack of real involvement on the part of Verdi, a union which continues to retain access and remarkable influence over top management.

#### 4.4 Ford

The Ford EWC is the one case study in which the various levels of trade union representation are most conspicuous. National trade unions from Germany, the UK, Spain and Belgium, countries in which Ford has key production sites, all send full-time union representatives to participate in EWC meetings, from whom the German rep is simultaneously the European Metal Workers Federation representative. Why the strong trade union involvement? More than anything this would appear to concern managements' insistence that British trade unionists be represented at the European level, this represents a form of socialisation process. Still very conscious of the industrial strife that marred industrial relations at Fords' UK sites in the 1970-80s, management views the EWC as a means of trying to school British trade unionist in the art of social dialogue. However, the strong trade union presence is portrayed overall as partly immaterial. In sum, the Ford EWC is marked by a strong trade union presence but its involvement and influence over the day-day running of the EWC remains limited.

4.5 Sanofi-Aventis

Formed in 2004 after acquiring another Chemical company, Sanofi-Aventis remains to all intents and purposes a global company with a very French character. As a consequence French unions have displayed, like in the case of Verdi at Logistics Ltd, a lack of interest in EWC affairs, preferring instead to utilise national structures at their disposal to gain access to management. A mixture of conflict between French unions and a general fear of the EWC, in particular that this European institution could usurp its collective bargaining role, has led French unions to work against rather than with the Sanofi-Aventis EWC.

By withdrawing from the EWC sphere French unions have potentially opened the door to other unions to play a more important role inside the EWC. So far neither national nor European federations have taken advantage of this option. Although respondents noted, a meeting was held in Brussels in the foundation phase which allowed delegates the opportunity to discern which trade unions were represented as well as how the unions differ in structure and responsibility, this coming together of trade union interests was short lived. The German trade union, the Industriegewerkschaft Bergbau, Chemie, Energie (IG BCE), a body of significant influence within Sanofi-Aventis Germany, has abstained from attending EWC meetings. Like their French counterparts German employee representatives utilise national industrial relations structures, in particular the supervisory board, to gain access to management. This process has even been strengthened by managements' willingness to offer German employee representatives direct access to top management in Paris.

#### 5. Trade union presence and management control: capture and isolation?

In all five case studies the presence of the union federations differed greatly. This guaranteed either directly through a trade union officer attending an EWC meeting or indirectly by reporting back through national union structures. To sum up: involvement and influence of the union federations would appear in some cases non-existent in others limited. Lecher et al (1998) suggested in their first systematic study of EWCs, that trade unions played a peripheral role within this European institution. Kotthoff (2006, 144) also observed a potential trade union de-coupling from EWC, what he calls "stillschweigende Marginalsierung" (tacit marginalization). Over a decade later the trade union landscape appears to be virtually unchanged. EWCs continue to sit uneasily within the trade union portfolio. Interviews with union officers from various countries indicated that Europe is quite low in trade unions "pecking order", collective bargaining and representing the interests of national members remains their cardinal concern.

On the whole, a number of factors demonstrate that trade union EWC involvement appears problematical –trade unions finding it difficult to define their role within this European institution. For example, contrary to Pulignano's (2005: 395) findings on the role of industrial federation officers there was no evidence, even in the case of Ford where the union presence was most pronounced and Logistics Ltd where union activists attempted to fill the void left by Verdi, to support the belief that such individuals assert their authority 'to build bridges between workplace representatives of multinational companies and the development of trade union policies.' Nor was their any evidence to imply that such union officers play a strategic role 'in facilitating the exchange of information and practices among employees (Pulignano's, 2005: 400).' If anything, certainly in the cases of Unilever, Sanofi-Aventis and Kraft Foods union involvement declined after their initial involvement in helping set up the EWC.

Even the much referenced training and expertise that trade unions were expected and reported to provide was not very much in evidence. In fact, a picture emerges, certainly in the Unilever, Ford and Kraft Foods cases whereby EWC members, especially those who meet on a regular basis within the steering committee, posses expertise which does not require them to seek trade union support. Close working relations with management, but more importantly the co-operation between EWC delegates, which as Whittall et al (2009) show is increasing helped by ICT, means that EWC delegates are well informed about company strategy and possible responses. Moreover, there was no evidence to support Hanké's assertion (2000:104) that 'it is difficult to imagine workers ever being able to respond to the contemporary economic challenges posed by the Europeanisation and globalisation of capital' without the involvement of trade unions.' Or for that matter as Telljohann (2005) suggests, that an inadequate level of involvement of fulltime union officers leads to de-motivation amongst EWC delegates. On the contrary, in spite of a lack of a trade union presence a core group of European activists, the European vanguard, are bringing this European institution to "life". In most cases EWC delegates, specifically the steering committee members, are in weekly if not daily contact with each other, the EWC becoming an integral part of their employee representative artillery.

In sum, trade unions failed to use their authority to encourage closer relations between countries or offer important training and expertise to any great extent in the five EWCs studied. They played and continue to play a peripheral role. This brings us to a key question raised in the literature dealing with EWC and trade union relations (Royle, 1999; Wills, 2000): are such EWCs threatened by what is commonly referred to as the problem of "capture" and "isolation"? Quite simply the evidence uncovered here suggests that EWCs retain their autonomy from management irrespective of unions' inability to be more involved in EWC affairs. None of the case studies under observation demonstrated any degree of either "management capture" or "isolation". A number of factors help contribute to the autonomy of EWCs even where the involvement of trade unions is not as developed as researchers suggest is required. Firstly, the delegates on the whole were not hand picked by management. The majority of delegates came with strong trade union credentials; credentials that by default appear to guard against management manipulation. Furthermore, a point taken up by Knudsen et al (2007) and Timming and Veersma (2007), namely that EWC delegates' identity is defined by interaction with management, the "other" as they call it rather than by management manipulation. Here, management represents the "other side", namely that this relationship is potentially, not always, underpinned by diverging interests. The EWC autonomy is also influenced by the way delegates set about organising their work, a procedure which helps individuals articulate their EWC identity. So much so that irrespective of trade unions' failure to be more involved in EWCs, as in the cases certainly of Unilever and Kraft Foods, EWC delegates are nevertheless still able to represent employee interests and develop a sense of group solidarity. The following variables appear at play here. They include the need for a functioning steering committee that meets on a regular basis, and which is in continuous dialogue with top management. In addition such a committee has 1) to keep the wider EWC delegates informed of company developments as well as about any 2) discussions that have occurred with management. Furthermore, this has to be complemented by a willingness on the part of steering committee members to nurture contacts amongst themselves. In many cases such contacts are shown to lead to friendships and a strong sense of trust and reliability amongst the steering committee members. Naturally for this to work individuals need to possess good foreign language skills, usually English and the relevant committees depend on a high degree of stability. In addition, the lead actors within the EWC benefit from possessing professional experience as representatives gained from working within works councils at a national level. This last point is particularly prevalent amongst delegates from northern European countries, although a development could be observed whereby individuals from Anglo-Saxon and Mediterranean countries have come to appreciate more and more the value of social dialogue in recent years.

Finally, even in cases where management designate certain EWC delegates this is no guarantee that such individuals will abide by managerial demands. A number of factors need to be considered. EWC delegates we interviewed with a traditional trade union biography are aware of this problem and have subsequently taken relevant precautions to neutralise such a threat. For example, in the case of Logistics Ltd a number of delegates from southern Europe were asked by their local management to become EWC delegates, delegates who were not affiliated to a union. In response to this situation union members' on the EWC developed what can only be described as an informal mentoring scheme, trade union delegates going out of their way to include non-trade union delegates in the decision making processes. This helped cultivate relationships and a mutual sense of responsibility. Furthermore, as Tuckman and Whittall (2010) and Snook and Whittall (2012) note, in the case of works councils set up by management such managerial nominees often feel obliged to exhibit a sense of autonomy after certain period of time. They feel obliged to demonstrate to the people they represent as well as other EWC members that they work with that are not management "lackeys". Here the case of a leading Unilever EWC delegate is very informative. It concerns an individual with a clearly defined managerial biography; someone who went out his way when interviewed to point out how they had initially been very wary of trade union organisations. Over the years, however, their involvement within the EWC resulted in them not only becoming a member of a white-collar union but more importantly working very closely with shop stewards from more traditional organisations within their national environment.

Undoubtedly, trade unions have traditionally been fearful that their lack of involvement in EWCs could lead to management hijacking the EWC and subsequently a situation whereby management uses this European institution to promote social dumping. Our research uncovered no real evidence to corroborate such a position. Even given the lack of a strong trade union presence within the EWC, delegates retained a strong notion of autonomy. A trade union officer from the IGBCE we interviewed even went as far as confirming this finding when noting that:

The first generation has taken an important step so to say. They now have important organizational structures in place. Furthermore, they have also fought hard to be taken serious by management – and that is an important step.

Certainly, in the cases of Kraft Foods, Unilever, Ford and increasingly Logistics Ltd, management is increasingly being forced to recognise that the EWC is an important source of employee representation. Irrespective of a lack of or limited union involvement management has neither captured nor isolated the EWC. On the contrary, those EWC actors who are spending a considerable amount of time on European related issues, staying in constant touch with other members within the EWC network can be considered as representing a professional European vanguard within a developing European system of employee representation.

#### 6. What explains trade unions' lack of involvement in EWCs?

Ironically, it could be argued trade unions are not required to play a direct role in EWC affairs as this is guaranteed by a number of variables: but two in particular. As outlined above trade unions were heavily involved in the foundation process, something which allowed them to set the tone initially. Moreover, many EWC delegates are by default guardians of trade union values. Not only do the delegates from the countries with single a tier-structure often owe their current position to trade unions, but furthermore they play an active role in national trade union structures. As we shall see in the next section, though, neither of these facts, something underlined in the work of both Telljohann et al (2009) and Waddington (2011), are a safeguard against a potential de-coupling of the EWC from trade union representation.

Let us return to the main question. Why do trade unions, even in cases where they have legally been guaranteed access to EWC meetings as in the case of Ford and Logistics Ltd, not play a more prominent role in EWC affairs? Is it as Telljohann (2005) suggests, simply down to the dominance of either a "single" or "dual" tier system of representation? An assertion that unions within a single tier industrial relations environment are more likely to be involved in EWCs as unions are the main protagonist in such an industrial relations system. According to Telljohann (2005: 37) this explains why Italian trade unions are very active in EWCs, so much so that he suggests 'it seems possible to talk of a fully-fledged Italian model of the EWC that differs from the two kinds of EWC which are generally referred to in the literature... The Italian model is characterised by the leading role of the external trade unions that is typical of the one-tier system of interest representation.' Hence, in turn this would appear to explain the reluctance of German trade unions to increase their EWC profile, German co-determination providing a clear division of labour between works councils and trade unions with company related issues the realm of the former. A member, of the Logistics Ltd EWC, for example, felt that this was one of the reasons, the other being a potential fear of

transnationalisation epitomised by the EWC, why Verdi had failed to play a leading role in the EWC that befitted its influence and size. Equally such an argument helps describe why the trade union officer leading the British delegation on the Ford EWC went out his way to emphasise the amount of time he invests in this European structure:

I mean the easiest thing for me to do would say: "I'm sorry, I'm too busy, I mean I've got more pressing business". I mean that's the easiest thing in the world for a National Officer to say. But I'm doing the job that I've been employed to do.

However, such a conceptual understanding we contend has certain limitations. Firstly, the dual system is underpinned by a mutual trust that has developed within particular national settings - the EWC certainly at this stage in its development cannot be compared with its national counterpart say in Germany. The division of labour that takes place here is based 1) on a certain degree of trust, this reflected in the fact that the majority of works council chairs in Germany are trade union members, and 2) that works councils are legally independent of trade unions. Moreover, unlike within the national environment unions have no influence over delegates emanating from other European countries. The EWC is unpredictable and difficult to guide from the outside. Next, in the case of the "single tier" argument the importance attached to attending every EWC and steering committee meeting by the British union officer responsible for Ford was the "exception rather than the rule". The Ford situation reflected more than anything else the continued importance of the American car producer in the UK, certainly in terms of union membership for UNITETHEUNION, and management's insistence that the British unions have a seat on the EWC (see Ford section above). In none of the other four case studies was such engagement to be observed. In the case of Unilever and Kraft Foods, for example, none of the unions in France, Spain or the UK saw the need to play an active role in the EWC. In sum, we found no evidence to support the argument that either the dual system or the single system respectively restricts or promotes EWC union involvement. Irrespective of prevailing national models unions' involvement in EWCs remains limited with only Italy appearing to be the exception. What other factors then might explain unions' inability or reluctance to be more involved a greater role in EWC affairs?

Quite clearly irrespective of the policy commitment towards EWCs on the part of both national and European federations, the latter developing clear policy guidelines to encourage

greater trade union involvement in this European institution, such endeavours are likely to prove futile if the actors in question neither posses 1) the resources nor 2) what is best described as a European "normative constitution" (European outlook on the part of union officers' at the national and regional levels) to fulfil this function. Our research would suggest that these two factors partly explain the absence of greater EWC involvement on the part of trade unions. Beginning with resources: both interviews with trade union officers at all levels of the representative spectrum plus literature on this subject (Waddington, 20011; Platzer, 2010) confirm that unions' Achilles heel does not only involve a lack of personnel but personnel with the necessary training required to serve EWCs (another reason why EWC delegates don't utilise union contacts more?). Speaking on behalf of the chemical sector an officer from the IGBCE sums up the problems faced by trade unions generally:

> The problem now exists that in comparison to when we first started, then we only had a few EWCs and we only had to deal with the negotiation of EWC agreements, in the meantime we have lot. Attending to these EWCs in contrast to simply negotiating agreements is very time consuming. Quite simply to achieve the high standards we have set ourselves we need more people to coordinate EWCs.

The respondent touches here on something that goes to the heart of European Industrial Federations' (EIF) EWC endeavours, too, the cross-company coordination of EWC activities, i.e. 'Develop common strategies. Speak with one voice. It is important because if you don't speak with one voice then you cannot be successful (EMF officer)'. But as Waddington (2011) and Platzer (2010) note when discussing EIF budgets for the 2006, the EIF budgets set aside to undertake activities are limited to say the least. Waddington (2011:31), someone who has had unparalleled access to the EIF documents, tellingly states; 'the income of the EMF from the affiliated unions was  $\notin$ 4,326,873 and it employed 17 people. The corresponding figures for the EMCEF were  $\notin$ 891,560 and 8 employees and for UNI-Europa  $\notin$ 1,668,766 and 16.5 employees... The situation amongst the national confederations, however, remains far superior. The Norwegian Landsorganisasjonen, for example, was  $\notin$ 29,952,000 and it employed 270 people...' Even though EIFs now have a network of EWC coordinators at their disposal, when questioned about the role of EIFs respondents indicated the Federations lacked the necessary means to either send officers to EWC meetings or ensure that nationally nominated coordinators, usually an officer from the largest union within the company, abided

by the guidelines outlined in the EIFs' EWC policies. The following Sanofi-Aventis EWC member touches upon the current dilemma facing EIFs:

We have the support of an EMCEF representative within the EWC. However, anyone who is familiar with EMCEF's structure knows that there are hardly any financial resources or people to fulfil this task. One person is responsible for coordinating various EWCs, which occasionally have their meetings at the same time.

The EMF (2000a) has even been forced to acknowledge that its coordinator policy is faced by a number of obstacles. These include:

- 1) Different countries interpret the role of a coordinator in different ways.
- 2) Some countries do not send their coordinators to EWC meetings
- 3) Coordinators do not always have the necessary skills to fulfill this role
- 4) In some countries the level of local autonomy restricts trade union involvement

The question of resources brings us to our next point, the importance placed on European policy by national unions. Resource allocation is a highly political issue, depicting areas conceived as important by organisations. The lack of resources, for example, available to European officers at a national and European level, and all our respondents indicated this was a problem, is symptomatic we would argue of unions' continued inability to make Europe a key agenda issue. The Verdi officer, for example, responsible for EWCs noted that a key part of their remit concerned servicing exiting national works councils. This involves, producing materials for works councils' during election periods, organisational work prior to works council elections and analysing the results of the election. These all-time consuming responsibilities leave very little time to donate to EWC matters. Other union officers confirmed such a standpoint, too. In short, various case study respondents acknowledged suggest trade unions have struggled to Europeanize their structures:

I have the feeling that the unions have been paralyzed in the last ten years, that no impulse has come from them. I cannot see any progress in the NGG. Maybe I am setting too high standards. I do not think they can keep up with the pace that Europe is setting. Europe has taken on board a new dynamic and this is leading to new dimensions which I do not see in the case of the Unions. (German works council member at Kraft Foods) I would welcome a greater presence... There exists a competent group of experts, trade unionists and lawyers, that travel from one country to another. They meet in really beautiful places and sometimes I am invited too. They are often on the road but I never see them in the EWC committees. (Chair (German) of the Unilever EWC)

A key issue here, one widely discussed in the literature on trade unions and referred to above (Offe and Wiesenthal, 1982; Knudsen et al, 2007; Hyman, 2001), is the continued "centrifugal" character of trade union organisations. By their very nature they posses an organisational structure which is not only the product of a national environment (Hyman, 2001), an historical product which emerged in the 19<sup>th</sup> century, but moreover their main task is to support local interests, i.e. the very people that pay their monthly union fees. Interviews with trade union officers responsible for Europe confirmed that EWCs don't belong to national officers' "Kerngeschäft" (main responsibilities) (IGBCE European officer), that the EWC only becomes an issue "when there is a fire" (Verdi European officer). Interviews revealed that parochialism is not merely a phenomenon amongst German trade unions, though. A Belgium delegate on the Ford EWC noted 'every union is only concerned with its own issues'. This represents a general conservatism on the part national trade unions according to a Scandinavian delegate on the Logistics Ltd EWC:

I will use a very bad word here because they [union federations] are conservative. And everybody is normally afraid of losing their influence, their power and so on. And they [union federations] are conservative in that way. They do support the European market and things like that, but they say that without any real interest... In my opinion it's quite clear that they are very slow and very cautious, conservative even in their thinking about institutions like the EWC (Logistics Ltd EWC member)

The widespread reluctance on the part of trade unions to take the proverbial "European step" observed within all our five case studies confirms Armingeon's (1998) critical assessment of trade unions' inability to internationalize. According to Armingeon (1998: 74) this involves the problem of "institutional inertia", a failure to 'resist pressures to adjust for a long time,

even where these are growing stronger'. For example, although the process of company centralisation could be observed to different degrees in all five case studies, but especially at Kraft Foods, Unilever and Ford, unions remain embedded within the nation state.

A lack of resources and a continued focus on what union officers refer to as the concerns of the "national membership", specifically national collective bargaining, would appear to explain the peripheral role played by trade unions within our five EWC case studies. Certainly, the rational offered by Armingeon (1998) goes some way to understanding such a reluctance. It explains, for example, the situation at –Logistics Ltd, Verdi fearful of the internationalisation process underway within the company. However, it does not apply to the Ford EWC where unions are far more visible due to reasons discussed above. In the other cases, Unilever, Kraft Foods and Sanofi-Aventis a lack of resources might explain the lack of union involvement, but equally this might just be an excuse to cover up a lack of political commitment for doing nothing. Considering how unions, certainly if one reviews their EWC policies, would appear to believe that EWCs could open the floodgates to European company level collective bargaining. See from this perspective the lack of involvement is even more bewildering. It is this issue, i.e. Micro-corporatism and EWC encroachment that we now turn to consider.

# 7. Encroachment and Micro-corporatism?

At different times we have touched on the issue of "encroachment", a term used to define the possible development of a negotiation modus within the EWC structure and the possible usurpation of trade unions on the part of EWCs. How real is this development, though? In recent years Marginson et al (1993, 2006) and Kotthoff (2006) have discussed what is now widely referred to as the Eurocompany. Here, 'international companies develop distinct European dimensions to their forms of (management) organisation and coordination of production and market servicing (Marginson, 2000: 10)'. More to the point such a development is seen as a catalyst for European-micro-corporatism, in which 'EWCs are likely to provide a focal point for further developments in European industrial relations, especially European collective bargaining (Marginson, 2000: 11).' Discussing wider developments in industrial relations Brewster et al (2007: 51) come to the core issue here when they note that micro-corporatism involves a shrinking market for employee representation, i.e. EWCs competing with trade unions to represent employees:

[A]ll forms of collective representation – whether union based or not – are likely to be eroded in favour of more direct, manger centred forms of participation. If this is indeed the case it suggests that a shrinking market for such services might intensify competition between different representative practices.

As the literature pertaining to EWCs indicates, this represents a nightmare scenario for trade unions (Lucio and Weston, 2000), one which unions have been aware of ever since the EWC Directive was passed in 1994. Of course, trade unions' concerns were alleviated to a certain extent by the fact that the Directive only empowers employees with information and consultation rights, a restriction it should not be forgot that the ETUC did not deem necessary to address when negotiating the "recasting" of the Directive in 2008. In fact, we would argue that trade unions have sort to restrict the influence of EWCs in an attempt to maintain the collective bargaining status quo. Huzzrad and Docherty (2005) note, for example, that the so-called "Network for Union Democracy",<sup>3</sup> categorically prohibits EWCs from touching issues relating to pay and conditions. In a similar vein, EIF have used various congresses to pass policies designed to steer EWCs away from becoming an active negotiator. Discussing the EWC Directive the EMF (2000b: 6) argued:

[T]he legislator should stipulate where their competency ends (in our view where collective bargaining, wage negotiations and discussions about labour conditions and similar issues beginning), for these have always been – and should remain – the responsibility of trade unions at European level... Within such a framework, EWCs would become legally defined information and consultation bodies... Our feeling is that the right to negotiate within the community-scale companies should remain with European trade union organizations. At a later date EWCs could secure negotiation rights, but only in connection with specific soft issues, like equal opportunities, vocational training and the fight against discrimination.

The likes of the EMF (2000d) are aware of the possibility of EWCs developing a negotiation strand to its remit. Even given the restrictions imposed by the Directive and trade unions themselves (although in the case of the latter this is highly problematical due to the fact that

<sup>&</sup>lt;sup>3</sup> The network is described as a loose group of unions on continental Europe.

EWCs are not legally dependent of a union mandate) the EMF concedes that the question of collective bargaining is not "clear-cut". This issue has also been taken up in the work of Telljohann et al (2009) who studied EWCs' role in signing European Framework agreements. Firstly, they note, how many EWCs are no-longer content with receiving and commenting on information. On the contrary, we should not 'exclude an evolution of the bargaining practices of parties towards transnational collective bargaining at the company level on a voluntary basis (Telljohann et al, 2009: 20).' Furthermore, Telljohann et al (2009: 56) suggest that framework agreements, specifically those signed pertaining to Europe, is further evidence of a trade union and EWC decoupling process:

The differences between IFAs [International Framework Agreements] and European-level framework agreements [is that they differ] procedurally in terms of the role played by different actors. In this case of European-level framework agreements, transnational company level employee representation structures (i.e. EWCs) play a much stronger role in initiating, negotiating and signing the agreements.

Certainly, some of the case studies presented here confirm many of the developments, fears and potential conflicts between EWCs and trade unions outlined above. Although the speed of change might have varied all five case studies have either gone or are going through a process of centralisation, a process that has seen them evolve into a Eurocompany as outlined by Marginson (2000). In particular, Ford, Unilever and Kraft Foods have a strong central management structure. Furthermore, let us not forget that Ford was one of the case studies that initially inspired Marginson's work. Referring to the situation at Kraft Foods a member of the EWC steering committee:

The importance will increase due to the centralization process occurring in the company within Europe. If the unions are unable to focus more on these developments a process of decoupling will take place and there will be more and more EWCs that will deal directly with management, namely company agreements at a European level that break away from the trade union movement. That will happen.

In the case of Unilever, for example, the EWC has negotiated a new agreement which provides it with not only more rights but also procedures to be adhered to in periods of restructuring. A member of the EWC takes up the story:

We devised processes that should be followed in cases of restructuring. In particular that it is better to sell a plant rather than to close it, that we need employment guarantees for a period of three years in the case of a takeover, restructuring and the transfer of production. In the main these demands have been respected.

However, as a Logistics Ltd EWC member noted, unions are wary of such developments: 'I think they [unions] are simply afraid of losing the bargaining rights. That is the key point.' As an EMF officer indicates such agreements contradict their guidelines and hence represent the potential for conflict:

But the EMF position is clear. We will not recognize [international] framework or European framework agreements which have not followed the procedure which we have decided on here internally, because we don't want trade unions to be by passed.

Although conflict between EWCs and trade unions over "representative rights" was not widespread, due if nothing else to a current lack of interaction between these two levels, respondents did reference a few occasions when this had occurred. At Ford, for example, the following German EWC respondent explains in some detail how their British colleague, a convenor, had had been reprimanded by a union officer for taking decisions that usually fall within the realm of trade union responsibility:

The British convener totally understood the German way of leading job security negotiations at a company level. This caused major problems with his union officer because this was the first time a convener, someone in England who has not really too much to say, namely that is always the job of the union officer, said to his officer "look here this is a totally different tradition and this is really good and it is something we should follow." But the union was not willing to play ball as they thought it was getting involved in the tasks undertaken by the union. This stance though soon disappeared when Peter retired. The union officers once again are the key actors.

When questioned about collective bargaining rights the British officer siting on the Ford EWC had this to say:

Do I see a ... Ford of Europe EWC as the bargaining instrument for Ford of Europe employees? No, I don't, I don't. That's too complex, it's too complicated, there's different structures... there's legally binding agreements... there's a whole mish-mash if you like... everybody is different... [Y]ou know, ultimately if I'm asked the question: "Is the EWC for that? [collective bargaining]" – "No, of course, it is not." But what it does it allows us to exchange information. It allows us to debate with colleagues who are predominantly in the same situation as we are in.

Such discrepancy could be observed at Sanofi-Aventis, too. Here the role of the EWC, in particular whether the EWC should be empowered with a mandate to negotiate - led to conflict between EWC delegates and EMCEF, the European federation. As a French member of the select committee outlines, the conflict continues to hinder relations between these two representative levels:

We felt really betrayed by EMCEF when it did not support our approach – and the national unions did not support us either. The majority does not support our approach and as a consequence this had the effect that the bond has become a bit looser. I was very angry. Okay in the case EMCEF there will take place a meeting. But because of what has happened it will be lot more difficult. As far as I am concerned there are some people who I am not really that interested in meeting - because I believe they betrayed us even though the EWC has the right to negotiate with the company.

In summary, our case studies partly corroborate Marginson's assertion that a centralisation of the managerial-decision-making process is occurring in addition, that such a development represents the potential for an emerging European industrial relations system of which the EWC is a key edifice. Constituted by employees of the company this European body has begun to surpass the legal and the organisational restrictions imposed by legislators and trade unions. EWC delegates, certainly in the case of Kraft Foods, Unilever and Ford, have entered into a process of social dialogue with management that is resulting in EWC agreements. According to Telljohann et al (2009: 58) such a situation represents a strategic dilemma for trade unions, 'European-level negotiations by EWCs represent, on one hand, a useful strategy to handle the consequences of and to counter the increasing transnational economic activities of TNCs. On the other hand, trade unions need to ensure that they stay involved in company-level negotiations at European company-level because if EWCs decide to enter into negotiations without involving trade unions, then unions risk being marginalised.' This raises of course the question whether EWC delegates actively desire the marginalisation of trade unions. We uncovered no evidence to support such a position. Discussions with management and agreements negotiated by the EWC did not deal with issues sacrosanct to unions such as pay. Moreover EWC delegates did not appear opposed to unions entering this process. On the contrary they would welcome greater involvement should it ever prevail. As shown in Kotthoff's study (2006) as well as in our current research EWC members regretted that unions had not played a greater role in EWC affairs:

Ok it is important that the unions offer a certain level of input because the representatives from the different countries have a better, and I am not only talking about the car industry here, overview about what is happening. What the competitors are doing. I think it is important that they are present because during the discussions they can offer a wider perspective. (Ford EWC delegate Germany)

For me the unions need to be more aggressive than they are today. (Unilever EWC delegate Spain)

I think that union involvement is a positive thing because it helps guide the individuals in terms of legislation. They understand better what's going on... So there are an awful lot of things that they learn about... (Unilever EWC delegate UK)

As the above quotes suggest, EWC delegates would welcome a greater trade union involvement. This is partly out of sympathy for trade union values, and lest we forget many respondents were keen to refer to their trade union membership, but more importantly because

they envisage trade unions have an important role to play in EWCs, specifically union's knowledge of developments across sectors, expertise in legal issues and the ability to organise industrial action.

#### 8. Summary

Having fought for over three decades on behalf of employee rights within the European Union (formerly European community), in particular the EWC Directive, our research seen from the perspective of EWCs to suggest trade unions continue to struggle in developing a European perspective. We uncovered no evidence to corroborate Lecher et al's (2001) assertion that national unions have been forced away from a policy in which Europe, particularly EWCs, is a niche issue, to one whereby Europe is integrated into union policy generally. On the contrary, EWC delegates and union officers outlined that Europe generally and EWCs specifically remain peripheral issues for trade unions. Based on the evidence presented here it would be an exaggeration to say that the EWC is characterised as trade union "free zone", they can be known to attend EWC meetings and the European vanguard are keen advocates of trade union principles. But equally it would be an overstatement to suggest that they play a key role in guiding the inner-workings of this European institution. Alarmingly for trade unions, EWCs, certainly in the cases of Unilever and Kraft Foods, appear able to guide company policy irrespective of the former's inability to be more present within this European institution. In short, EWCs have become an autonomous employee body which is responding to management's strategy to centralise decision-making-processes, i.e. to shadow the emergence of a Eurocompany.

Finally, we uncovered no evidence to support the "the capture and isolation" argument raised in the literature. Irrespective of what one union officer called the "Kirchturmpolitik" (parochialism) of trade unions, EWC delegates, especially those we have referred to as the socalled European vanguard, EWC officers and members of the various steering committees have stepped in to fill the void left by trade unions. This represents a silver lining. Faced by trade union inertia, certainly observed in the cases of Unilever, Kraft Foods , Sanofi-Aventis and partly in the case of Logistics Ltd (Verdi), our findings suggest that a group of committed EWC activists, actors with a clear European outlook, are promoting an agenda which can potentially lay the foundations for a European system of industrial relations. This emerging developmental path is not only a challenge to management prerogatives, but equally to trade unions' "containment" policies. Seen from this perspective one might be optimistically led to conclude that this represents a potential route for trade union Europeanisation from below. After all none of the EWC respondents demonstrated an interest in questioning the principles of trade unionism, rather they argued that such principles currently anchored within a national environment need be complimented by a European perspective.

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