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Social Dialogue and the European Union Accession

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1. Social dialogue and the European Union accession: defining the problem

The prospects of European Union (EU) membership and requirements set for the applicant countries have led many to argue that Western European models of labor relations and social dialogue will be transmitted to the Central Eastern European (CEE) countries. A (neo)corporatist system, characterized by an active role of organized interests (trade unions and employer organizations) in the policy-making process and in which the state takes only a mediating role, was expected to be implemented in these countries.

The CEE applicants have indeed introduced significant changes in the field of industrial relations and social dialogue. They have all established tripartite forums for discussion between social partners, and introduced new legislation regarding collective bargaining, labor contracts, workplace representation of labor interests, etc. Many of these changes have been introduced in order to conform to the *acquis communautaire* in the social field. However, the situation on the ground is far from the 'European social model.' While social partners at the European level have virtually become legislators, the CEE social partners have been largely marginalized by their respective governments. Usual complaints by trade unions refer to the discrepancy that exists between the letter of law and its practical implementation. Most of the applicant countries have done a lot of work in terms of the transposition of the *acquis* into national legislation; yet its functioning in practice is rarely questioned.

The purpose of this paper is to shed more light on the practical implications of EU accession preparations in the field of social dialogue in three front-runners to EU membership: the Czech Republic, Hungary, and Poland. In particular, the focus of the paper is on the state of trade unions and their role in this process. As such, it attempts to provide both the basic information regarding the EU requirements and the actual situation on the ground that would serve as a guideline to both trade unions from the applicant countries, and their counterparts in the EU in their joint efforts to promote the quality of social dialogue. The final objective of the paper is therefore to provide trade unions with some practical suggestions regarding the following questions: How could trade unions from the applicant countries build up the capacity and strengthen their role in the national-level social dialogue? How can they use their international networks and partners to promote their influence on the social issues relating to accession? What type of cooperation with their EU counterparts would be most beneficial for preparing trade unions for their future role in European social dialogue? What type of EU projects and services could be utilized to achieve these goals?

The paper starts with an outline of developments regarding the institutionalization of social dialogue at the EU level. In the third section, I examine accession requirements for the applicant countries, and the instruments used to assure their transposition. The fourth part introduces main actors with a specific focus on trade unions, and provides a critical account of the industrial relations practices and the implementation of the *acquis* in the field of social dialogue in the three countries under review. The section five analyses specific programs promoted by the European Commission and the EU-level organizations of the social partners (ETUC, ETUI, UNICE, CEP) that are designed to improve the quality of social dialogue in the applicant countries. In conclusion, the paper offers a few recommendations for the improvement of the current practices, and calls for the unions' attention in considering three available instruments that could facilitate their deeper involvement in both the national-level tripartite practices and social dialogue regarding the accession process.

2. Development of social dialogue at the EU level

Over the years social dialogue has evolved as the major part of the Community's social policy, and has been recognized as one of the main components for achieving an important task outlined in Article 2 of the Treaty on European Union, namely "a high level of employment and social protection, ... and economic and social cohesion." The impetus for the development of social dialogue originated in the Treaty of Rome which initially called for the exchange between the social partners and the Commission regarding the adoption and implementation of some of the common policies and the Community's basic principles. Later on, as a need for clearer social policy requirements became recognized, the social partners acquired a much more important role: they became involved not only in the improvement of the quality of social dialogue, but also in economic and social policy decision-making.

In 1985 the President of the Commission, Jacques Delors, initiated the so-called Val Duchesse social dialogue which was supposed to function as an informal negotiation process between management and labor. Through the Single European Act the social dialogue was finally institutionalized and included as Article 139 (ex-Article 118b) into the Treaty, which assigned the Commission the responsibility of promotion of the dialogue at the EU level.

As part of the Maastricht Treaty, the Agreement on Social Policy (which entered into force in 1993) increased the social partners' powers by giving them a right to prior consultation on Commission proposals in the social field. Finally, when the Social Protocol was incorporated into the Amsterdam Treaty the social partners became empowered not only with the right to prior consultation, but also with the option to conclude framework agreements and request that they be transformed into Community legislation. In effect, therefore, the social partners perform (at least to a certain extent) the role of legislators.

2.1. Social dialogue as a vital part of legal and institutional *acquis*

As a part of the Community *acquis*, the social dialogue falls broadly into both legal and institutional areas. It is an important part of the legal *acquis* as the requirement to consult the social partners is present in many directives and decisions issued by both the Commission and the Council. For instance, the social dialogue is part of the directives covering the following areas:

- ✍ labor law (e.g. worker information and consultation brought about by the Directive on European Works' Councils; working time; anti-discriminatory practices and fundamental rights; protection in the case of insolvency; financial participation and fair wages);
- ✍ health and safety (at company, state, and Community level, handled by the consultative committees established by the Council decision of 27 June 1974);
- ✍ equal opportunities (managed by the consultative committees created by the Council decision of 9 December 1981); and
- ✍ employment (through the means of the European Employment Strategy; the Employment Guidelines; Macroeconomic Dialogue; and the Standing Committee on Employment).

Another important part of the legal *acquis* is the Commission's decision of 20 May 1998 which calls for the establishment of sectoral dialogue committees (Vaughan-Whitehead 2000: 391) that enable the social partners to discuss the above mentioned issues at the sectoral level. This directive is, at the same time, an important requirement for the applicant countries.

Social dialogue is also a part of the institutional *acquis* as it has developed to be a means for putting the above mentioned directives into practice, and therefore advancing the social dimension of the EU. Different forms of social dialogue have often been an important part of the agenda of many EU high-level meetings, and have been institutionalized through the Maastricht Treaty, as well as the incorporation of the 1993 Social Protocol into the Amsterdam Treaty. Finally, the 1999 Cologne summit had resulted in the institutionalization of macroeconomic dialogue between the social partners and public authorities at the EU level, therefore empowering the social partners with much broader roles and influence on economic policy-making.

All the outlined requirements and measures play an important role in the enlargement process and are being repeatedly discussed with the applicant countries. The rationale behind the Commission's insisting on the promotion of social dialogue in the applicant countries is the firm belief that the transposition of all the *acquis* into practice is highly dependent on the cooperation of the social partners and their willingness to implement them starting from grass-root levels.

3. Enlargement and social policy: what is required from the applicant countries?

In 1993 the Copenhagen European Council outlined broad requirements to be fulfilled by the applicant countries. They broadly fall into three groups:

- ✍ the existence of stable democracy; the rule of law; and human rights;
- ✍ the existence of market economy that would be able to cope with the competitive pressures in the EU; and
- ✍ the ability to fulfil all the obligations related to full membership, such as promoting the goals of economic, political, and monetary union.

Although the requirements regarding social policy and employment had not been clearly outlined from the beginning (mainly due to the subsidiarity principle and differences that had existed in these areas among the member states), over the years they have gained an increased importance.

A major impetus to these issues came in 1999 when the applicant countries' ministers were invited to the Social Affairs Council (March 1999), and the Health Council (June 1999). The high-level conference organized by the social partners with the Commission's support in Warsaw in March 1999, as well as the Commission's conference entitled "Employment and Social Policy and Enlargement" held in Prague in May 2000, have both confirmed the importance of the developments regarding the social policy in the enlargement process. Finally, the Social Policy Agenda adopted at the Nice Summit is based on the belief that the components of EU social policy (i.e. employment, working conditions, social protection, and social dialogue) have to be understood as important requirements in the run-up to enlargement, since the adherence to these principles is expected to bring benefits in the long-run by securing the stability and a broad-based support for European principles and institutions.

3.1. Ensuring the transposition of the *acquis*

The Chapter on social policy, Commission White Paper of 3 May 1995, serves as the main guideline for the gradual adoption of the *acquis* by the applicant countries of Central and Eastern Europe. The White Paper, however, deals only with the legislative issues, and its main focus are minimum requirements for the establishment of the internal market. The areas covered by this document are the following: health and safety at work; labor law and working conditions; equal opportunities for men and women; coordination of social security schemes for migrant workers; and tobacco products. In essence, the White Paper describes the current EU legislation, proposes administrative and technical structure needed for the transposition of the legislation in the applicant countries, and sets the priority list of the required measures.

Although the social dialogue is not an explicit part of the White Paper, it is considered to be a major component of the Community social policy (especially through the Amsterdam Treaty), and therefore has to be dealt with by the applicant countries when transposing the *acquis* into national legislation. The Commission has repeatedly called for a more active role of the social partners of the applicant countries not only in the areas covering economic and social issues, but also in the overall accession negotiations.

In order to ensure the transposition of the required legislation, the Commission uses the method of screening, that takes the form of bilateral sessions during which the applicants outline their current legislation and plans on how to bring this legislation in line with the EU requirements. The screening on social policy and employment started on 28 September 1998, and the negotiations on these issues were formally opened on 30 September 1999. As a part of the pre-accession strategy, the Commission issues annual reports on individual applicant countries that evaluate the progress made in the field of social affairs. At the same time, the Commission and the Council have initiated the Accession Partnerships for each applicant country in which they establish the priorities in terms of requirements to be fulfilled in the short and medium run. According to the 1999 Accession Partnerships, social dialogue and employment are determined to be the short-term priorities for all the applicant countries. In addition to the instruments that the EU uses as a part of the pre-accession strategy, each applicant country is obliged to come up with a National Program for the Adoption of the *Acquis* (NPAA). In the NPAA's the applicant countries provide detailed accounts of their plans regarding the fulfillment of requirements set out by the Accession Partnerships.

3.2. The Reports on the applicant countries: a realistic picture?

The purpose of the annual Commission Reports is to outline the achievements made in the transposition of the *acquis*, as well as to point to "problematic" areas. Typically, these reports do not serve the purpose of proposing specific instruments and measures that could improve the current state of the social policy field. Moreover, regardless of the Commission's repeated stress on not only transposition of the *acquis* but also to their solid implementation, the Reports do not provide a critical assessment regarding the implementation of the outlined requirements. This is especially the case in relation to the social dialogue requirements. The assessments of this area tend to be short, and rather vague. Usually, they are concentrated on the examination of the very existence of the main pillars of the social dialogue, such as tripartite forums and social dialogue legislation that covers enterprise, sectoral, and national level. However, the quality of their functioning (i.e. the practical implementation) is rarely touched upon, and even when discussed, it tends to be limited to rather non-constructive phrases, such as "more progress has to be done" or "the implementation should be strengthened."

The 2000 Reports on social affairs in the three applicant countries subject to this paper pay the least attention (among many requirements, such as equal treatment, health and safety at workplace, labor law, etc.) to social dialogue. For instance, the discussion of the state of social dialogue in Poland is limited to the examination of the legislation governing this process, with the concluding statement that "further efforts will be needed to strengthen social dialogue legislation" (COM [2000] 709 final). For the Czech Republic, the Report outlines the weakness of bipartite dialogue at the enterprise level as the main problem in the field of social dialogue (COM [2000] 703 final). Finally, the Report for Hungary, while more critical of the current government's actions in the field, does not either discuss in detail the institutional changes that undermined the quality of the social dialogue, nor it offers a constructive advise on how to improve it (COM [2000] 705 final).

In short, the usefulness of these reports for any of the actors involved (i.e. the EU, respective national governments, and the social partners at both national and EU level) is questionable since the factors responsible for the slow

implementation of European social dialogue practices are not made transparent. In other words, the mere observation of certain (and often not the most important) impediments to the reform in this field has little practical value. The cooperation of all the actors involved in the process is needed not only for the conception of the programs that can be realized, but also for their implementation in practice. But for this task to succeed, it is necessary that all the actors realize the benefits of the proper social dialogue, mainly the gains in productivity and efficiency, improvements of standards of living, and finally the long-term political stability stemming from economic and social inclusion of organized interests.

4. Industrial relations practices in transition

The break-down of socialism and the consequent introduction of democratic and market principles has brought tremendous changes to the field of industrial relations. The elimination of the single party rule and the introduction of pluralism happened hand in hand with the abolishment of both centralized structure of trade unions and compulsory membership. As a result, unionization levels in Central Eastern Europe fell dramatically from nearly 100 percent to about 25-35 percent (average figures). Furthermore, the abolishment of the centralized structure of labor movements has in some countries been accompanied by splits and conflicts over political issues, as well as economic policy matters. This in the end led to the blossoming of new trade union confederations and resulted in the excessive fragmentation of the movement. The combination of the falling unionization levels, an excessive fragmentation, and the lack of representational monopoly of organized labor have often been outlined as major impediments to developments of corporatist practices in Central Eastern Europe. However, in addition to the organizational attributes of trade unions, the relative capacity of governments and employers associations, as well as their strategies, have to be taken into account when assessing the nature and quality of industrial relations in general, and social dialogue in particular. The purpose of this section is thus twofold. First, it provides an overview of organizational characteristics of trade unions in the Czech Republic, Hungary, and Poland by examining trends in unionization levels and structure of labor movements. Second, it assesses the relative capacity of industrial relations actors, and outlines major developments in the field of social dialogue in the three examined countries. In other words, this section provides a general background that serves as the starting point for both gauging the extent to which the *acquis* regarding social dialogue have actually been implemented in practice, as well as for outlining possible options for the improvement of current practices.

4.1. The state of trade unions in Central Eastern Europe: organizational aspects

4.1.1. Declining unionization levels

The decline of unionization levels began with the onset of transition and the end of formal compulsory affiliation to unions. The fall in union membership has been significant everywhere across CEE, and there are still no strong indications that this process is over and that membership figures have stabilized. A number of authors have discussed reasons that underpin this trend. While some have stressed the importance of structural aspects of economic reform in determining union membership (e.g. Cox and Mason 2000; Orenstein and Hale 2001; Thirkell and Vickerstaff 1999), others have focused more on weakening of ideational foundations of unionism in the context of transitional changes (Ost 1995; Ost and Weinstein 1999). Both explanations are compelling, and it is probably their combination that led to such a sharp downturn of unionization levels across CEE countries.

Among the structural, economic reasons for this phenomenon, the most widely discussed are the following: privatization and restructuring of large enterprises; the shift to employment in the service sector; the increasing number of small-size enterprises and foreign-owned firms; unemployment and the rise of informal sector; and the expanding use of fixed-term labor contracts. Taking into consideration the degree of these changes across CEE, it is not surprising that unions have not succeeded to retain their membership figures. In addition to the negative effects of structural changes on unionization levels, a few other factors were at work. Having had a legacy of being transmission belt to the communist party rather than the true representatives of workers' interests, unions are often perceived as a part of the old system and, therefore, assigned negative connotations. In addition to this negative image, unions in the new context are not able to provide the benefits that their members enjoyed during communism, such as subsidized holidays or child care facilities. With rising job insecurity, unemployment, and falling wages, a considerable number of workers reported that they could not clearly see what are the benefits of being a member of a trade union (see Ost and Weinstein 1999). Moreover, there have been repeated cases of

discrimination against trade union members at the enterprise level in some countries. In such cases members of unions were generally more susceptible to lose their jobs, while social benefits in some enterprises were given only to non-unionized employees.

In sum, the structural changes of the economy combined with the negative image of unions, the unclear purpose and benefits of unionism, as well as the growing fear related to job losses, have all contributed to the fall in union membership. Due to different methods used for assessing union density levels it is difficult to find a comprehensive and comparative data set across CEE countries and over time. However, for the purposes of this analysis it is sufficient to rely on the approximate ranges of union density in the three countries subject to this study. A large number of studies point to sharp drops in membership levels in the three cases, which are currently ranging between 15-30% of the labor force. When compared to the membership figures of unions from the EU member states, the three CEE countries are on the lower end of the scale sharing their place with countries which have traditionally had problems with the functioning of tripartite social dialogue, e.g. Great Britain, Spain, Portugal, Greece, and France. These figures also stand in the striking contrast with the Northern European economies - considered to be the basis of the "European social model" - where union density levels range from 45% to over 75% of the labor force (Visser 2001).

4.1.2. Organizational structure and inter-union dynamics

The dismantling of the communist system of industrial relations enabled both the reconstitution and reformation of the old trade union structures, and the creation of new, independent labor organizations. Thus, the end of the 1980s and the beginning of the 1990s witnessed the emergence of different trade union organizations all over the region. While the free representation of organized interests was certainly a welcomed development, over-fragmentation of trade union organizations in some countries raises doubts regarding the effectiveness of representation of organized labor as a whole. In the three countries under examination, however, there have been considerable differences regarding the degree of fragmentation of organized labor (see Appendix), as well as the nature of interactions between individual trade union organizations.

The Czech Republic managed to retain the most centralized and concerted trade union structure. The whole trade union scene is dominated by the CMKOS, the reformed confederation having its origins in the former communist trade union of Czechoslovakia. Primarily of the social-democratic orientation, the CMKOS insisted on its independence from political parties although it developed more informal links with the Social Democratic Party. Independent unions in the Czech Republic were neither abundant nor influential as in some other CEE countries. The only independent union confederation that managed to get representation in the tripartite council is the KUK which represents fourteen different unions from the sector of art and culture (Cox and Mason 2000: 100). Due to the huge difference in terms of the size of these two confederations, as well as in terms of sectors that they cover, there have been no major clashes between them. The CMKOS has retained the predominant position in the tripartite council, and managed to secure the relatively concerted nature of industrial relations.

In contrast to the Czech Republic, the Hungarian trade union scene is much more fragmented. The old, official trade union (the SZOT) was dissolved in 1990 and reconstituted into a new national confederation, the MSZOSZ, characterized by a more decentralized structure, and reformist socialist political orientation. Soon after the formation of the MSZOSZ, three groups of unions separated from it, and formed three new confederations, the ASZSZ, the ESZT, and the SZEFE. From the beginning of transition, the MSZOSZ has cherished more formal ties to the Hungarian Socialist Party (MSZP), although the relationship became somewhat strenuous during the adoption and implementation of the neoliberal set of economic policies in 1995. The three other successor union confederations have kept their independence from political parties, but while the ESZT and SZEFE have been rather neutral in terms of political orientation, the ASZSZ has advocated a more social democratic position. In addition to the successor unions, a number of independent unions was formed in Hungary at the end of the 1980s, but only two managed to gain enough influence to obtain seats in the national tripartite council - the LIGA and the MOSZ. The LIGA, which initially represented teachers and scientific workers, but later also a part of blue collar workforce, had been active in the transition process through its close links to the Alliance of Free Democrats (SZDSZ). However, faced with the fall of membership and the weakening influence on the national trade union scene in the 1990s, the LIGA withdrew from the active party politics, although its political orientation remained largely unchanged. The MOSZ's political orientation is more blurred. In the beginning, the union cherished the ideas of self-management and formed links to

the populist wing of the Hungarian Democratic Forum (MDF), but once the MDF government turned its back on such demands, the MOSZ declared itself a union with Christian orientation.

Although the Hungarian unions have not had major conflicts over general economic policy issues in the last decade, their relationship has been rather strenuous over organizational aspects, in particular regarding the issue of representativeness and the redistribution of the former communist union's assets, which at times have also been consciously propelled by government (Héthy 1999, 2000; Pollert 1999; Tóth 1998). In this way, the high degree of fragmentation has endangered the cooperation between union centers. Moreover, these conflicts have at moments diverted unions' attention from their more traditional role - namely defending workers' interests in the face of stabilization and structural changes of the economy - and therefore enabled the respective governments to push through costly economic and social policies without major protests from unions' side. However, faced with the current government's attempts to limit unions' influence on policy making through the reshuffling of the tripartite bodies and abolishing of the Social Security Boards, as well as to weaken workers' rights through the controversial re-drafting of the Labor Code, the six union confederations have recognized the importance of coordinated and cooperative actions in defending their interests. Consequently, in May 2000 they signed a cooperation agreement that recognizes the damage done by the previous practice of outlining differences rather than building a solid cooperation, and calls for the establishment of regular contacts and good relationships between different unions. In more concrete terms, the six confederations agreed to establish a cooperation council that would facilitate regular contacts, and work towards a concentration of organizational and material resources, as well as expertise. This attempt toward more unity and cooperation between the unions could be particularly beneficial for communicating their concerns with the development of social dialogue to the relevant EU bodies. In particular, the new union dynamics should facilitate the work of the recent EU Commission-appointed mission (July 2001) whose aim is to evaluate the implementation of the obligations undertaken in the framework of the negotiation in the social dialogue field.

Finally, Polish organized labor, like its Hungarian counterpart, is characterized by a high degree of fragmentation, but the level of cooperation between the unions is the lowest among our cases. While nine union federations are represented in the national tripartite council, the trade union scene in Poland has been dominated by the two largest, strikingly opposing federations - the Solidarity, and the successor union, the OPZZ. Strong, formal ties with the two largest political parties at the opposite side of the political party spectrum have deepened ideological conflicts between the unions. An active participant in the transition process, the Solidarity has been repeatedly trying to present the OPZZ as a part of the old communist system. Mutual mistrust and accusations are evident even in the unions' programs and official documents. The conflicts that cut across ideological and political lines have not only impeded the cooperation of unions in the tripartite forum, but have also diverted their attention from the traditional trade union role. The representation of their rank and file has been of secondary importance (Ost and Weinstein 1999), while the respective union leaders focused on strengthening their political engagements which further propelled the rivalry between the unions, and weakened organized labor as a whole. The ideological divisions between the unions, as well as their formal ties to political parties have presented both the Center-Right and Social-Democratic governments with opportunities to implement harsh economic reforms without serious opposition from organized labor. To this date, no serious attempt at inter-union cooperation has materialized in Poland.

4.2. Relative strength of social partners

The organizational weakness of trade unions and negative inter-union dynamics in certain cases are, however, not the only problem for the establishment of a meaningful and proper social dialogue. Employers' side is also weak and fragmented, though due to rather different reasons. The opening up of the possibilities to establish independent employers' associations has not been taken by such an enthusiasm mainly because most of employers do not see clear benefits of this option. For most of them, becoming a member of one of these organizations is associated with the potential need to play an active role in the collective bargaining and dialogue with labor representatives, which many of them - either for the fear of falling profits, or simply due to the relatively stronger position vis-à-vis labor in light of the general prevalence of neoliberal economic projects- are not interested in doing. Currently, employers associations exist mainly in the public sector and large-size enterprises, while their presence in the private sector, especially small-size enterprises is extremely limited.

As in socialism, the state remains the strongest actor in the field of industrial relations, though with one important difference - it now supports the development of the economy based on neoliberal principles. Both trade unions and

employers associations are not perceived and treated by the state as equal partners (Kohl et al. 2000: 405). While employers associations obviously do not have many reasons to rebel against the principles of neoliberal economic policies, trade unions lack the capacity to alter the current arrangements. Therefore, the quality of industrial relations and social dialogue are to a large extent a consequence of strategies followed by the respective governments of transition countries. Moreover, the strength of the social partners, particularly the unions, is also indirectly related to the choice of government strategies.

In short, the break-up with old forms of regulation of industrial relations (i.e. state control of unions and other interest organizations) opened the way for new forms of expression of interest, but the weakness of social partners, particularly unions resulted in some cases in fragmented organizational configurations and their consequent weakening. Extreme disparities of power between the social partners have by now seriously impeded the quality of social dialogue, and can prove to be significant obstacles for the smooth accession to the EU.

4.3. The quality of social dialogue in CEE: the current outlook

All three countries under examination included basic requirements from ILO conventions, such as the right to strike, free collective bargaining and freedom of association into their legislation at the very onset of transition (Tóth and Langewiesche 2000: 378). However, the weakness of social partners and fragmented and decentralized structure of interest associations have impeded the emergence of, what is commonly referred to as the main pillar of West European, namely German, model of industrial relations – the sectoral/industry-level collective bargaining. Instead, industrial relations in CEE look more like a hybrid type in which two extremes operate side by side: decentralized, bilateral collective negotiations at enterprise level on one hand, and national tripartite arrangements on the other (Pollert 1999).

Although both of these forms are important components of industrial relations structures of any country, they clearly are not a substitute for the sectoral-level negotiations. While the quality of decentralized collective bargaining is undermined by either the weakness of unions or their complete absence from small and medium-size companies, results of national, tripartite negotiations serve only as "skeleton recommendations that are not automatically binding at company level" (Kohl et al. 2000: 409). As a result, the coverage by collective agreements is extremely low (and declining over time) compared to Western Europe. For instance, coverage rates of collective agreements in Austria, Belgium, Finland, Italy, and France are between 85 and 95 percent, while the Czech Republic, Hungary, and Poland share their place with the UK whose industrial relations are characterized by mainly company-level wage agreements, and where the coverage by collective agreements is well below 50 percent (ibid. 410).

Notwithstanding all these problems, the respective governments of transition countries have commonly insisted that the structures for social dialogue and collective negotiations are in place, namely referring to the existence of tripartite commissions. Indeed, these commissions have blossomed all over the region, with Hungary establishing one already in 1988 and Poland, being the last one, in 1994. While tripartism in CEE has achieved some positive results (e.g. by providing forum for discussion, it has to some extent facilitated a peaceful transition and created necessary conditions for the implementation of certain policies), it has by no means resembled the type of social dialogue existing in the leading (neocorporatist) countries of the EU.

While tripartite commissions across the EU actively participate in the policy-making process, or have at least an advisory role, these meetings in the CEE countries have had mainly consultative purposes, and have often been not more than "talk-shops." Trade unions commonly complain that governments are either very selective regarding the issues they wish to discuss, or they tend to unilaterally change decisions at later stages in the policy process (Myant 2000: 12). Furthermore, in many instances government representatives would show up at the meetings with already made proposals on certain policies and insist that the elements of these proposals are non-negotiable. As opposed to the European social model where decisions of these negotiations can be translated into legislation, results of tripartite meetings in CEE do not have clearly outlined legal status, but rather function on the basis of (more or less informal) agreements.

In general, tripartite bodies have consultative competencies in the fields of economic and social legislation, and almost co-decision competencies in determining the minimum wage and the index for average pay rise (Draus 2001). The agreements on wages negotiated and concluded within a tripartite forum, however, do not have a direct legal effect, and usually have to be approved by Parliament. In some countries, the conclusion of the so-called

general agreements is one of the main tasks of tripartite councils. Such agreements include not only wages, but also important aspects of economic and social policy. They can be concluded for one year or for longer periods (i.e. the form of social pacts), and suppose to serve as general guidelines for all social partners. However, they are not subject to legal sanctions in case of the failure of one or more partners to honor the provisions of an agreement. Due to the lack of legal sanctions, the implementation of various agreements was often problematic, and it was most often governments who failed to stick to certain provisions. Numerous authors have pointed that tripartism in CEE serves the governments as an instrument for legitimizing their already decided policies, rather than the forum for the concerted policy making. Draus, for instance, argues that governments "appreciate social dialogue when it produces political results which corresponds to their immediate interests, but they tend to neglect it when the social partners prove to be politically demanding or intransigent" (2001: 17).

All this being said, however, there are differences regarding the nature and quality of social dialogue practices in the three examined cases. Tripartite negotiations have not been completely smooth in either of our three cases during the whole period of transformation. There have been stoppages in the work of the tripartite forums that have been initiated either by the withdrawal of certain unions or the governments. However, there are differences between a number of these interruptions, their longevity, as well as the way in which social partners interacted within these forums during the time of their functioning. While the purpose of this report is not to examine in detail the history of tripartism - since only recent developments are taken into account for the accession negotiations- it is nonetheless helpful to briefly outline major impediments to social dialogue since the beginning of transition. This, in the end, will enable a better understanding of the current situation in the individual countries.

In **Poland**, the union rivalry (Solidarity vs. OPZZ), rooted in their ideological differences and formal links to two main opposing political parties, has resulted in the half-hearted embrace of tripartism. While the first democratic government was certainly to be blamed for the late institutionalization of tripartism, it was mainly the trade unions who were responsible for the low quality of the dialogue once the tripartite body was established. However, neither the social-democratic nor the conservative-liberal government have tried to promote the cooperation between the unions within the tripartite committee. Instead, they have exploited the situation which in the end has enabled both of them to implement rather harsh neoliberal reforms without a significant input (or opposition) of organized labor. When taking place, tripartite negotiations have been mainly focused to industrial relations and some social issues, while general economic policies were mostly left out. Currently, conflicts between the two union centers still present the major impediment to the proper functioning of social dialogue. More recent initiatives for the inter-union cooperation building have come from the academic community and international organizations, rather than the unions themselves. One of these initiatives is the Friedrich Ebert Stiftung's sponsored study "EU Monitoring V: 'Polish Talk-Show' – Social Dialogue and European Integration" which calls for better cooperation between the unions, and their coordinated action in the EU accession process and preparations for European Social Dialogue. The Commission's annual reports have repeatedly stressed the need for improving the quality of social dialogue in Poland.

The **Czech** tripartite council played an important role in the beginning of transition by incorporating the social partners in a long-term strategy of transformation. Tripartite negotiations involved a broad range of not only labor and social affairs, but also general economic policies which resulted in the negotiated compromise on wages and unemployment. However, in the mid-1990s its functioning came under serious strain when the Klaus government tried to minimize and even abolish social dialogue. After a series of unions' actions (i.e. protests, demonstrations, petitions) the government, faced with economic crisis and rising political tensions, reinstated tripartism and assigned it its original functions. The Czech tripartism, therefore, proved its durability despite the hostile attitude of the Klaus government. An important factor underpinning this process is certainly the union cohesion that enabled the mobilization of organized labor during the crucial period, which in the end forced the government to make concessions and once again incorporate the unions in the tripartite machinery. The new social democratic government marked the beginning of a much more positive attitude towards tripartism and the role of social partners in policy making. A declaration signed between the government and social partners clearly states that "social dialogue is an indispensable prerequisite to guaranteeing the smooth operation of a modern competitive economy and the existence of a democratic state and rule of law" (Kubínková 1999: 133). Consequently, the Commission's annual reports regarding national-level social dialogue have been much less critical than in the other two countries. However, while the reports are encouraging the social partners to continue with their efforts regarding national-level tripartite dialogue, they stress the need to improve bipartite dialogue at the enterprise level.

In **Hungary**, the tripartite Interest Reconciliation Council (IRC) had played an important role in reducing social tensions in the early 1990s. Besides being an arena for settling a number of important disputes (i.e. the 1990 taxi-drivers blockade; the 1991 "autumn of discontent"; and social tensions in 1992), the Council's main function included negotiations regarding wage and social policies, and consultations on broader macroeconomic policies. Although the Council functioned without main interruptions during the first democratic government's term in office, the relationship between the six union confederations was burdened with the issues of representativeness, legitimacy, and redistribution of the former union's assets. After the failed attempt at negotiations of a broader social pact under the Socialist-Liberal government, and the government's unilateral introduction of a package of austerity measures in 1995, practical functions of the Council were narrowed from formulation of general social policy to mainly public sector employment. Tensions between unions became evident once again, this time regarding the reorganization of the social insurance bodies in 1997. The division of unions over the latter issue worked at benefit of the new Center-Right government which abolished these bodies in 1998, therefore excluding the unions from the social insurance system and marginalizing their economic role. The hostility of the new government towards the unions, social dialogue, and any form of corporatist policy making is evident in the institutional changes introduced in the field of tripartism which significantly curtail the power of trade unions. The IRC was abolished, and its functions divided between two new bodies – the National Labor Council and the Economic Council. The former one retained its tripartite structure, but its formal functions are strictly limited to labor issues, e.g. determination of minimum wage and pre-legislative consultation on labor legislation. While the functions of the Economic Council are broader, i.e. consultations on broad issues of economic policy and legislation, the structure of the body is not tripartite as it involves a number of additional actors, e.g. economic chambers, financial sector, multinational companies, etc. The quality of social dialogue that involves a large number of different actors with often divergent interests is questionable. The unions have complained that these changes have significantly limited their role in economic policy making. Furthermore, the unions have criticized the functioning of the new institutions for social dialogue arguing that "meetings are scarce and formal, their avowed purpose being, instead of the material and mutual influencing of the position of the parties or the making of agreements, consultation, which, in practice of the Government, consists merely of the transferring of information concerning its decisions." The further government's attempt to weaken employees' and unions' rights was undertaken through the controversial re-drafting of the Labor Code in 1999. The amendments to the disadvantage of employees' protection affect the number of annual work hours, regulations regarding overtime and overtime pay, the possibility to sub-contract labor, i.e. the so called "lending of labor", and a number of other categories. After the mass demonstrations organized by unions to protest these changes, the EU Commission's report on Hungary outlined once again deficiencies of social dialogue and the urgent need to improve it. Moreover, Romano Prodi and Günther Verheugen expressed their concern with the developments of social dialogue practices and legal provisions governing labor relations at their visit to the Hungarian Parliament, and outlined the possibility – if the current practices do not improve - to reopen Chapter XIII on employment and social policy which has been provisionally closed during the accession negotiations.

This brief overview of social dialogue practices indicates the need for the improvement if these countries are to comply to the EU standards. However, specific developments in individual countries present the social partners with different challenges on the way to achieve this goal. While the Czech unions should concentrate their efforts to improve the bipartite dialogue at the enterprise level and connect it better with the national-level tripartite negotiations, the other two countries face more demanding challenges. The Polish unions will not be able to grow into a serious social partner who would be able to promote social dialogue and defend workers' interests in the accession process if the level of the inter-union cooperation stays at the currently low levels. Finally, the Hungarian unions have already made an important progress in terms of strengthening the cooperation and outlining a common strategy to be communicated to the government and relevant EU bodies. However, much more has to be done to convince the government that a high quality of social dialogue is the best way of ensuring the acceptance of economic and social policies, as well as legal changes in the view of the accession.

4.4. Participation of social partners in the accession process

The EU representatives have repeatedly called for the stronger engagement of social partners of the applicant countries in the accession process. Brussels expects the social partners to play an extremely important and extensive role, ranging from the establishment of a broad-based social consensus on the EU accession to their active involvement in the implementation of the *acquis* at micro level. In essence, the main goal of their active inclusion in both accession negotiations and policy-making at national level is further strengthening of the European social model.

The developments in the CEE countries, however, do not fully conform to these expectations. Social dialogue on the issues related to the EU accession shares similar drawbacks with the social dialogue that deals strictly with national social and economic policy matters. Although the applicant countries have established joint committees with the Economic and Social Council (ESC) which encompass main trade unions' and employer organizations' representatives, it is unclear whether there are any practical benefits stemming from these efforts other than the top-level leaders of interest associations becoming accustomed to the European social dialogue. Despite the initial objective for the establishment of these committees, i.e. the involvement of social partners in the accession negotiations, there is hardly any correlation between the activities of the joint committees and the actual negotiations taking place at the high political level.

Besides the joint committees, trade unions in some CEE countries have established their own working groups the objective of which is to communicate unions' interests regarding the EU integration to respective national governments, and to raise the awareness of their own members regarding these issues. For instance, the Czech union federation the CMKOS has established the European Integration Team whose aim is to ensure that trade unions are consulted in the due time regarding documents and decisions related to the integration. In addition, the team is responsible for the publication of bulletins and periodicals that serve as the main source of information on the union's position on EU accession. Similarly, the six Hungarian confederations have established the National European Integration Commission of Hungarian Trade Unions (NIC) with the aim of representing employees' economic and social interests in the process of EU integration. The NIC's regular bulletin *IntegRáció* serves the purpose of informing their members and wider public on the opinions, positions, and the role of trade unions in the integration process. Moreover, the new Hungarian interest reconciliation system includes a special body – the European Integration Council - composed of trade union representatives, employers association, three chambers of industry, and the representatives of the Ministry of Foreign Affairs that serves the purpose of dialogue on EU related issues. This body was established in 1999, and it is formally a successor to the International Working Group established in 1997. However, contrary to its predecessor, the European Integration Council is not closely related to other institutions of social dialogue, making the communication between different bodies difficult. Critics argue that the practical purpose of this body is simply to serve as an information channel of the government, rather than the social forum for the discussion of the EU accession-related issues (Borbély 2001). Therefore, although the unions are represented in specific national bodies that deal with various issues regarding the accession, their influence on the substantive negotiation issues has been minimal.

In other words, the EU accession remains the issue almost exclusively handled by the governments of the respective applicant countries. Furthermore, in certain instances even the results of the reviewing of the *acquis* have been declared confidential. This lack of transparency has in effect crippled trade unions in terms of the relevant information, and further weakened their position in the issues regarding the EU accession. However, in addition to the lack of willingness on part of governments to grant trade unions more direct participation in the accession negotiations, unions themselves have not been very active in outlining a common strategy on negotiations that would be communicated to the governments. This is mainly because the unions are torn between two important tasks – on the one hand, they are expected to take on a more active approach regarding the issues related to the EU integration, and on the other they are still facing adverse consequences of economic transformation and have to respond to their members' demands regarding the protection of wages, employment, or working conditions. Faced with different tasks and the lack of detailed information and analysis, they are very often not even fully aware of the potential effects of integration on their specific sector, branch or region. Consequently – and especially in the cases of trade union pluralism, such as Hungary and Poland– the unions have had problems outlining a common strategy concerning the EU integration (Borbély 2001). Therefore, the main challenge for CEE trade unions is to prepare themselves to actively play their part in the accession process. Besides building their capacity at the national level, an important starting point in achieving this task is to identify whom can they best communicate their interests and positions to regarding the accession, or in other words, who are their potential partners and allies. The following section outlines major programs in the field of social dialogue, and sheds more light on the cooperation between the CEE unions and their partners in the EU.

5. The steps undertaken to promote the quality of social dialogue in the applicant countries

The document entitled "Adapting and promoting the Social Dialogue at Community level" (COM[98] 322: 17) outlines three major ways in which the Commission intends to promote the social dialogue in the applicant

countries. First, the Commission is determined to assist the European social partners in their attempts to establish a solid cooperation with the CEE social partners, especially at sectoral level so as to help the strengthening of independent trade union and employers' organizations. Second, the Commission plans to continue its efforts in persuading the political and administrative structures of the applicant countries to include the social partners in the accession process and assign them an active role. Finally, the Commission intends to support the initiatives that offer the social partners from the applicant countries to participate in the European forums of social dialogue so as to promote their understanding of the functioning mechanisms of these forums. In addition to these efforts, the Commission has already established certain programs that aimed at encouraging the development of the social dialogue in CEE. The Commission, however, is not alone in this endeavor since different programs have been proposed by both the European social partners and the social partners in the applicant countries.

5.1. EU programs for the promotion of social dialogue

Community funds have been made available to provide assistance for the transposition and implementation of the acquis. Having realized the importance of the involvement of the social partners in the policy process, the Commission has offered financial assistance through several arrangements operating under the PHARE program that aim at encouraging the meaningful social dialogue in the applicant countries. Under these programs, the governments of the applicant countries are encouraged to submit project proposals on social dialogue with clearly outlined objectives and plans for their implementation. By now, however, a very few projects have been proposed in this area by the applicant countries.

Hungary, for instance, is the recipient of two PHARE grants. The first one was approved in 1992 within the Employment and Social Development Program. 1 million ECU (out of the total budget of 20 million ECU) was assigned to the promotion of social dialogue by the means of additional training of participants and improving information and management skills. The second grant, which was approved in 1995 within the Social Assistance Program, had a focus on social policy and pension reform, but not directly on social dialogue.

The Czech Republic was approved the PHARE funds in 1994 within the Program for Social Protection Reform. Out of the total budget of 6 million ECU, 800,000 ECU was allocated for enhancing social dialogue. The objective of the program was to study alternative forms of social dialogue, and organize a workshop that would present these results as the guidelines for the national tripartite commission. In addition, the Czech Republic has recently proposed a twinning project that aims at assisting social partners to establish independent social dialogue at enterprise, sectoral, and regional level. The project is under the horizontal program Consensus III which was established with the objective to assist the transposition and implementation of the acquis in the field of social policy.

Poland has only recently submitted a proposal for a PHARE project aimed at strengthening of social dialogue. The objective of the project is to set up a round table for European integration representing main trade union and employers' organizations. In the long run, this body should assume the function of an advisor to the government in the issues related to the EU accession. In addition to this objective, the project also aims at establishing independent sectoral social dialogue committees that would further promote the cooperation with similar bodies in the EU.

Finally, the 2000 ACCESS, the program aimed at strengthening of civil society and preparing the candidate countries for accession, is set up to ensure the inclusion of social groups who are at risk to be socially, politically, and economically marginalized. 20 million EUR are granted to ten accession countries for the period of 2002-2003. The protection of workers rights and social dialogue is, however, only a part of the ambitious program that targets many other groups such as the unemployed, the elderly, the handicapped, the minorities, etc.

The Commission has repeatedly outlined the importance of cooperation between governments and social partners in the accession process. As one of the important steps towards the achievement of this task, the Commission (in cooperation with the ETUC, CEEP, UNICE, and TAIEX) organized a conference that encompassed both government officials and social partners from both the EU and the CEE countries in Prague in May 2000. The main purpose of this meeting, was to explain in detail requirements and obligations to be fulfilled by the applicant countries in the social policy area, and to call for a more active role of the social partners during the accession.

5.2. Actions undertaken by the European social partners and joint initiatives

The European social partners have undertaken several initiatives in order to assist the social partners from the applicant countries in their efforts to strengthen the position of social dialogue. Trade unions from Member States have created bilateral contacts with individual unions in CEE. In addition, they have assisted the CEE unions in the preparation for the transposition of the acquis through the setting up of integration committees in the applicant countries. European trade unions have been active also on the sectoral level by creating the cooperation projects with their counterparts in the CEE countries, particularly in commerce, the building industry, textiles and clothing, and the banking industry. One of the joint efforts between the European Trade Union Confederation (ETUC) and the European Trade Union Institute (ETUI) resulted in a conference entitled "European Unity: The role of the trade unions in the process of EU enlargement" which took place in Bad Muender, Germany in October 2000. Trade union representatives from both the EU and the applicant countries gathered to discuss the relevant problems associated with the accession, particularly the implementation of the acquis in practice in areas such as social dialogue, labor contracts and working time.

At the same time, employers associations from Member States have been furthering their efforts to help their counterparts in the CEE. With Commission assistance, they have organized a series of round tables which encompassed representatives of the respective employers organizations in both the EU and the applicant countries.

A number of joint initiatives have been undertaken by the European Trade Union Confederation (ETUC), the Union of Industrial and Employers' Confederations of Europe (UNICE), and the European Centre of Enterprises with Public Participation and of Enterprises of General Economic Interest (CEEP). One of these initiatives resulted in the first social partners conference on enlargement that took place in Warsaw in March 1999. This was the first occasion on which all the social partners from both the EU and the CEE countries discussed the relevant issues related to the accession. The joint declaration adopted by the participants stressed once again the importance of the strengthening of the social dialogue in this process, and pointed to the risks of social exclusion if these requirements are not taken seriously.

6. From statements and requirements to a meaningful participation: possible recommendations

Although the three CEE countries under review have been actively working on accession strategies to EU membership for years now, the results achieved in the field of the incorporation of social partners (particularly organized labor) in the policy process are far from satisfactory. It is essential that all the actors involved in this process realize potential benefits of a meaningful social dialogue. The experience of some Western European countries that adopted neocorporatist modes of policy-making should serve as a driving incentive. The active participation of the social partners in these countries did not only create the sense of social justice and political stability, but has improved efficiency, productivity, and therefore the competitiveness of these economies in the world market. The review of the current situation of the social dialogue in the CEE countries shows, however, that there is still a long way to go to achieve similar results. While the structures for the incorporation of the social partners exist, they have not been meaningfully utilized. The governments of the applicant countries still enjoy a much more powerful position vis-à-vis the social partners in both domestic industrial relations and the accession negotiations. Moreover, until now, they have not shown any serious intention to significantly alter these arrangements.

However, if the current practices prevail, there is a clear risk of social dumping that in the long run can jeopardize the prospects for all the actors involved. Once these countries are admitted to the full membership in the EU, and once the principles of the free movement of labor are activated, the bargaining position of the social partners, especially labor, from the current Member States could be weakened through the possible reallocation of capital and labor. Moreover, as the social exclusion is not sustainable in the long term, the result could be political instability or a high incidence of strikes and protests which certainly would not be in the interest of either national governments nor the EU.

Both positive scenarios related to the altering of the existing arrangements, and the more gloomy ones associated with the continuation of the current practices, should serve as a driving force for the establishment of a meaningful cooperation between all the actors involved. The social dialogue should not be perceived as a zero-sum game in

which one player wins only if the other loses but as a process that, if based on a solid cooperation and coordination of interests, can bring benefits to everyone. Therefore, it is essential that the actions and programs for the improvement of social dialogue in the applicant countries are undertaken by all the actors involved, and also on both national and the EU level. It would be unrealistic to expect that efforts undertaken by only one set of actors could lead to the fruitful results unless there is a broad-based consensus regarding the goals and objectives. But for this consensus to materialize, both individual and joint actions of different sets of actors are necessary. What follows is a preliminary list of possible recommendations that could serve as a guideline for trade unions from the applicant countries and their partners from the EU in their efforts to protect employees' interests and become more active players in the enlargement process.

Trade unions from the applicant countries should develop a much more concrete strategy in terms of enhancing their position within national policy-making, but also in terms of securing their place in the accession process and preparing for social dialogue at the EU level. Drawing lessons from their counterparts from the EU Member States is vital. Promoting the cooperation with the individual trade union centers across Europe, as well as regular contacts with the ETUC and ETUI should be continued. Although the conferences and meetings with the European social partners are useful for promoting the awareness of general problems, discussing different models of social dialogue, and offering various education programs for trade union leaders, their benefits are likely to ensue only in the long run. For these reasons, trade unions should work simultaneously on several activities that could bring about desired outcomes. For instance, it would be useful to establish expert groups that would outline unions' strategy on the accession, and present it to the government. Taking into consideration the current lack of resources at their disposal, it is obviously difficult for trade unions to attract such experts. However, financial constraints need not be such an obstacle since the funds could be made available through different schemes offered to the applicant countries, e.g. the PHARE program. Therefore, trade unions should try to take on a more active approach in influencing, for instance, their respective ministries of Social Affairs to take into considerations their proposals when applying for EU funds. While the formal structures of social dialogue can be used as one platform for achieving such a task, more effort should be put into establishing informal networks with different government agencies. Building the networks that operate outside of formal boundaries can help the coordination and promote understanding and trust between the actors.

The European social partners, in particular the ETUC and UNICE should continue their efforts in strengthening communication channels with trade union and employers organizations in the applicant countries. While the programs they have launched so far represent important steps for the promotion of the European social model, much more could be done to assist the CEE social partners. For instance, expert teams could be delegated for each individual applicant country to closely monitor the developments regarding the transposition and implementation of the *acquis*. By gaining a deeper understanding of problems on ground, the European social partners would be able to use their expertise in a more practical way. Moreover, they could make this information more transparent by presenting it to the Commission and requiring its assistance regarding the concrete measures to be undertaken. More critical and in-depth reports would enable the Commission to take on a somewhat harsher stance towards the governments of the applicant countries during the negotiations. Repeated calls for the inclusion of social partners in the accession process and the implementation of the *acquis* have not so far proved to be sufficient. Therefore, annual reports that evaluate the progress that individual applicant countries make in the social field should take a more critical stance and be based on a much more rigorous examination of the developments on the ground. In this respect, the ETUC and UNICE expert teams could serve as a valuable source of information. Moreover, similar experts teams could be established within DG Social Policy. These teams then would monitor legislative reforms and implementation in the candidate countries. In the field of social dialogue, their attention should be focused on the legislation governing tripartite commissions, as well as practical functioning of these bodies (e.g. the spectrum of issues negotiated and practical relevance of decisions made in these forums). Such progress reports should then serve as determinants of the speed of the accession process for individual countries.

The implementation of the above outlined recommendations is necessary if the social partners from applicant countries - and in particular trade unions - are to further promote the quality of social dialogue at national level, obtain a more meaningful role in the accession process, and prepare themselves for the active participation in the European social dialogue. However, the implementation of the recommendations will clearly depend on means and instruments that are at disposal of CEE unions and their EU-level partners. It is in this light that trade unions should determine what type of action and strategy could be implemented; how could they use EU projects and networks to strengthen their influence in social dialogue and the accession, and ensure the implementation of the social policy

acquis; and what type of cooperation with their EU-level partners (i.e. ETUC and individual member states' trade unions) would be most beneficial for achieving these objectives.

Taking into consideration the lack of material resources (as well as expertise on the EU accession issues) in most CEE labor organizations, the most efficient course of action is to rely on the available EU programs for the financial support, and on the partnership with the relevant union organizations from the EU for obtaining information, sharing experience, and building-up administrative structures necessary for undertaking and implementing these programs. In particular, the CEE trade unions should consider three (rather under-utilised) EU programs as important means for achieving the above described objectives.

- ✍ First possibility is to prepare twinning projects that aim at the development of the social dialogue under the horizontal program Consensus III. Launched in May 1998, twinning aims to "help the candidate countries to develop modern and efficient administrations, with the same structures, human resources and management skills needed to implement the *acquis* as already exist in the Member States." In practice each twinning project is led by an official from a candidate country and the so-called lead partner member state who are both responsible for the design of a project and its implementation. The objective behind twinning projects is not to improve general cooperation, but rather to "achieve specific targets agreed between the parties in advance for the implementation of priority areas of the *acquis*." A total of 475 twinning projects have been approved by the EU between 1998-2001. However, they have been mainly focused on the fields of agriculture, public finance, environment, justice and home affairs, and the management of Structural Funds, while projects related to social policy and social dialogue have been under-represented. For instance, in 2000 there was only one project concerning the social dialogue – the project from the Czech Republic aimed to support social partners in promoting independent social dialogue at enterprise, sectoral, and regional level. The low number of projects in the field of social dialogue should serve as an incentive for applicant countries' social partners and governments to propose projects in this area, especially as the Commission encourages the inclusion of these under-represented projects in annual PHARE programming. Taking into consideration the current situation of the social dialogue in the applicant countries outlined above, unions should try to communicate their interests to governments and outline projects that would particularly stress the following objectives: (a) analysis of the organization, functions, and activities of the tripartite bodies responsible for EU accession issues, and proposals for their potential restructuring; (b) establishing social partners' expert teams on EU accession and social dialogue whose function would be to serve as the main communication channels with governments, and also to ensure participation of social partners in the preparation of National Programs for the Adoption of the *Acquis* (NPAA); (c) ensuring the active participation of the social partners in the implementation of the *acquis* in the social field; (d) strengthening of the social dialogue at sectoral level; and (e) building the capacity and the skills of social partners that will enable their active participation in the social dialogue at the EU level.
- ✍ The second instrument that could be utilised is technical assistance and financial support from the Technical Assistance Information Exchange Office (TAIEX). TAIEX, which covers mainly short-term projects, acts as a "broker for the transfer of expertise drawn from Member States officials in all public and semi-public bodies to their counterparts in the Associated Countries." In simple terms, its main objective is "to bring together those who request assistance with those who can best supply it." While TAIEX was originally set up to provide the Associated Countries of CEE (ACs) with technical assistance on approximation of legislation related to the Single Market, its mandate was extended in Agenda 2000 so that it now covers the entire Community *acquis*, and provides assistance not only to national administrations but also to social partners. Since then TAIEX has been very active in assisting and supporting CEE- and EU-level social partners in their efforts to organize a number of round tables, workshops, and conferences the aim of which was to provide social partners a platform from which they could express their respective views on enlargement and social dialogue. TAIEX also aims at developing and strengthening links between different levels social partners by funding expert missions and study visits. This instrument could therefore serve as one of the main means for the CEE trade unions in developing their capacity through strengthening cooperation with their EU partners, and developing their own expert teams on social dialogue and EU accession.
- ✍ Finally, social partners can apply for grants within the industrial relations and social dialogue budget heading B3-4000 (under DG for Employment and Social Affairs). This budget heading aims to offer grants

"for promoting social dialogue at cross-industry and sectoral level in accordance with Articles 138 and 139 of the Treaty." The grants are intended to finance consultations, meetings, negotiations, as well as measures designed to develop networks, expertise, and exchange of information between social partners from the applicant countries and their counterparts in the EU. Therefore, trade unions from the applicant countries could use this instrument particularly well for promoting sectoral level negotiations, and preparing themselves for participation in European social dialogue.

The three outlined instruments are not mutually exclusive, and trade unions could therefore concentrate their efforts in utilizing all the instruments by developing project proposals that cover different elements of social dialogue. In this way, they would be able to strengthen their cooperation with unions from Member States, and the EU-level union organizations, such as ETUC. The support from these partners would be valuable not only for exchange of information and expertise, but also for their solid contacts with relevant EU bodies who could then be more actively involved in persuading the respective applicant countries' governments in the importance of social dialogue in the enlargement process. Moreover, projects oriented on preparation of the participation in European social dialogue would develop ties with relevant employers associations. In this way, such projects could serve as a starting point for recognizing potential benefits of the solid social dialogue practices for all the actors involved. However, the basic prerequisite for the achievement of the proposed objectives is the unity of the respective CEE trade unions. Developing the ability to speak with one voice regarding the issues of social dialogue and the enlargement rests solely on the willingness of respective unions to realize the benefits of solid inter-union cooperation. This is especially important in countries where deep inter-union conflicts might hamper the success of such projects, e.g. Poland. In such cases, strengthening the unity of organized labor should therefore be the first step.