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**NEW FRONTIERS OF DEMOCRATIC PARTICIPATION  
AT WORK**

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## New Frontiers of Democratic Participation at Work

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The book *Trade Unions and Democratic Participation: a Scenario for the 21st Century* was published in 1996. This study took a broad and a long view. It traced the evolution of democratic participation in some ten European countries back to the post second world war era, evaluated the state of the art at the end of the 20<sup>th</sup> century, and considered the main options for the next century. The overall conclusion of the study was that democratic worker participation should be further strengthened and that this was possible only with renewed and persistent trade union support. Simultaneously, the support by trade unions for democratic participation provides an opportunity and lever for their own renewal. Four major propositions/hypotheses were formulated (Kester and Pinaud, 1996, chap.4).

1. Different forms of participation (traditional collective bargaining, concertation, co-determination, organizational and financial participation) are neither mutually exclusive nor incompatible with each other. On the contrary, their effect can be cumulative and to reinforce each other. Implemented separately they lose their meaning and effectiveness. Implemented in synergy they assume a dynamic force.
2. Rapid and major shifts in the labour market, in the nature of employment contracts, in technology, in forms of work organization, globalization, in culture and ideology, etc, demand an innovative approach to democratic participation and increase the need to link problems of the shop-floor and the enterprise to local/regional or branch levels (meso levels) and national and international (macro) level labour problems and to regulate these with possibly new forms of democratic participation.
3. A sustained spread of democratic participation is only possible under appropriate conditions, including a framework to provide facilities for research, information, education, training, publications, media, consultancy and legal advice, as well as an institutionalized framework of trade union – university/research co-operation.
4. An innovative approach to democratic participation at the workplace level and beyond, poses a particular challenge to the trade union movement to provide the necessary support. In recent years trade unions have lost the initiative in the development of some important forms of participation. A comprehensive hold over labour issues and all forms of workers' participation can only be achieved by trade unions. These also have to promote a democratic culture of solidarity in which workers fight for their own rights and the rights of others, building solid democratic institutions in the economy.

These four main propositions (formulated as hypotheses) constitute as many dimensions of 'Scenario 21'. Admittedly, these propositions remain rather abstract, and need to be elaborated along more concrete parameters. To this end, multiple consultations were held between academic researchers and trade unionists, to examine key issues and frontier areas of future research conducive to the 'implementation' of Scenario 21. New research projects were set up, including comparative research between several European countries, and researchers conducting projects relevant to the above mentioned hypotheses, were invited to analyze their results in the perspective of one or more of the hypotheses of Scenario 21. In one country, Germany, a follow-up publication to the Scenario 21 book was published, putting emphasis on the relationship between representative worker participation and direct participation, in a trade union perspective (Kissler *et al*, 1997).

A main characteristic of participation is its dynamic nature. Like democracy in general (Sklar, 1987) participation is a lengthy, prolonged developmental process. It includes the digesting of experience gained and the drawing on new ideas, events, actions, policies and strategies which either directly or indirectly increase (but may also reduce) worker influence. This perspective of participation as a process has been brilliantly elaborated by Daniel Mothe in his *Autogestion Goutte à Goutte* (Mothe, 1980). Rather than a quantum leap in the form of one grand revolution, he sees the participation process as a chain of little revolutions. Democratic participation is a dynamic process that has to be constantly proposed, learned and defended. Several other studies have emphasized that it is necessary to take the broader and the longer view, to understand the nature of participation as a learning process that leads to the gradual further democratization of labour relations. One world-wide comparative study devoted to this very perspective demonstrates that whatever the conjunctural fate of worker participation, worker control or worker self-management in different moments in history, the subject matter appears to retain a fundamental attraction. This analysis of participation leads the author to define participation as a process, a movement, which sets in motion a democratic way of thinking - even when the actual forms of participation have functioned with great defects (Bayat, 1991).

Sketching the situation that prevails at the start of the 21st century with broad strokes, we may observe several main dimensions to the participation process. Human-centred direct worker participation is threatened by lean production (Sandberg, 1995), and its development is currently mainly in the hands of management (Pinaud, 1996). The internationalization of works councils in Europe was an important step forward but the current agenda of the trade union movement does not include participation as a high priority (Kester and Pinaud, 1996). The employers' camp has seized the main initiative for developing workplace participation. This has become linked with shares in capital ownership and reward, at times with government support (Vaughan Whitehead, 1996), and with certain forms of human resources management such as *total quality management*.

It is more controversial to consider the track record of self-management on the one hand and of participatory forms on the other. The 20th century experiences of Utopian work organizations without money (kibbutz), without managers (several worker take-over experiences) or without markets, have failed. The theory of self-management has contributed enormously to set up such enterprises on a more realistic yet principled basis. Yugoslavia made an impressive start with nation-wide self-management in the 1960s and

then showed that a real alternative to the classical capitalist firm is possible (Jan Vanek, 1972). However, the lack of a market economy disrupted earlier successes, increasing control by the Communist Party made the process less and less democratic, regional conflicts emerged and ethnic cleansing gave the final blow to a country that once was a proud reference for democratic participation. The upshot is that apart from an impressive number of co-operatives, especially Mondragón, a number of firms in North America, and a few experiments elsewhere, pure self management has not yet reached a critical mass. A number of hope-raising cases have not made it. To quote a few: Algerian self management remained an unborn baby (Clegg, 1971); attempts in Peru to create a social-property sector in the 1970s proved over-ambitious (Knight, 1975); in Mali, an attempt to turn a public firm into a self managed one instead of privatizing it has equally failed (Kester and Sidibe, 1986); and the Malta Drydocks, with 3000 workers, had to surrender its self management system in 1996 after more than 20 years (Zammit, 1998).

Institutionalised forms of representative worker participation in Europe, on the other hand, have reached a critical mass, and have developed into more democratic, meaningful and effective instruments of worker representation, and have become self-perpetuating. History has its own logic, and today forms of partnership rather than unilateral imposition is more likely to be a feasible strategy. Here participation is developing as a win-win game for the different actors. The role of capital is not eliminated but put under more democratic control. Privatization can be made more palatable if opportunities are taken to redefine the role of professional management and of capital. At levels beyond the firm 'it is precisely the economic non-representation of billions of people that is the source of the greatest inhumanity and injustice in our world' (Vanek, 1987, p.14). More democratized labour relations or the strengthening of democratic participation can be important steps in the direction of a more just and a more democratic society.

This framework chapter gives an overview of the rest of the book and seeks to illustrate, with specific case study material, innovative developments in each of the four main dimensions outlined above.

### **Towards More Concerted Democratic Participation in the Workplace**

Heller, Pusic, Strauss and Wilpert (1998) have recently described and evaluated nearly half a century of experience and research on the democratization of work organizations, digesting the accumulated research outcomes of the well-known Industrial Democracy in Europe Project and the Decisions in Organization Project. They set out to learn the lessons of past empirical experience in all honesty: identifying the bottlenecks, disappointments, failed objectives, even shattered dreams, but also the positive achievements. They conclude that participation can work, but only under the appropriate conditions. As for participation designs they advise that an *interlocking multilevel decision-making structure* should be matched by a similarly *interlocking multilevel participation structure*: they plead for a holistic systematic approach to employee participation (Heller *et al*, 1998). Their study fully confirms the first hypothesis of Scenario 21. Heller *et al* also assess the prospective developments during the first decades of the 21st century, when they expect increased possibilities for participation in a way that is independent of convictions and ideologies.

Work organizations, they argue, will become coalitions among various interests and allow patterns where team networks play an increasingly important role. Likewise, Qvale observes a transition from traditional, hierarchical/bureaucratic organizational forms to participative, team-based, flexible, learning organizations (Qvale, 1998).

Most of the chapters in this publication address the frontier problem areas of democratic participation at the workplace. Sandberg writes about new forms of management and work organization in Swedish workplaces, Qvale on a new and comprehensive 'turnaround' organizational paradigm in the off-shore petrochemical industry in Norway and Leisink compares employee perceptions of democratic participation with existing practice and attempts at institutional innovation in the information and communication industry in the Netherlands, evaluating the implications for trade union policy. Pinaud and Ponzellini address union and worker involvement in reducing working time. Mosse analyzes hospital reform and democratic participation in Italy and France. Zammit shows - with reference to Malta's General Workers' Union - how trade union education may contribute both to reinforcing trade union objectives and to promoting democratic participation. Goetschy and Gold add to the discussion the important and highly relevant dimension of EU social policy encompassing both the now established European works councils and the more recent developments in employment policy at the European and national levels. All these chapters deal with concrete cases of new frontiers of democratic worker participation. They are supplemented by a chapter by Daniel Vaughan-Whitehead on the Central and East European experiences of privatization and/or the financial participation as a lever for participation in decision making.

These chapters provide rich new insights based on empirical studies. Qvale observes that, in view of the current development of more flexible, participative and integrated forms of work organization, the complex system for representative democracy is becoming less adequate. One of the problems to be tackled is the stubborn, institutionalized culture of work organization, which causes resistance to change among middle managers, workers and shop stewards. They fear for loss of power, while the existing administrative systems and collective agreements appear unable to support new ways of working. The headquarters' fear for loss of control and corporate synergies are living realities also in bi- or tripartite change ventures today. Qvale argues, with reference to mainstream theory, that the answer to organizational change cannot be found in a piecemeal, one-factor change procedure, but only by a 'turnaround', resulting into a new organizational paradigm. He presents a fascinating study of the clash of two 'philosophies' of worker representation (participation and conflict) in off-shore petrochemical firms in Norway and the long and difficult process of accommodating them in a participatory framework in which both the directly elected worker representatives and the trade union officers can jointly influence important policy decision making.

The study of hospital reform and democratic participation in Italy and France, reported by Mosse, is an undertaking directly stemming from earlier theoretical work of the Scenario 21 network. In both countries hospitals are reformed by rationalization and sharper cost effectiveness whilst at the same time seeking to improve quality of service. It is a comparative study that takes one of the central hypotheses of Scenario 21 as a starting point: hospital reform will be effective to the extent that the different forms of direct and

indirect participation become coherent. The absence of such coherence, the hypothesis adds, will destabilize hospital personnel and thereby negatively affects hospital reform. In his chapter Mosse explains the rationale and methodology of the study and reports that research is only under way so that no firm conclusions can as yet be made.

Both countries seek the same reforms but their trade union situation is quite different. French trade unions have a tradition of centralized bargaining which trickles down to the workplace level. The different stands on labour issues by the three main trade union confederations trickle down as well. Italy has a multi-union structure like France and on top of it, one can count numerous autonomous trade unions. But its bargaining practice has a two-tier structure: one at the national level and one at the enterprise. At the national level, trade union rivalry predominates as in France, but at the enterprise things are different indeed. In Italy, the different trade unions constitute a common platform at branch and workplace level where they nurture a culture of consensus. The preliminary results of the study do not show that this culture of consensus makes a significant difference (Mosse: 13). However, one will need to have available the consolidated results to be able to interpret the data.

The study by Sandberg and Edling deals with new forms of management and work and their relation to the trade union role in a participative framework. It presents some fundamental background information that is required for a realistic, down-to-earth discussion of democratic participation and the part played by the unions in contemporary work organizations. The study addresses the question about the characteristics and the extent of new management, flat organization, decentralized decision making, flexibility and co-operative labour relations in a Swedish context. There, unlike in America or Japan, a more 'competing union tradition of ideas exists, with values like quality of work, autonomy and democracy in the workplace'. On the basis of empirical data coupled with a broad survey of contemporary literature on the subject, they find that the elements characterized as the 'new' organizational forms and methods of management are to be found in varying degrees within Swedish work life. For instance, quality circles and development groups are found at more than half of the workplaces. On the other hand, the authors found no correlation between new management and a flat organizational structure even though policy decisions may be decentralized. They also found that the establishments exhibiting an 'aggregate measure of new management' are fairly uncommon. New management is most common in large establishments within the private sector with the engineering industry at the forefront. Furthermore, the larger the proportion of white-collar workers among the employees, the higher the extent of new management.

Unexpectedly, the authors found that union influence is perceived by management as being stronger and labour relations as more co-operative in establishments with new management. Ironically, the authors speculate that had the union organization indeed been strong enough – such as in a situation of full employment – it would probably have resisted effectively the closure of plants with the latest work organization and production technology like the ones at Uddevalla and Kalmar. Thus the study by Sandberg and Edling further underlines some of the main arguments of Scenario 21, including the compatibility of collective bargaining and forms of democratic worker participation.

Peter Leisink presents a fascinating paper on democratic participation in the information and communication industry in The Netherlands. The majority of these firms employ less than 50 employees and labour relations are either subject to 'cheerful anarchy' or to more regular individual and collective negotiations and consultations between employees and management in the bigger companies. Leisink insists on building up his arguments 'from below': what do the employees themselves want? Very interestingly, he notes in various studies that there is an *increasing* desire among large groups of employees to have access to group decision-making and to company decision-making, and in fact, in the majority of cases, direct participation by way of group delegation and group consultation is practised in the information and communication industry. This growing 'participation propensity' (Walker, 1974) appears to be nourished by concerns about individual interests rather than wider societal interests. Hence a lot of preference for (and actual practice of) one-to-one negotiations with employers, informal or formal group consultations, and in terms of indirect participation, a preference for works councils and a (growing?) hesitation to be represented by trade unions in collective bargaining. Where works councils exist (in the Netherlands in companies with more than 50 or more employees - a legal provision which is not always implemented), these are often also used as bargaining instruments to negotiate employment conditions and remain the sole form of indirect democratic participation. In other words, the trade unions do not get involved. A further most interesting finding mentioned in Leisink's chapter is that a majority of employees (between 55 and 70 per cent in different studies) prefer trade unions and works councils *together* to represent the work force. This argument goes clearly in the direction of Qvale's observations about the prospects of reconciling adversarial and participative labour relations. There is a symbiotic relationship between collective bargaining and works councils. The borderlines between them become either blurred or come under greater tension, and this is to a great extent influenced by the trade union's stand on certain issues. Do the works councils represent group or sectional interests, or do they (also) fight for the larger questions of employee solidarity? Such questions put the trade union in a most delicate position. They may generate important policy debates within the trade union structures, as Leisink reports, unless trade unions stick rigidly to their traditionally militant roles, as seems to be the case in France (Pinaud, 2000).

### **EWCs: Battleground for Worker Rights or Macro Corporatism?**

Two further chapters complement the exploration of the frontiers of workplace democratization. The most remarkable landmark in the last decade of the 20th century was the long awaited adoption of a European Union directive on European Works Councils (EWCs) (see Goetschy, 1996 for the intricacies and long saga of the interminable discussion around the 'Vredeling Directives' and the adoption, in September 1994, of the EU directive concerning the creation of EWCs or employee information-consultation procedures in companies of European dimensions). By the end of March 1999 no fewer than 515 agreements had been signed setting up EWCs in companies operating on a European scale (Kerckhofs, 1999). The European Union makes important funds available to monitor and support the establishment, functioning and development of these Councils.

In their respective chapters, Goetschy and Gold direct the discussion of EWCs on their overall impact on the newly emerging employment policy. They agree that part of the support which EWCs have been getting from certain employers is due to their realisation that EWCs can play an important role in promoting the now fashionable, 'company-friendly' and 'supply-side' approaches to human resources management, employability and flexibility. This is in line with the current EU policy of dealing with the still widespread unemployment problem, that is, 'by steering a middle course between the regulatory approach of the interventionists, who focused rather narrowly on the rights of workers, and the free market orientation of the neo-liberals'. Nevertheless, there are indications that unions are managing to secure certain trade-offs through EWCs at both national and company levels. Furthermore, the current European Employment Strategy stresses multi-governance - through social partnership and dialogue - as its identifying feature and national policies are expected to be co-ordinated around the EU guidelines. This is creating a new bargaining arena for the social partners with a direct bearing on national industrial relations practices. In other words, new potential areas for worker participation are being opened, including their influence on managerial prerogatives, working conditions, job contents and better prospects for job security in both the present and/or future jobs.

#### **Financial Participation: a Lever for Other Forms of Democratic Participation?**

The 1990s also prompted a 'New Deal' for financial participation. The accelerated change to a neo-liberal economy has shifted the emphasis towards employer and government initiated/encouraged profit sharing and employee share ownership schemes. In the 1980s the conservative British government widely introduced 'people's capitalism' schemes. Initial studies have shown that these schemes tended to reduce the influence of workers in decision making and to start to erode collective bargaining, dividing different groups of workers in a 'thirst for gold' (Baddon, *et al.*, 1989). Blinder adds later that schemes of financial participation function better where these are combined with institutions of employee participation in decision making and that employee stock ownership plans (ESOPs) in particular are most likely to flourish in a participatory environment (Blinder, 1990). Similarly, Central and Eastern Europe became a surprising laboratory of economic democracy. The privatization trend that characterized this area was initially expected to follow classical capitalist paradigms. However, a much wider range of ownership and management schemes sprang up. Empirical evidence was produced showing that financial participation schemes can lead to positive effects on the motivation and productivity of workers, as well as on organizational performance and innovation (Vaughan-Whitehead, 1995). The fears expressed by many policy advisors, at the beginning of the transition period, regarding the negative implications of employee ownership were proved to be largely exaggerated (Uvalic and Vaughan-Whitehead, 1997). Even where mainstream sociological analysis of industrial democracy had for long concentrated on power and human relations, the sociologist Bolle de Bal now defines it in essentially financial terms. He holds that the triangular game of pay, performance and culture fosters the 'double games' of participation: participation is simultaneously about distribution and reward (Bolle de Bal, 1993).

### **Towards More Inclusive Democratic Participation**

Labour markets and labour relations are currently in rapid transition in Europe. The boundaries between 'inside' and 'outside' the workplace are becoming vaguer as there is a shift away from secure and long-term employment contracts to short-term contracts, away from full-time to part-time employment and to higher labour turnover. The proportion of temporary or seasonal labour, home-workers, the unemployed, the marginalized workers (women, youth, migrants), and the socially excluded rises. The problems of energy supplies, natural resources, the environment, migration, population increase, etc all have major consequences for the world of labour and production. Also those who do not have a full-time or tenured job, as well as the marginalized and the excluded, seek the opportunity to express themselves, to exert influence, to share in the fruits of the economy and to co-determine their future. A debate on this trade union challenge was launched through the project 'Scenario 21'.

We have just entered a new century and, for that matter, a new millennium in which industrial and labour relations are indeed expected to change quite fundamentally. If one does not share the opinion of Forrester (1996) that thinking in terms of full employment has already become an anachronism, one cannot but observe a steady trend from secure employment to employability, from fixed conditions to flexibility, from established work organizations to adaptability. This is the clear message of the European Union Commission Green Paper 'Partnership for a New Organization of Work' (1997), the subsequent employment communications and guidelines, and now embodied in the European Economic Strategy, as Goetschy shows. Rapidly expanding schemes of financial participation have introduced many workers to capital ownership. Though it is important not to exaggerate the trends (Bradley et al., 2000), many young workers choose or have to accept a freelance or a self-employment status. The development of democracy has implied that not only the conditions and the mode of production, but also the effects and results of production are questioned by a broad spectrum of organizations in civil society.

Apart from the issues that can be democratically dealt with in the context of one workplace, there are many labour issues that cross the boundaries of workplaces or that exist in the labour market or in society without specific reference to an (organized) place of work. We may call them 'transversal' labour issues, and these cannot be regulated in traditional enterprise based institutions of democratic participation.

Classical industrial relations theory continues to be primarily conceptualized in a frame of interaction of three major actors: organized employers, government and the waged/salaried workers and their organizations (Dunlop, 1958). This theory is enshrined in the ILO structure, and is institutionalized deeply and widely in the industrialized countries. For a long time, and especially as long as Europe was characterized by full employment and more or less stable employment contracts, tripartism was a strong industrial relations instrument, and the welfare state its result. When that context changed in Europe (as evidenced by structural unemployment, a weakening of the welfare state, social exclusion and so on) the existing institutional frameworks continued but could not adequately serve as the most effective instruments to cope with new environment. There is a wide range of issues in which new labour participation strategies could be developed. These include the

physical environment, the labour market, quality of life in general, (lifelong) education and training, and also internationalization and globalization. Can the traditional institutions of labour relations cope with the micro, meso and macro-level issues confronting the world of labour tomorrow? Tripartite industrial relations are extremely important but they carry with them the threat of creating a coalition made up of those who have what they need and of marginalizing the dispossessed; of concentrating on the present at the cost of the future. Consensus between strong social partners of production may well encourage vested interests to take precedence while the traditional structures in which labour relations are handled gradually ossify (Kester and Pinaud, 1996, p. 57). Beyond the enterprise, more or less traditional tripartite consultation structures can yield important macrosocial and economic results for workers (Visser and Hemerijck, 1997), but are in dire need of restructuring and re-orientation (Treu, 1994; Trebilcock, 1994).

Three draft chapters on transversal labour issues are presented: one by Pinaud on the reduction of working time in France, one by Ponzellini on the reduction of working time in Italy and one by Monat on the role of economic and social councils in social dialogue.

### **Linking Macro Issues to the Employee at Work and at Home**

Pinaud investigates the response of trade unions and institutions to direct and indirect forms of participation on such a 'transversal issue' as the reduction of working hours (RWH). Reduction of working hours touches three important, different dimensions: macro-economically it is a device to curb unemployment, managerially, a device for flexibility and sociologically, a device for improved quality of both work and private life. It is a particular challenge to democratic participation as it implies tripartite negotiation at national level, direct and indirect forms of participation at the workplace, as well as individual choices concerning the quality of life in general. In his intriguing chapter, Pinaud introduces us into the debate and experience of this issue in France. Surprisingly, RWH is not viewed 'from above' but 'from below'. Pinaud's assumption is that as workers are directly affected by decisions on RWH, at work and at home, they must have a keen interest to gain access to these decisions. But on the basis of his analysis of recent experience, he cannot but conclude that RWH has become part of the traditional ball-game of government, management and professional trade unionists - remote from the workers themselves. One must ask why this missed opportunity for direct participation, when in France so much space had been created, by law, for direct expression by workers?

Trade unions have, and apparently very legitimately, put all emphasis on the employment creation objective of RWH. But, as Pinaud rightly questions, why did the trade unions not take this golden opportunity to make use of existing direct participation structures to consult workers on draft RWH agreements? Why not include the issues that the workers themselves find important? Ironically, Pinaud continues, where workers did gain some influence it was through non-union direct participation or non-union staff representation. Pinaud maintains that the failure to exploit the participation potential of the introduction of RWH was a setback for both trade unionism and industrial relations in France.

Pinaud's remarks raise the more general question of the spectrum of possibilities of trade union innovation in dealing with questions of solidarity when it comes to transversal issues. In this respect, references may be elaborated on the statement on goals and principles by the FNV (1997). This may serve as an example (not a model) of a trade union attempt to broaden its concept of solidarity to include 'unprotected' and often non-unionised categories of workers such as migrants, women and the unemployed.

Ponzellini's chapter on the reduction of working time in Italy presents some stark contrasts with the French experience. Ponzellini notes that the results of generalized reductions in working time over the 1980s and that the focus of bargaining has since shifted towards working time flexibilization. Still more recently, new forms of bargaining have evolved aimed at combining the needs of both employers and workers: employers gain by intensifying use of plant while workers gain by improving their work/life balance. The key point about this is that these new arrangements are driven from the bottom up – by the everyday requirements of workers, particularly women – rather than by the policies designed centrally by the unions (which nevertheless continue to campaign for generalised reductions in working time too).

Amongst the unions, the term 'flexibility' began with negative connotations, as they perceived it as a set of means used by employers to undermine alleged rigidities and to intensify the pace of work. Indeed, companies did indeed give priority to their own commercial and technical objectives over a long period, and of course many still do. However, attitudes began to change over the 1990s. Ponzellini examines how differing organizational needs for flexibility – such as optimization of the use of capital, extension of opening hours in service sectors and pressures to adapt rapidly to fluctuations in demand for certain products – have led to different responses by companies according to their own special circumstances. Meanwhile, particularly with the growth of female employment, the principal issue facing increasing numbers of workers is not 'how much' work to do, but 'when' to do it. Indeed, it has become ever more clear not only that male and female workers have different requirements in this respect, but also that their needs evolve over time as they enter successive phases of life. The coincidence of these developments – company needs for flexibility and worker needs for improved work/life balance – has led to increasing 'destandardization' of working hours in company-level agreements in Italy over the last ten years or so.

Ponzellini carefully analyzes the content of four such agreements across a variety of sectors in both manufacturing and services. She acknowledges that her cases remain limited in scope and still largely symbolic, but at the same time she highlights some crucial points, notably that improved work/life balance can be achieved at zero cost to companies and that, therefore, the company is the best level to achieve such results.

Overall, the chapter concludes that the notion of 'standard working hours' will continue to bend under mounting pressures. The challenge for the unions is that these pressures will continue to erode their representational status amongst workforces. On the other hand, they may enhance the importance of company-level bargaining and hence the unions' ability to provide individualized responses to workers' needs.

### **Tripartism visited and revisited**

Tripartite mechanisms, as argued in Monat's chapter, have been important factors in the democratic process, bringing the traditional social partners together in a context of democratic participation. But democracy is an ongoing process. Its development increasingly includes citizens in decision-making processes at all levels. This demands a spirit of openness rather than a dogged dependency on existing structures. As Alain Touraine stated, the long movement of descent from democracy to civil society, triggered by trade union action and industrial democracy, will continue. From political democracy to social democracy to cultural democracy: everyday activities are increasingly linked to dialogue and political decision-making (Touraine, 1994, p. 273; Dahrendorf, 1996). Touraine places much emphasis on human rights, citizenship and civil society, and on the importance of participative democracy for development. In a radical criticism of the socialist tradition, Keane strongly pleads for the democratization of civil society, which allows all citizens to participate in the democratic process. His examination of the theoretical and institutional roots of the deepening crisis of European socialism is an important contribution for understanding the participative void in leftist dogmatic democracy (Keane, 1988). An 'institutional' answer to multipartite and multi-faceted labour relations is implicit in a number of mechanisms of social dialogue that exist already. Trebilcock provides a survey of such mechanisms and from her statistics it can be deduced that of a total of 56 tripartite structures in the industrialized countries she surveyed, 23 are 'tripartite plus'. That is - apart from government, employers and trade unions - they include experts and members of other social organizations, such as consumers' associations, environmentalists, farmers and people engaged in crafts, amongst others (Trebilcock, 1994, pp. 51-63). Yet her study puts full emphasis on the functioning and achievements of tripartism, which is not surprising as tripartism continues to be the locus of power. In his paper, Monat presents an up to date survey of economic and social councils in Europe, with special emphasis on the European social dialogue (Monat, 2000). His review presents a fine and very valuable stocktaking.

### **Towards Greater Investment in the Development of Democratic Participation**

Participation is a dynamic ongoing process of policy and strategy formulation, of designing and re-designing structures and procedures, based on evaluation of experience, and taking into account opinions and expectations by workers, their leaders, management and employers. This observation implies that the gradual approach requires co-ordination, organization and support.

In Europe there has been definite government support, particularly by legislating participation structures. The interesting feature was that not only the institutions of participation were legalized, but also the support for its development. In a number of European countries, funds for education, advice, logistic and administrative support, time and study, have been provided by law out of the company budget. These facilities were created, not in the least, as a result of trade union struggle and tough trade union-management and trade union-government negotiations. Also university institutions - often

in co-operation with the trade union movement - have been eager to assume a monitoring role (see chapters 5 to 24 in Kester and Pinaud, 1996). However, in the past ten years or so, this support appears to be sharply decreasing (Zammit, 1996). And whether in Europe or in Africa, support for the functioning and development of democratic participation is not found to be sufficient in most studies. Neither in the longitudinal European surveys of Heller *et al* (1998), nor in Africa (Adu Amankwah *et al*, 1999) nor in a recent cross-continental study of works councils (Markey and Monat, 1997).

The need for a supporting structure for the development of democratic participation has been made forcefully by Jaroslav Vanek (1970, 1971, 1975) and was elaborated in particular with respect to co-operatives (Gunn, 1984; Cornforth *et al*, 1988; Whyte and Whyte, 1988), and indeed these theories resulted in getting important support infrastructures into place, including education and training facilities, management development, finance and banking. For mainstream democratic participation (direct and indirect representation especially through works councils) supporting structures were created, as mentioned earlier, with respect to education and training and expert advice - payable out of company budgets. In a small country like the Netherlands alone, an estimated two hundred million Euros per year must be provided, by law, for the education and training of elected works council members. But in view of the conclusions mentioned above, it would appear to be time to evaluate more effectively whether the present support is the most adequate for the development of democratic participation. In particular, it must be assessed what support is necessary (in terms of education, assistance, monitoring, research and so on) to provide adequate response to the new frontiers of democratic participation.

The paper by Zammit discusses the issue of trade union education (TUE) for workers' participation. On the basis of a case-study which analyzes the experience of Malta's General Workers' Union, he illustrates how TUE can serve both the functional and reproductive ends of the union while simultaneously promoting transformative goals according to the opportunities which present themselves historically, from time to time. Nevertheless, the extent of educational support required for an effective participation culture to develop is far beyond what any union can offer. It requires nothing less than the full support of the State as well as the collaboration of the voluntary and private sectors.

It is of great importance that trade union/university co-operation be institutionalized, to create a link between research on the one hand, and policy development, education, and training on the other. Involving researchers in extension education and policy development, and activists (trade unionists) in university research, creates continuity. Continuous interaction allows the building of research agendas jointly proposed and implemented, a continuing feedback/outlet for extension courses and policy development. This may lead to an improved quality of scientific research and may thus become an important contribution to the development of social science. Academics who are actively involved in projects of co-operation with trade unionists are often not taken seriously by their other colleagues. It appears that both the reliability and validity of research conducted together with trade unions may be enhanced (Kester, 1998). Trade union/university co-operation can be ensured in the long-term if it becomes institutionalized as an integral part of the university structure, as is the case with the Workers' Participation

Development Centre at the University of Malta (Mayo, 1997).

### **Conclusions: Revisiting Guiding Principles for Democratic Participation**

In the above pages references have been made to the wide diversity of chapters in this book, all dealing with new developments in enterprise democratic participation. It is not easy to interpret the accumulated research data obtained in different countries and in different sectors of the economy. Yet, a common framework for arriving at comparative conclusions exists: the first publication in 1996, which sets out the assumptions and hypotheses concerning Scenario 21. What do the data now available confirm, qualify or reject with respect to the 'theory' launched over five years ago?

First, it should be important to revisit the guiding principles for a strategy for democratic participation (Kester, 1996). Most of these stand by themselves. It is interesting to note that in several chapters – for example, those by Mosse and Pinaud - reference is made to democratic participation as a felt need of workers. Leisink even observes an increasing propensity to participation. It had been argued that the right to participation is independent of trade union membership: workers may want to participate through trade unions or they may want to participate directly, without any trade union intervention. Here, the 'freedom of association' principle would appear to be relevant. Additionally, the proposition that participation is not the exclusive domain of 'leftist' political forces but an 'ideology in its own right' is confirmed. In relation to this, one may further break down guiding principle three according to which, the origin of the right to democratic participation 'can be found in labour and not in capital ownership' (Leisink chapter).

In the earlier Scenario 21 publication fears were expressed by the authors that the momentum to develop democratic participation, which had long been sustained by trade unions, was slipping away. This was said to be the combined result of the farewell to traditional socialism and the embrace of neo-liberalism even by social democratic forces. Yet, as the chapters reported here show, there are many new initiatives and innovative formats of democratic participation that are taking shape. Simultaneously, an important change in the underlying philosophy seems to be creeping in. Participation was long seen as an integral component of the *workers' struggle*, often with the strong support of trade unions and leftist governments. Management and employers had been diligent in the process: they tolerated democratic participation in general but dressed it up with their own values: greater co-operation, better communications and flows of information, improved management/worker relations, social harmony, reduction of industrial conflict and so on. All these serve management's interest as they may increase efficiency and productivity. In the tug-of-war over the direction and significance of the development of participation, all groups in power tended to promote their own objectives (Poole, 1986).

However, as the contributions of Qvale and particularly Goetschy and Gold show, another inroad into the participation game - if not another philosophy - is that of *social partnership*. Sandberg puts the emphasis of his analysis of new forms of management and work organization in Swedish workplaces on *co-operation*, with union influence still going

strong and a new ideological perspective from the management side. Participation can be open to a positive sum game. The old in-fighting between trade unions and management/employers over objectives, scope and direction of participation can be substituted by a new kind of process. The realization of shared objectives now becomes a central issue along with the development of a shared culture, legitimate for all involved, so that different roles can be played in cultural congruence. The study by Leisink also points in this direction, and would appear to suggest that the workers themselves become increasingly supportive of such a new way of thinking. Ironically, in a number of countries, employers may be closer to the partnership model than trade unions because of the supposed convergence between democracy and efficiency (Gautrat, 1999, quoted in Pinaud, 2000, p.2). Can this latter guiding principle be revised to state that the right to democratic participation can be found in partnership? Such a new perspective would otherwise be completely in line with another guiding principle, namely that 'democratic participation is a dynamic process; constant efforts must be made to render it increasingly meaningful, effective and democratic' (Kester, 1996, p.39). Democratic participation, it would appear, is no longer primarily a *battleground between* capital and labour, implying a win-lose game, but a *common challenge*, a win-win game that forces all parties to reconsider the rules of the game and the roles of the actors.

### *Revisiting Scenario 21*

The 'bread and butter' and 'consolidation' scenarios, and the scenario 'for growth of democratic participation' (or Scenario 21), were elaborated in the 1996 publication with special reference to possible trade union roles and strategies. In the chapters reviewed in this introduction, there are no real cases of the bread and butter scenario in which trade unions concentrate exclusively on bargaining on terms of employment and leave the initiative and practice of any form of participation to management and workers. A number of cases reported here (both Pinaud's and Ponzellini's studies of the reduction of working hours and Mosse's study of hospital reform) come close to the 'consolidation' scenario. This is essentially the combination or rather the co-habitation of collective bargaining and co-determination at company level, but without an active trade union role to strengthen co-determination as well as managerial and financial participation. Qvale reports on a case that comes close to Scenario 21: the development and spread of co-determination and increased trade union involvement in all forms of participation including organizational and financial participation. The cases reported by Leisink and Sandberg would appear to fit in between the consolidation scenario and Scenario 21, though more inclined towards the latter. Quite obviously, this 'classification' of the different contributions is a rough guide and as already observed in the earlier publication, the three scenarios may in reality overlap (Kester and Pinaud, 1996, p.56). Yet, for the sake of our argument here it would appear useful to elaborate on the consequences of the above mentioned cases – in the perspective of the assumptions with respect to the scenarios.

A first assumed consequence of the consolidation scenario is a division in the representation of workers' interests. The study by Pinaud confirms this most clearly: the introduction and execution of the reduction of working hours (RWH), he says, was

conducted in traditional industrial relations practice despite its rich potential for direct participation. The further assumption was that the duality of representation would 'undoubtedly be exploited by employers' (Kester and Pinaud, 1996, p.51). This does not appear to be the case in the RWH story. Likewise, management did not see it as an opportunity for participative management. A most significant finding in the study by Leisink is that the majority of employees in the communication industry want a combination of bargaining and works councils to represent their interests. This is of particular importance because a further assumption of the consolidation scenario was that the lack of trade union involvement in participation would lead to increased corporatism and that there would be a shift away from collective forms of representation towards individually-based forms. Without trade union involvement works councils may easily become breeding places of collective egoism. Leisink indeed mentions that works councils are little inclined to raise wider issues of solidarity (such as gender or ethnic issues). He also reports that the absence of trade union representation in the small and medium-sized enterprise sector he studied means that individually based forms of representation are on the increase. Pinaud makes the same observation but attributes it to trade union indifference.

In view of these very tentative observations, which are subject to further testing, it may be important to mention again the revision of the guiding principle on the origin of the right to democratic participation. The assumption that duality of representation would undoubtedly be exploited by employers has to be critically modified under the 'social partnership ideology'. In the chapters by Pinaud, Goetschy, Gold, and particularly Leisink, it emerges that new initiatives may also come from the workers' side. On the other hand, the mere absence or indifference of a trade union may produce new forms of representation, both for the purposes of bargaining and co-determination/co-management, which may be exploited by management *and/or* workers. The consequences of this assumed non-trade union context may lead to some likely consequences including: individualization of labour relations, progressive fragmentation and a dual labour relations system in which the better-offs obtain a better deal for themselves and leave the trade unions to deal with negative aspects and to represent the worse-offs. This may eventually lead to further reductions in trade union membership and loss of trade union power and influence. This scenario would appear to present a challenge for trade unions, that is, to prevent this vicious circle from turning into a self-destroying prophecy. This challenge has been picked up by trade unions in the Netherlands, as the study of Leisink suggests, but much less so in France, where Pinaud's study laments the loss opportunities for trade unions.

Many of the consequences assumed for the consolidation scenario are absent in the case described by Qvale. Here the trade unions play an active part in co-ordinating the different forms of participation, by adopting a multi-track strategy as a constructive social partner. In particular, as it was assumed (Kester and Pinaud, 1996, p. 54) that trade union support for involvement in all forms of participation makes it possible for them to balance individual, group and collective interests, then such a strategy would strengthen the trade unions.

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