

Original citation:

Meardi, Guglielmo, Gardawski, Juliusz and Molina, Oscar. (2015) The dynamics of tripartism in post-democratic transitions : comparative lessons from Spain and Poland. *Business History*, Volume 57 (Number 3). pp. 398-417.

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Publisher statement:

"This is an Accepted Manuscript of an article published by Taylor & Francis Group in *Business History* on 04/06/2015, available online:

<http://dx.doi.org/10.1080/00076791.2015.1044516>

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The Dynamics of Tripartism in Post-Democratic Transitions: Comparative Lessons from Spain and Poland

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(Submitted 2 October, 2013; accepted 18 July 2014)

Abstract

The article compares the role of tripartism during and after democratic transitions in Spain and Poland. In both countries, it emerged after a negotiated transition from dictatorship, but it was poorly institutionalised. While it fell short of ‘neocorporatist’ levels of governance, it had a ‘foundational’ function in stabilising both political and economic transitions, and despite its limitations, it endured for decades in the frequent, if unregular, practice of negotiating ‘social pacts’. The comparison reveals some striking similarities despite the contrasting economic systems of origin, and identifies some structural constants in the evolution of post-democratic tripartism, up to the recent crisis.

Keywords: corporatism; democratisation; tripartism; Poland; Spain

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Introduction

Tripartism has historically emerged as a response to social crisis, and in particular at times of democratic change: its main international expression and promoter, the International Labour Office (later Organization) was created in 1919 in the aftermath of World War I and revolutions in Russia, Germany and Hungary, at a time of conflict-ridden establishment of democracies in a number of European countries. Tripartism is intended here to mean any ‘system of co-operation in economic and industrial policy between government and the peak organisations representing the two sides of industry’.¹ This is often associated with corporatism as a model of governance that, in the words of Schmitter, tries to reconcile a polity where power is supposed to belong to the majority, and an economy where power is in the hands of a minority.² Nonetheless, most studies of tripartism have focussed on countries where it became established over a long period of consolidated democracy, especially in Scandinavia, and on the economic co-ordination function, rather than on the political ones.³

This article focuses on one specific form of tripartism that has emerged around the so-called fourth wave of democratization between the 1970s and the late 1980s (following those of the XIX century, 1918 and 1945) with the specific function of stabilising political and economic transitions. Democratization can be seen, in institutional terms, as a ‘critical junction’ when institutions are created and a new ‘path dependence’ is set for later developments. By observing if post-democratic tripartism corresponds to one specific institutional form with its own path dependence, we aim at arguing that the timing of tripartism is crucial, and a history-sensitive analysis is required when comparing national tripartite institutions: not just *what*, but *when* is a crucial question for the understanding of tripartism.⁴ We expect the political nature of this kind of tripartism to result in a specific focus on ‘expressive’ (legitimation, for both

government and participating associations) rather than ‘instrumental’ (socio-economic outcomes) functions.⁵

In particular, we compare two cases of tripartism’s introduction that differ in terms of economic and class conditions, but display a number of parallelisms in terms of timing around democratic transitions: Spain and Poland. In both countries, tripartism emerged soon after a negotiated transition from dictatorship: in fact, the Polish Round Table negotiators in 1989 were directly inspired by the Spanish experience of the Moncloa agreements and the *transición pactada* of 1976-78. But afterwards, it was poorly institutionalised. While in both countries it has been widely criticised for falling short of ‘neocorporatist’ levels of governance, it has been considered to have a ‘foundational’ function in stabilising both political and economic transition, and despite its limitations, it endured for decades in the frequent, if not regular, practice of negotiating ‘social pacts’.⁶ Given that it has long survived democratic transition, it is interesting to ask how this specific historic kind of tripartism has changed its functions over time. The parallelisms are all the more interesting because the economic systems of origin were opposed: over time, the two countries have moved in many regards towards forms of semi-peripheral ‘embedded neoliberalism’, where extensive marketization is partially balanced by product market regulations and political intervention.⁷ In other words, the comparison keeps the origins of tripartism (democratic transition followed by European integration) constant, while contrasting the economic system of origin, to identify in what regards the common post-democratisation markets create structural constants in its evolution.

The structure of the article is as follows. A first section explains the meaning of ‘post-democratic transition tripartism’, with reference to corporatist and democratization theories. The second section explains the rationale of the Spain-Poland

comparison as well as its limitations, and describes the sources used for the analysis. Two sections describe the two cases in depth, distinguishing between the foundational period during and immediately after the transition, and the longer-term implications, until the most recent developments. A comparative section will identify the common traits as well as the differences, and the conclusion will elaborate on the analytical significance of democratic transition for the understanding of tripartism.

The functions of transition tripartism and its institutionalisation

Tripartism has inspired the rich theory of corporatism, which can be defined after Schmitter as a form of policy formation through systematic concertation between the state and monopolistic, hierarchically ordered and functionally differentiated associations that are recognised by the state in exchange for observing a certain discipline and control.⁸ Tripartism and corporatism do not coincide, though: many tripartite arrangements (e.g. the National Economic Development Council set up in the UK in 1962) fail to perform corporatist governance functions, while some countries (e.g. Germany) have achieved a degree of corporatist governance, in terms of coordinated political exchange between government and associations, without creating formal tripartite institutions. While the theory of corporatism developed for stable political systems, whether democratic or not, tripartism proved particularly popular in transition societies, which almost by definition lack the prerequisites of organisational order and stability for effective corporatism. The long waves of the ‘corporatist Sisyphus’ that, according to Grote and Schmitter, mark the historical ups and downs of tripartism have a strong association with waves of democratisation, in particular after the two World Wars, in the 1970s and in the 1990s.⁹ The numerous cases in which tripartism was introduced during a regime change are at odds with a tenet of corporatist

theory, i.e. that corporatism corresponds to a process of differentiation of the political systems, between parliamentary and corporatist organs and between political and socio-economic functions.¹⁰ Emerging political systems cannot be seen as already functionally differentiating according to functionalist or system theories, for the simple reason that they have not yet had the time for testing which functions require additional organs. It is more likely that in these foundational moments, institutions are created for more specific historical and political reasons, responding to crisis or to actors' interests rather than to institutional development logics.

Schmitter, by combining the study of corporatism with the study of democratisation, observed that corporatism may play a specific function during democratisation. He argued that where class organizations, thanks to strategic capacity and encompassing scope, develop in a 'corporatist' way (as centralized, hierarchically organized and co-opted in policy making), they can play a much more significant role in the consolidation of democracy than where they turn into 'pluralist' organizations, in the sense of fragmented and unco-ordinated.¹¹ Tripartism can therefore channel and stabilise the frequent protagonism of labour during democratisation.¹² This has been corroborated by studies of Latin American democratic transitions: the ideal mix for the democratic output appeared to be a sequence of high mobilization of labour followed by a capacity to show restraint by workers' organizations.¹³

The specificity of post-democratic transition tripartism (e.g. in Spain, South Korea, Portugal and South Africa) was not immediately evident in many cases. However there was a realization that tripartism appeared to be possible even without the classic prerequisites of corporatist theory, and notably encompassing, unitary interest associations: a realization that referred also to other cases unrelated to democratic transitions, like the Italian and Irish ones.¹⁴ Instead, the emergence of corporatism in

former dictatorships in Southern Europe in the 1970s and in Eastern Europe in the 1990s was seen as a part of the broader ‘corporatist Sisyphus’ waves, and its only specificity was the additional success in stabilizing the new political system.¹⁵ Both Spain and Poland, in particular, were initially greeted as corporatist successes *tout court*.¹⁶ The limits of those experiences in terms of corporatist standards soon became clear.

Criticism of post-transition corporatism was particularly sharp in the post-communist cases, which were soon labelled as ‘immature’ or even ‘illusory’ corporatism.¹⁷ According to Ost, in particular, post-communist “tripartism serves to buy workers’ acceptance of a private economy, not to negotiate the terms of that economy or to secure labour’s long-term, consensual integration into it”.¹⁸ He contrasted this with western European experiences: tripartism’s aim in the West was to include the excluded – in the East, to exclude the included.¹⁹ A few years later, though, Ost observed that ‘illusory corporatism’, instead of remaining unique to Central Eastern Europe, had moved to Western Europe, as well as to Asia and Latin America, as an instrument to legitimise the reduction of labour rights.²⁰ Indeed, in many recent cases the perpetuation of tripartism has accompanied a downward regression towards a form of dependent liberal capitalism, and in particular, in 2010-11, a degree of convergence between Eastern and Southern Europe. Ost did not remark, though, that in most of these cases, although not all, tripartism had been introduced in concomitance with a democratic transition. A more in-depth observation of the implications and functions, behind the ‘illusion’, of these kinds of corporatism is offered in this article.

Comparative rationale and methodology

In order to focus on the political aspect of democratic transition, and contrast it with the more frequently studied socio-economic features, we compare two countries that are opposed in terms of socio-economic system of origin (authoritarian capitalism with deep class divisions vs state socialism with no capitalist class) but share an intimate connection between tripartism and democratisation, as well as a number of control variables. Spain is the best case from Southern Europe because its corporatism under the authoritarian regime was much weaker than in neighbouring Portugal, and its development afterwards more serious than in Greece: the Moncloa pacts of 1977 were directly related to the transition, were an institutional innovation, and even became a template for later cases of negotiated transition. On the other side, Poland is a best case in Central Eastern Europe because its transition was the most institutionally negotiated, and its tripartism was introduced because of internal demand emerging from the tensions of the first years of democracy, rather than, as in most other Central Eastern European countries, because of external pressure (from the ILO or the European Economic Community) or the perpetuation under different names of communist organisations.

Spain and Poland happen to be comparable for other reasons too. Their size is very similar (around 35m inhabitants at the time of the transition), and size is a well-known factor affecting countries' capacities to develop encompassing organisations and centralised co-ordination.²¹ They are also Catholic countries, which is generally associated with pluralist trade unions along political lines, in these two cases two main competing confederations.²² The economic structure was already broadly similar at the time of transition: a large agriculture sector had dominated until recently, the manufacturing sector had just peaked at nearly 40% of GDP, and a fast process of de-

industrialisation was starting, exacerbated by opening to international competition. Politically, at the beginning of the transition both Spain and Poland were highly centralised states – although in Spain strong centrifugal pressures would soon emerge.

These similarities combine with some striking parallelisms in the timing of tripartite development. In both cases, the transition had been preceded by waves of labour unrest and strikes that, while formally illegal, were hardly controllable by the régime: in the early-mid 1970s in Spain, and in 1980 and 1988 in Poland. In both cases, the peak of tripartism was in the first few years of transition, with a decline –but no disappearance – once democracy was consolidated. And on both sides, the introduction of tripartism coincided with strike waves and was followed by a very rapid fall of industrial unrest. In Spain, the number of strike participants fell from a peak of 3-6m per year in 1976-79 to 1m by 1986, and the number of working days lost in strikes from 11-19m to 2m in the same period.²³ In Poland, the number of strikers fell from 400-800,000 in 1992-93 to only 18,000 by 1995, and the number of days lost from 0.6-2.3m to 60,000 in the same period.²⁴ Trade union density declined in a strikingly similar manner in the two countries: from around 50% at the time of transition to around 15%, amongst the lowest in Europe, in 2010.

The main differentiating factor between the two countries' tripartisms relates to class relations: a different role and degree of involvement of business. In Spain, the private employer confederation CEOE²⁵ was quickly set up in 1977 and private employers, while differentiated along sectoral, size and regional lines, had a clear understanding of their role, and strong organisational resources. Over time, the Spanish employer organisation, with 70% coverage and a centralised structure, proved to be a stronger organisation than the trade unions. As a result of employers' strength, in Spain tripartism was aimed at controlling not only labour but also capital by restraining their

authoritarian fractions: in the mid-1970s, large sections of Spanish employers, frightened by labour activism, still supported the authoritarian Right and presented a potential threat to democracy.²⁶ In Poland, by contrast, private employers were not yet a real force at the time of transition: although already at the end of 1989 the private sector accounted for nearly 50% of GDP, it was mostly made of small and micro businesses in agriculture, retail and other services. The Polish Employer Confederation created in 1989 was the heir of the organisation of state companies' directors, and therefore did not yet represent private business as such; in fact, it remained dominated by state owned and large formerly state owned companies, and emerging private businesses opted to create their own organisations (such as the Business Centre Club), which however needed time to develop strategies and capacities. It was only in 1998 that, on the leading initiative of the increasingly influential foreign multinationals, a private employers' confederation, the PKPP²⁷-Lewiatan, was created, with a more hard-line approach to employment relations. Therefore Polish tripartism was aimed at controlling labour only, and initially appeared more as bipartism between state and unions than as an effective trilateral relationship.

The paper follows a comparative social sciences approach to historical analysis, focusing on causal links and processes.²⁸ The analysis relies on a number of primary and secondary sources. It draws on existing historical studies of the transition, on documentary analysis for the whole period since democratisation, and on extensive empirical materials for the last fifteen years. In Poland, this includes direct observation of the meetings of the *plenum* of the Tripartite Commission since 2002, and interviews with experts and members of the Commission. In Spain, it includes interviews with experts and peak officials of government, the Social and Economic Council, unions and employer organisations carried out between 2000 and 2012, documentary analysis on

the activity of the Council, and in-depth analysis of parliamentary debates. Given the long time span of the research, risks of initial distortion through gatekeepers were diluted. All interviews and materials were collected, analysed and compared in the original languages to avoid translation and interpretation distortions. The gender distribution of respondents corresponds to the gender composition of the tripartite bodies (slowly increasing feminisation up to 19% in Poland and 28% in Spain by 2013, with the difference that the most feminised side is the employers' in Poland and the unions' in Spain), but women were over-represented among the experts.

The account is split in two parts for each country. First, the foundation period during transition (1976-86 and 1989-95). Secondly, the subsequent path after democratic consolidation, until the recent events during the Euro crisis of 2010-13. The chronological distinction between transition and consolidation is obviously a matter of debate. A conventional indicator of consolidation is the peaceful change of power between competing parties after free and fair elections: this occurred in Spain in 1982 and in Poland in 1993. However, a slightly longer time frame is appropriate because in Spain democracy was still threatened in 1981 (failed coup by Lieutenant-Colonel Tejero), and in Poland strong tensions occurred in 1992 (government resignation following secret services' allegations) and 1995 (threat by outgoing president Wałęsa not to recognise the election defeat, and new secret services' allegation).

Spain

The transition mark

Despite some rhetoric, Spain has rather weak corporatist traditions. Guilds were abolished before industrialisation, in 1877, and the only serious efforts at creating strong corporatist structures occurred during the right-wing dictatorships of Primo de

Rivera (1923-30) and to a lesser extent Franco (1939-1975).²⁹ According to Crouch, corporatist interest organizations in Spain were seized by the authoritarian Right, and therefore took on an exclusively reactionary rather than modernising role.³⁰ Despite the strongly corporatist language of the Labour Charter (*Fuero del Trabajo*) of 1938, Spanish corporatism never had the ideological and the economic role that it gained in the Italian, Portuguese and Romanian right-wing dictatorships.

The implication, for Crouch, was that those observers who detected an apparent continuity ‘from corporatism to corporatism’ between the Franco period and the new democratic social agreements of 1977-84³¹ were wrong. In reality, there was no organisational legacy between the two periods. Franco’s regime corporatist structures were merely facades, while state hierarchy prevailed: especially in the first twenty years of regime, the government regulated wages and working conditions by decrees (*ordenanzas laborales*).

The real foundation of Spanish tripartism came with the democratic transition of 1976-78, which occurred in an atmosphere of surprising calm and order. The spontaneous forms of organisation and general mobilisation against the regime that followed the death of Franco, were progressively brought under control by the newly organised union confederations CCOO and UGT³² as shown by the increase of union membership by 60% between 1977 and 1978. This favoured and rendered necessary concertation and the gradual consolidation of a strategy of cooperation: the need to engage simultaneously into macroeconomic adjustment and political transition marked the pattern of policy-making interactions during those years. The political and economic needs of Spain at that time were addressed through the Moncloa Pacts (1977), a real masterpiece of political transition and economic adjustment that put economic priorities top of the agenda as a precondition for a credible shift towards a democratic regime. By

covering income, fiscal and monetary policy, the pacts supported a strategy of consensus and tripartite concertation, regarded as the most appropriate solution to the problems of Spanish economy.³³ The organisational weakness of the social partners, as well as disagreement about the incomes policy side of the pacts obliged public authorities to conceive the Moncloa agreements as a political instead of social pact, hence putting union and employer confederations in a subaltern position. On the basis of these Pacts, the first centre-right UCD³⁴ government elected in 1977 elaborated a plan for economic adjustment and stabilisation with four basic pillars: the control of monetary aggregates, a negotiated incomes policy within a program which guaranteed a rapid reduction in inflation rates as well as a fair distribution of the costs of adjustment, fiscal reform and the reform of the financial system.

During the following years, trade unions, employers' organisations and the government participated actively in the negotiation and implementation of the guidelines for economic management contained in the *Pactos*. Incomes policies together with the consolidation of the industrial relations system were the main contents of the agreements signed between 1979 and 1986, which according to some authors consolidated a neo-corporatist system in Spain.³⁵ However, Spanish tripartism displayed some limiting features.

First, it was not stable and presented a changing geometry in actor constellation. An in-depth analysis shows the tensions and internal contradictions behind peak-level negotiations in this period; negotiations were characterised by the asymmetry in the participation of actors, who maintained contradictory views on the use of policy concertation and social pacts in the process of democratic consolidation and economic adjustment, as well as on the substance of the negotiations; social pacts were often bipartite rather than tripartite.³⁶ Second, the absence of CCOO in many of these pacts

reflects a lack of consensus among confederal unionism on the terms and contents of negotiations and more importantly, it reflects different, unstable equilibriums between political and collective bargaining roles of trade unions.

Third, tripartite negotiations were encouraged by all governments, in part due to the political exceptionalism of the transition, but also because of short-term political calculations; the UCD centre executive (1977-1981) looked for concertation in order to overcome the weakness of its minority government; the socialist PSOE³⁷ executive (1982-1996) initially relied on it due to fears of strong opposition coming from CEOE, but also from unions (especially CCOO) due to the marked monetarist character of its economic policies. This instrumental role of tripartite negotiations limited the capacity of social partners to autonomously lead the process hence leaving it strongly dependent upon the state.³⁸

Finally, bi- or tripartite negotiations exceeded the objective of wage moderation, but had a marked short-term (re) distributive character, with the long-term regulatory function of policy concertation remaining largely underdeveloped. The political emergency made it necessary to reach co-operative distributive solutions through tripartism, because of the organisational weakness of corporate actors and inter-union conflicts: bi-partite confederal agreements developed always under the shadow of the hierarchy of government interventions, thus being only formally bi-partite, and having limited regulatory capacity.

To sum up, the emergency economic and political conditions, together with the weak organisation of unions and employers (which rendered them incapable of finding forms of inter-associational self-coordination) made tripartite catch-all social pacts through issue-linkages the sole instrument for reaching co-operative responses to the adjustment problems. The most accepted hypothesis argues that concertation developed

as a way of consolidating the new democratic regime by means of reducing social conflict and consolidating strong and centralised social partners with control over their bases.³⁹ According to this view, all the rest of the conditions were subordinated to a political rationale.⁴⁰ An alternative explanation refers to economic emergency (high rates of inflation and rising unemployment): notwithstanding the weakness of the union movement, the exceptional political conditions precluded unilateral government intervention à la Thatcher. Finally, other authors have argued that concertation responded to the very precise rational strategic calculation of unions and employers' organisations to gain social legitimacy and increase their political power: the opportunities opened during the period of economic and political emergency after the transition offered them a mechanism for enhancing their role as moderate and responsible political actors.⁴¹ However, institutional and political strengthening implied a centralization of the labour movement concomitant with grass-root disenchantment and workplace weakness.

A major difference from post-communist transitions is the role of private employers. The CEOE exerted a centralising influence from the beginning of the transition, and, out of concern with the widespread strikes of the previous years, it supported the Moncloa pacts in 1977-78. Given the success of the centralised pacts of the late 1970s-early 1980s in reducing protest, demobilising the union grassroots, and controlling wage growth, engagement in tripartitism became an official orientation of CEOE. Faced with a very segmented and geographically diversified economic structure, the CEOE managed to maintain its national prominence by focusing on the political level and engaging in centralised tripartite and bipartite social dialogue.

Consolidation and path dependencies

In 1986, policy concertation collapsed. Besides the disagreements between trade unions and the Socialist government around labour market and pension reforms in 1984-85, several explanations have been offered to explain the sudden crisis of concertation. Some authors stress institutional factors: the lack of strong and centralized collective actors, as well as their poor institutionalisation in the policy-making machinery.⁴² Other authors have stressed economic factors: economic recovery and internationalisation had removed the strongest incentive to negotiate policies.⁴³ Political factors have also been considered: the consolidation of democracy, the failure of a right-wing coup in 1981, entrance to the EEC as well as the rapid decline of the Spanish Communist Party, would have removed the need for concertation. The role of employers is stressed by Martínez Lucio, who points to the 'resistance of CEOE to strong forms of corporatist involvement in order to avoid the institutionalisation of relations between the state and labour, and to prevent the development of a strong social dimension'.⁴⁴ Finally, union strategies have been considered: the weak equilibriums of concertation in Spain (like in Italy at the time) required unity of action between the confederations, but as soon as for one of them (UGT) the costs of co-operation appeared to outweigh the benefits, it withdrew, and there were no neo-corporatist institutional mechanisms for enforcing the maintenance of centralised collaboration.⁴⁵

In the two following decades, Spanish concertation became mostly bi-partite and focussed, rather than on economic policy, on social security, labour market and industrial relations frameworks. The state moved between unilateral intervention and the promotion of bi-partite agreements with unions or employer organisations as well as among them.

Spain still lacks an institutionalised, formal and stable framework of tripartism. The inter-confederal agreements and social pacts of the first half of the 1980s failed to

reinforce the institutional position of trade unions because no institutionalised model of concertation was established. The official tripartite institution for policy concertation, the *Consejo Económico y Social* (Economic and Social Council) foreseen by the Constitution of 1978, was only established in 1991, with an exclusively consultative function.

Tripartite social pacts were nonetheless reached again by governments with weak parliamentary majorities and needing to prevent union protests: the right-wing government led by Aznar in the late 1990s and the socialist government led by Zapatero in 2004-11. According to some analyses, the fact that in Spain social pacts had been signed by both pro-labour and anti-labour governments proves their strong institutionalisation.⁴⁶ However, the Spanish pacts have had less incidence than those of other countries and have mostly been signed ‘in the shadow of the law’, i.e. under threat of unilateral legislation. Tripartism, rather than substantial direct effects, has had a ‘placebo effect’: the negotiations did not affect the actual content of the reforms, but their perception by collective actors and citizenship, which improved their implementation.⁴⁷ For instance, the negotiated labour market reform of 1997 had more success than the unilateral one of 1994. The frailty of tripartism became clearer with the crisis of 2010-13, when the signature of some tripartite agreements did not prevent governments from taking more radical unilateral steps just few months later, until tripartite dialogue all but collapsed in 2012.⁴⁸

Poland

The transition mark

Poland’s experience of tripartism is widely dismissed as pure failure and façade.⁴⁹ Indeed, there is little evidence of those major, encompassing, comprehensive and

institutionalised agreements that have been called ‘social pacts’ in Western Europe. However, a deeper and more detailed examination of the interactions between the actors shows that tripartism has performed some function, whether intentional or not.

As argued by Bruszt and Stark, the country-specific modes of transition from communism have had important influences on the later path of Central Eastern European countries: in the case of Poland, it was a negotiated path.⁵⁰ Communist Poland had already experienced some indirect forms of ‘arm-length social dialogue’ during the reformist periods of Gomułka (1956-58) and Gierek (1971), but, more frequently, worker protests were violently repressed (1956, 1970, 1976). The transition was marked by the Gdańsk agreements of 31st August 1980, which allowed free trade unions until they were revoked with the military *coup* of 13th December 1981, and was set in place by the Round Table agreement of the 4th April 1989, which re-legalised free trade unions and allowed the first free elections in a communist country since 1948.

While they (especially that of 1980), also covered social and economic issues both agreements had a primarily political nature. The April 1989 agreement is in many aspects comparable to the Moncloa pact in Spain. In fact, one of the most influential participants in the Round Table negotiations, the dissident Adam Michnik, explicitly invoked a ‘Spanish path’ for Poland.⁵¹ The negotiations started secretly during 1988 and then formally, with the Round Table, in February 1989. Solidarity (then still called ‘the social side’) demanded the re-legalisation of the union and moves towards parliamentary democracy, but also the strengthening of company self-management through works councils and egalitarian income policies, even if combined with market reforms, and on these issues part of the government’s side had no objections. In the accounts of the main protagonists of the Round Table negotiations, however, social and economic issues were quickly marginalised in the negotiations and left to less important

side-commissions: this surprised Solidarity, which had expected the government side to want to share the responsibility of unpopular economic reforms with the opposition.⁵²

The experiences of the 1980s have had major political and cultural consequences, most notably on compromises between old and new élite, but also on the rhetorical importance of union-government negotiations.

The 1980s also marked the future social landscape by establishing union pluralism along political lines. While the ‘old’, Soviet-style trade unions dissolved after 1980 under the Solidarity wave, during 1982-84 reformed, more autonomous official trade unions, OPZZ,⁵³ were created with the aim of preventing the re-emergence of an independent workers’ movement. The relationship between the OPZZ and the underground, but still influential, Solidarity was obviously hostile: while one side was rewarded for its loyalty, the other was violently repressed. Indeed, during the Round Table negotiations OPZZ and (still unofficial) Solidarity were sitting on opposite sides, i.e. regime and opposition.

The unplanned and unexpected acceleration of political changes in Poland, and then in the whole of Eastern Europe, during the summer of 1989 led to major changes in the conception of social dialogue. As Solidarity took over the responsibility of forming a government, the trade union function was immediately demoted: as Lech Wałęsa himself declared, ‘we will not catch up with Europe if we create a strong trade union’.⁵⁴ The union took on the role of ‘protective umbrella’, as a guarantee of social peace while the government, increasingly dominated by the neo-liberal Finance Minister Leszek Balcerowicz, introduced radical market reforms. Under the label of ‘shock therapy’, the reforms had very high social costs (unemployment increased from 0% to 16% in two years, while industrial production fell by 35%), and included the elimination of works councils in private companies and regressive income policies (in particular, an

unpopular tax on wage increases in state-owned companies). The removal of works councils and the imposition of unilateral income policies undermined the institutional basis for articulated social dialogue at micro and meso levels.

The specific double function of Solidarity means that unlike the other post-communist countries in the region, Poland initially did not need tripartite institutions: social dialogue between government and labour occurred *within* Solidarity (between parliamentary party and trade union), rather than between organisations. The ‘Consulting Commission’ established by the Round Table to monitor the implementation of the agreements was discontinued and the first post-communist government acted quickly and unilaterally, with the tacit consent of the union. Nor was there much need for dialogue with the OPZZ, which was still in search of its own identity and strategy. Poland was therefore unique in the region, in not adopting the tripartite institutions recommended by the ILO.

The situation started changing once the high social costs of the transition became clear. In 1992-93, a wave of strikes occurred and proved impossible to resolve without a system of institutionalised social negotiations. At the beginning of 1992, the right-wing government led by Jan Olszewski, facing a conflict with the strongly-unionised miners, proposed new regulations for conflict resolution. This proposal led to the signature of a government-Solidarity agreement on dispute resolution in the sectors facing restructuring, which established committees and rules for sector-level social dialogue.

The rapid spread of strikes to all sectors of the economy during the summer of 1992 proved that the conflict resolution procedure was insufficient and forced the government (now led by liberal Hanna Suchocka) to move to multi-sector social dialogue. At that time, the echo of the strikes of the 1980s was strong and Poles had the reputation of being a ‘rebellious society’.⁵⁵ A large number of these strikes were linked

to privatisation, whether opposing or supporting it. The labour minister Jacek Kuroń, a former leading figure of Solidarity and a keen promoter of corporatism, appealed to the trade unions and the then-emerging employer associations to negotiate new rules regarding privatisation. The neo-liberal fraction of the government, although ideologically reluctant, consented to the pact as an instrument to avoid the radicalisation of Solidarity and its shift to anti-market positions.⁵⁶ Kuroń's invitation was accepted by Solidarity, OPZZ and some smaller trade unions, as well as by the KPP, then dominated by directors of state-owned companies. The embryonic associations of private business were invited but showed no interest in the negotiations, and suggested instead a pact in the private sector, which was rejected because it would have excessively distorted competition between state-owned and private companies.⁵⁷ Given the enduring divide between Solidarity and OPZZ, which refused to sit in the same room, negotiations took place separately with the OPZZ on one side, and with all other unions on the other.

After eight months of negotiations, in February 1993 a 'Pact on the Transformation of State Enterprises' was signed. This was formally a tripartite pact even if, in fact, KPP had negotiated on the same side as the government. The main object of the pact was the 'price' of privatisation in the form of the distribution of complimentary shares to employees and facilitations for management and employee buy-outs. These concessions effectively demobilised rank-and-file unionists, who had had more ambitious goals in terms of industrial democracy. The Pact also included new regulations on collective agreements, wage guarantees, company social funds and health and safety, and the proposal of a Tripartite Commission responsible for public sector pay, income policy and social security.

After more political instability, early elections and pressure from a strike in the energy sector, the institutionalisation of tripartism occurred through the establishment of

the proposed Tripartite Commission in 1994, under a new government led by the post-communist SLD.⁵⁸ The Tripartite Commission resembles analogous institutions that had already been created in Central European countries following recommendations from the ILO, but it responded to internal needs rather than external influence.⁵⁹ Initially, it was proposed that it would have a consultation role, on the model of the Spanish *Consejo Económico y Social*, but eventually the government opted for an institution with decisional powers, in the hope of sharing with the unions the responsibility for income policies and social reforms. However, with time, a commission for central socio-economic co-ordination proved inconsistent with the broader neoliberal economic policy conducted by subsequent Polish governments, whether conservative or social democratic.⁶⁰

Overall, the importance of compromise during the transition – initially between communist government and Solidarity, then within different factions of the Solidarity government, and eventually through formal tripartism – help to explain how a difficult democratic and economic transition could occur successfully, and in particular how neoliberal ‘shock therapy’ could be ‘embedded’ and softened through targeted social policies (pensions, unemployment benefits, privatisation mechanisms).⁶¹

Consolidation and path dependencies

The most important competence of the Tripartite Commission was to agree yearly wage increases, which would be binding for the state sector and non-binding for the private. However, the private sector actually paid little or no attention to such recommendations, and pay developments have demonstrated a very substantial wage drift from the tripartite indicators.⁶² Only in 1995 and 1996 did the Commission manage to reach an agreement on wage increases for the public sector, while in other years the government

was left with the responsibility of taking unilateral decisions. At the same time, collective bargaining failed to emerge in the private sector, and no bilateral co-ordination on wages occurred, mostly because of refusal from the employer side. Polish tripartism was further promoted by the EU during the accession period, but it kept failing to achieve substantial results.

The role of union politicisation was very clear and is the most frequently proposed explanation of the Polish failures.⁶³ In 1997, under a left-wing government, Solidarity withdrew from the Commission; in 1998-2001, once Solidarity had come back to power, it was OPZZ which did the same. As the Tripartite Commission set up in 1994 had to take decisions by unanimity, withdrawal from one side all but stalled its operation. In order to overcome this limit, a law was passed in 2001 to institutionalise and reform the Tripartite Commission. Representativeness criteria were introduced, according to which the largest unions Solidarity, OPZZ and FZZ,⁶⁴ and the largest employer organisations KPP, PKPP and Business Centre Club were admitted.

Despite the law and despite the efforts by the labour and economy minister Jerzy Hausner to reach a comprehensive tripartite social pact in 2002-04, the Tripartite Commission did not achieve any major result.⁶⁵ The Tripartite Commission was sidelined twice, in 2005-07 under a populist government, and again, more dramatically, in 2011 under a liberal one. The collapse of tripartite dialogue in Poland in 2011 was concomitant to that in Spain. After a Tripartite Commission agreement on the minimum wage was rejected by the government, the president of the commission, deputy Prime Minister Pawlak, resigned and was not replaced by Prime Minister Tusk until the following year, causing a long standstill. In 2013, conflicts over a new anti-crisis package, pension reforms and proposals to reduce trade union rights led to the withdrawal of all three union confederations from the Tripartite Commission.

Nonetheless, tripartism had not been entirely fruitless. Narrow agreements were signed in the early 2000s on specific topics (wage policy, social security, pensions). Tripartism helped improving relations between unions and employer confederations, and some bipartite agreements were signed between 2003 and 2009, most importantly on an anti-crisis package in 2009. The survival and further institutionalisation of the Tripartite Commission after its original transition-related function (building sufficient consensus on privatisation) was exhausted suggests that it must have performed some functions, rather than being merely illusory.⁶⁶ The large number of committees and meetings, involving national leaders but also expert and regional officers, resulted in the establishment of networks of relations among the social partners, in the development of substantial organisational capacities and technical expertise on all sides, and in a process of social learning and trust building. According to several participants, the Commission was a place where, even if formal agreements were not signed, a number of political and work conflicts could be discussed and solved.

The obstacles to a more systematic function of tripartism refer to all three actors. The most frequently mentioned obstacle, trade union politicisation and polarisation between Solidarity's links with the Right and OPZZ's with the Left, has gradually declined. By 2011, the two main confederations could collaborate in their joint opposition to the liberal government. But exactly at that time, ironically, tripartite dialogue collapsed rather than improved, demonstrating that union politicisation was not the main obstacle in the first place.⁶⁷ The government side appealed for social pacts only occasionally, during time of weakness or crisis (2002-04, 2009), while other state institutions and in particular the National Bank of Poland preferred unilateralism. The employers' side took time to organise, and only from 2001 the most active private employer confederation, PKPP-Lewiatan, was represented in the Tripartite

Commission. PKPP-Lewiatan prefers tripartite social dialogue to the risks of government unilateralism, but private employers have refused to create sectoral structures that could conduct co-ordinated wage setting: sector-level collective bargaining covers less than 3% of the workforce, mostly in the state sector. The deep fragmentation of Polish employers, between new micro private business, large multinationals and former state enterprises, contributes to employer disorganisation.

According to Bohle and Greskovits, the establishment of tripartism in the early 1990s reflected the creation of a form of ‘embedded neoliberalism’, that needed some social compensation and in particular the appeasement of sections of the labour force that had political power: blue-collar workers of large factories and mines, who had strong unions and were offered relatively generous pensions, early retirement schemes and preferential shares.⁶⁸ But the lack of development of tripartism and its apparent collapse from 2011 correspond to the inherent contradictions between social and economic policies, and in particular to the refusal to depart from monetarist policies and labour market deregulation. The economic crisis, even if it affected Poland only indirectly, may have shifted Poland from an ‘embedded neoliberal economy’ to a purely neoliberal one.⁶⁹

Comparative lessons

The two experiences display a number of similarities, which is striking given that western and eastern European social developments are generally seen as hardly comparable (Table 1). Both Poland and Spain resorted to centralized negotiations during their transitions from dictatorship, and established tripartite dialogue as a generalized common practice; but even if Spain has achieved more substantial results, neither of the two countries turned tripartism into formal, authoritative and articulated

institutions. In 2009, Natali and Pochet described Spanish tripartite social pacts as ‘fully institutionalised’, because they have been signed by both right-wing and left-wing governments.⁷⁰ However, such a definition neglects that during extended periods (1986-96 and 2000-04) there were no tripartite agreements, and that Spanish tripartism has failed in most of its socio-economic functions: wage setting has remained disarticulated and employment relations paternalistic or adversarial. Agreements on socio-economic policies have remained contingent on actor interests, with little institutional constraint. In fact, two years after Natali and Pochet had thought that Spanish tripartism was fully institutionalised, it all but collapsed under the weight of the economic crisis.⁷¹ From a purely formal point of view, tripartism in Spain is *less* institutionalised than in Poland, because the *Consejo Económico y Social* was established with more delay than the Polish Tripartite Commission, and unlike the latter, it only has consultative functions. In the end Spanish tripartism accompanied, rather than socio-economic co-ordination, the shift towards a kind of peripheral liberal market economy that has been defined as “Mediterranean neoliberalism”.⁷² This is not so different from the evolution of Poland from an ‘embedded’ neoliberalism towards an increasingly deregulated, and equally peripheral one. [While in these two cases corporatism receives state support, which according to the literature should be enough for it to survive during economic crisis,⁷³ the fact that it is now actually seriously struggling suggests that it operates here under a specific form – what we call the post-democratic dimension.](#)

In Spain and Poland tripartism and centralised negotiations were instrumental to the consolidation of democracy, most visibly in the rapid decline of protest and industrial action, and in the marginalisation of extremist parties (the authoritarian Right and the communists). In both countries, at least until the recent European crisis, tripartism has been accepted as a generalised practice and governments are expected to

negotiate centrally, and pay a political cost when they do not. The major difference between the two countries is in the development of bipartite relations between employer and labour organisations: Spain has one of the highest collective bargaining coverage levels in the EU (85%), and Poland one of the lowest (29%).

How can one explain the political parallelisms in spite of the differences in employment relations, and the long survival of tripartism despite its weak institutionalisation? We argue that the reason lies exactly in the specific functions and forms of post-democratic transition tripartism. This type of tripartism includes three important features. First, a focus on ‘expressive’ rather than ‘instrumental’ functions: in this sense, the ‘illusory’ aspect of corporatism in these arrangements is intentional, because it is the search for legitimisation, rather than the solution of socio-economic coordination problems, that is the main aim.⁷⁴ Secondly, and as a direct consequence of the first feature, this kind of tripartism assumes and maintains a high degree of politicisation, most visibly in the trade unions, which enter difficult and sometimes competitive union-party relations (especially in the cases of UGT-PSOE, Solidarity-AWS,⁷⁵ and OPZZ-SLD relations). In the public debate of these countries, trade unions are often blamed for their politicisation. But while this feature pre-existed tripartism, it was the role in negotiated transition and the focus on centralised negotiations that cemented it, by focusing the organisations on political and even governmental resources. It is not surprising, therefore, that in this kind of tripartism unions end up paying little attention to member recruitment and look rather to the state for support. Third, this kind of tripartism is paradoxically very visible in the institutions, in political debates and in the media, but, as already discussed is weakly institutionalised. Its institutionalisation appears impossible because of its contradictory nature: a socio-economic institution that needs to solve political problems, without however assuming

economic co-ordination roles that would derail neoliberalism. The partial functions performed by these institutions (exchanging political legitimation with central resources for the participating organisations) explain why this kind of tripartism may have survived for so long despite both Poland and Spain ranking among the last industrialised countries in terms of corporatism and socio-economic co-ordination.

It is intriguing, and it would deserve further research, that there are some striking similarities also in terms of outcomes. Not only have both Poland and Spain become peripheral neoliberal countries. They also developed deeply segmented economies, with very large micro-company sectors that are basically outside the scope of tripartism, and particular high levels of employment casualization.⁷⁶ Given that on both aspects they are significantly worse in both areas than neighbouring countries, it may be hypothesised that post-democratic transition tripartism has specific problems of inclusiveness and that its imbalance towards the central level fails to connect with large sections of economy and society.

The comparison has revealed certain surprising parallels between developments in countries that are usually studied separately. In fact, East-West comparisons are theoretically useful to identify constant structures behind different socio-economic contexts, and to avoid comparing the new market economies with 'ideal types' of market and democracy, rather than the really existing ones.⁷⁷ The tripartite features described here are not exclusive to Spain and Poland: the role of politics has been underlined more generally in the recent waves of social pacts.⁷⁸ But the degree of tripartism is politicisation does make these two countries stand out from the countries of their own 'varieties of capitalism' or 'industrial relations types'. Within Southern Europe, Spanish tripartism differs from the Italian one (that was developed from the 1980s, at a time of political strains but long after the exit from dictatorship) for its

higher formalisation in official, legally sanctioned agreements (the expressive function) as well as for its poorer articulation on socio-economic issues (instrumental function). This is demonstrated by the higher autonomy and resilience of collective bargaining, particularly during the recent crisis, in Italy than in Spain where, despite the high coverage, the incidence and articulation of collective agreements were more fragile and have been undermined by recent reforms.⁷⁹ It also differs, in its higher visibility and longer duration, from the Portuguese and Greek experiences, in which tripartism had not played a foundational role during democratic transition. Similarly, Polish tripartism differs from that of the other Central Eastern European countries for its much higher political visibility, but also lesser regulatory capacity: in the Czech Republic and Slovakia, even if unlike in Poland the protagonists of tripartism are hardly known to the broader public, while centralised agreements have often had substantial effects on wage developments and employment policies.

(Table 1)

Conclusion

The historical comparison highlights strong parallels in some formal features and functions of tripartism in Poland and Spain, rooted in the democratic transition experience. In both cases, despite the contextual economic differences and distinctively from neighbouring countries, a specific type of tripartism performing important expressive functions, but with a poor record in instrumental functions, has emerged. Its contradictory nature has not prevented it from lasting for decades, within a path dependency clearly marked by the transition's critical junction, and some important effects in consolidating democracy (however flawed), building associations' capacities (despite very low density levels) and quickly reducing labour unrest. There are signs that the European crisis of 2010-13 may result in a new critical junction that makes that

contradictory nature explode and tripartism collapse: by 2013, the Polish Tripartite Commission had been abandoned by the trade unions, while the Spanish Economic and Social Council was ignored by the government when it opposed the pension reform.

A comparison of two complex cases involves important limitations in terms of theoretical generalisation. In particular, the differences between Spain and Poland should not be overlooked. Spain after the Moncloa Pacts of 1977 achieved, even if irregularly, a number of important tripartite and bipartite social pacts. In Poland, after the social agreements of 1980 and 1989, the only real social pacts at national level were the pact on state enterprises of 1993 and that on the anti-crisis package of 2009, but they were both more bipartite than tripartite. Moreover, even if in both countries strikes declined sharply after the introduction of tripartism, Spain kept the highest strike volume in the EU while Poland has one of the lowest. Tripartism is a multi-faceted phenomenon and in the last decades, a particularly volatile one. Therefore, no theory can pretend to explain all its aspects. But additional concepts, such as those developed in this article with regard to post-democratic transition can improve our understanding of it.

Notes

1. Terry and Dickens, *European Employment*, 205.
2. Schmitter, “Dangers and Dilemmas in Democracy”.
3. E.g. the general discussion in Regini, “Tripartite Concertation”.
4. Pierson, “Not just what, but *When*”.
5. According to the concepts elaborated in Traxler, “Corporatism(s) and Pacts”.
6. Avdagic, “State-labour relations”; Ost, “Illusory Corporatism in Eastern Europe”; Molina, “State and Regulation”.
7. Banyuls et al., “The Transformation of the Employment System in Spain”; Bohle and Greskovits, *Capitalist Diversity on Europe's Periphery*; Meardi, “Peripheral Convergence”; Mykhnenko, *The Political economy of Post-Communism*.
8. Schmitter, “Reflections”.
9. Grote and Schmitter, “The Corporatist Sisyphus”.
10. Lehbruch, “Liberal Corporatism and Party Government”.
11. Schmitter, “Some Propositions about Civil Society”.
12. Rueschemeyer et al., *Capitalist Development and Democracy*.
13. Valenzuela, “Labour Movements in Transition to Democracy”, 450.
14. Baccaro, “What Is Alive and What Is Dead”.
15. Grote and Schmitter, “The Corporatist Sisyphus”.
16. On Spain: Giner and Sevilla, “Spain”; Martinez-Alier and Roca, “Spain after Franco”. On Poland: Iankova, “The Transformative Corporatism of Eastern Europe”; Tatur, “Towards Corporatism?”; Mizgala, “The Ecology of Transformation”.
17. Reutter, “Trade Unions and Politics”; Ost, “Illusory Corporatism in Eastern Europe”.
18. Ost, “Illusory Corporatism in Eastern Europe”, 516.
19. *Ibid.*, 523.

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20. Ost, "Illusory Corporatism Ten Years Later."
 21. Katzenstein, *Small States in World Markets*.
 22. Crouch, *Industrial Relations and European State Traditions*.
 23. Alonso, "Conflicto laboral y cambio social".
 24. Data: Central Statistical Office. The lower figures in Poland reflect lower strike propensity but also more restrictive regulations of industrial action and different forms of data collection.
 25. *Confederación Española de Organizaciones Empresariales*, Spanish Confederation of Employer Organizations.
 26. Martínez, *Business and Democracy in Spain*.
 27. *Polska Konfederacja Pracodawców Prywatnych*, Polish Confederation of Private Employers.
 28. Mahoney and Rueschemeyer, *Comparative Historical Analysis*.
 29. Prat and Molina, "State Corporatism".
 30. Crouch, *Industrial Relations and European State Traditions*, 305.
 31. Giner and Sevilla, "Spain".
 32. *Comisiones Obreras* (Worker Commissions, close to the communist party) and *Union General del Trabajo* (General Labour Union, close to the socialist party). UGT was founded in 1888 and re-organized after the death of Franco. CCOO was officially created in 1976, but it had been operating informally in the last years of the dictatorship.
 33. Trullen, *Fundamentos económicos*, 112.
 34. *Unión de Centro Democrático* (Union of the Democratic Centre).
 35. Giner and Sevilla; Martínez Alier and Roca, *Spain after Franco*.
 36. Gutiérrez, "Concertación social".
 37. *Partido Socialista Obrero Español* (Spanish Socialist Worker Party).
 38. Molina, "State and Regulation".

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39. Pérez Díaz, “Políticas económicas”; Alonso.
 40. Linz, “A Century of Interests”.
 41. Molina, “Trade Union Strategies”.
 42. Maravall, *Regimes, Politics and Markets*.
 43. Grote and Schmitter, “The Corporatist Sisyphus”.
 44. Martínez Lucio, “Strategic Corporatism”, 267.
 45. Molina, “Trade Union Strategies”.
 46. Natali and Pochet, “The Evolution of Social Pacts”; Pérez, “Social Pacts in Spain”.
 47. Sala Franco, “La concertación y el diálogo social”.
 48. Meardi, “Employment Relations under External Pressure”; Molina and Miguélez, “From negotiation to imposition”.
 49. Ost, “Illusory Corporatism in Eastern Europe”; Avdagic. “State-labour relations”.
 50. Stark and Bruszt, *Postsocialist Pathways*.
 51. Michnik, *Takie czasy*.
 52. Geremek, *La rupture*.
 53. *Ogólnopolskie Porozumienie Związków Zawodowych* (All-Polish Trade Union Entente).
 54. Reported by *Tygodnik Solidarność*, 29 September 1989.
 55. Ekiert and Kubik, *Rebellious Civil Society*.
 56. Bielecki, J. “Akcje za odpowiedzialność”, *Gazeta Wyborcza*, 7th January 1993.
 57. Hausner, “Formowanie się stosunków pracy”.
 58. *Sojusz Lewicy Demokratycznej* (Alliance of the Democratic Left).
 59. These needs were organisational and political rather than socio-economic. In the words of a government officer (our interview) ‘the negotiators of the Pact for the State Enterprise wanted to simply carry on, in the Commission they didn’t have anything serious to do.’
 60. Jerzy Hausner, then advisor of the Economy minister and later Minister of Labour and of the Economy, noticed already then that a centralised corporatist system ‘would be defective

from the point of view of economic restructuring’: Hausner, “Formowanie się systemu stosunków pracy“, 312.

61. Ekiert and Seroka, “Poland”.
62. Meardi, “Social Pacts on the Road to EMU”.
63. Frieske and Machol-Zajda, “Instytucjonalne ramy dialogu społecznego w Polsce”.
64. *Forum Związków Zawodowych* (Trade Union Forum).
65. Hausner, *Pętla rozwoju*; Gardawski and Meardi, “Keep Trying?”.
66. Ost, “Illusory Corporatism in Eastern Europe”.
67. Meardi, “Social Pacts on the Road to EMU”.
68. Bohle and Greskovits, *Capitalist Diversity on Europe's Periphery*.
69. Meardi and Trappmann, “Between Consolidation and Crisis”.
70. Natali and Pochet, “The Evolution of Social Pacts”.
71. The economic crisis disrupted most previous forecasts in Europe and proved that developments in social pacts are hardly predictable – and in this sense, only weakly institutionalised. Similarly, in Ireland social partnership collapsed immediately after researchers had thought they had found the reasons for its survival: Teague and Donaghey, “Why Has Irish Social Partnership Survived?”
72. Banyuls et al., “The Transformation of the Employment System in Spain”.
73. [Brandl and Traxler, “Labour Relations”](#)
74. According to the concepts elaborated in Traxler, “Corporatism(s) and Pacts”.
75. *Akcja Wyborcza Solidarność* (Solidarity’s Electoral Action).
76. Micro companies account for 40% of employment in Spain and 36% in Poland, while the EU average is 30% (Eurostat data for 2010).

The share of fixed-term employment on total employment in 2010 was 25% for Spain and 27% for Poland, nearly twice the EU average of 14% (data: Eurostat). This coexists with

persistently high unemployment (25% in Spain and 10% in Poland in 2012) and numerous other forms of precarious work including fictitious self-employment.

77. Meardi, "Social Pacts on the Road to EMU".

78. Hamann and Kelly, "Parties, Elections and Policy Reforms". Hamann and Kelly, however, see electoral politics as a key factor only for the government; in Spain and Poland, politicisation affects all actors.

79. Meardi, "Employment Relations under External Pressure".

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Table 1: Comparative features of post-democratic transition tripartism

	Spain		Poland	
	Transition (1976-86)	Consolidation (1986-)	Transition (1989-95)	Consolidation (1995-)
<i>Actors</i>				
Government	Uncertain coalition	Strong, except no clear majority in 1993-2000 and 2004-08	Fragmented uncertain coalitions	Coalitions, no clear majority in 2004-05
Employers	Strong	Strong but not well co-ordinated	Embryonic	Weak, fragmented
Labour	Strong, divided (density 50%)	Weak, less divided (density 15%)	Strong, divided, lacking direction (density 50%)	Weak, divided (density 15%)
<i>Expressive functions</i>				
Strikes	Rapid decline from 19m to 2m days lost	Medium high	Rapid decline from 2m to 60,000 days lost	Very low
Democratic consolidation	Rapid: Constitution 1978, marginalisation of extreme parties	European integration (1986)	Rapid: Constitution 1997, marginalisation of extreme parties	European integration (2004)
Organisations	Centralisation	Increased capacities, state support	Centralisation	Increased capacities, state support
<i>Instrumental functions</i>				
Wage setting	Rapid control of wage growth	High collective bargaining coverage but poor articulation	Rapid fall of hyperinflation	Low collective bargaining coverage and incidence
Social and employment policies	Compensations for deindustrialisation	Welfare state expansion but labour market dualisation	Compensations for deindustrialisation	Residual welfare state and labour market dualisation
Economic policies	Liberalisation	Shift towards peripheral neoliberalism	Privatisation, shock therapy	Shift towards peripheral neoliberalism