

Guardiancich, Igor; Molina, Oscar

Working Paper

The effectiveness of national social dialogue institutions: From theory to evidence

ILO Working Paper, No. 16

Provided in Cooperation with:

International Labour Organization (ILO), Geneva

Suggested Citation: Guardiancich, Igor; Molina, Oscar (2020) : The effectiveness of national social dialogue institutions: From theory to evidence, ILO Working Paper, No. 16, ISBN 978-92-2-033726-4, International Labour Organization (ILO), Geneva

This Version is available at:

<https://hdl.handle.net/10419/263082>

Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.



<https://creativecommons.org/licenses/by/3.0/igo/>



International
Labour
Organization

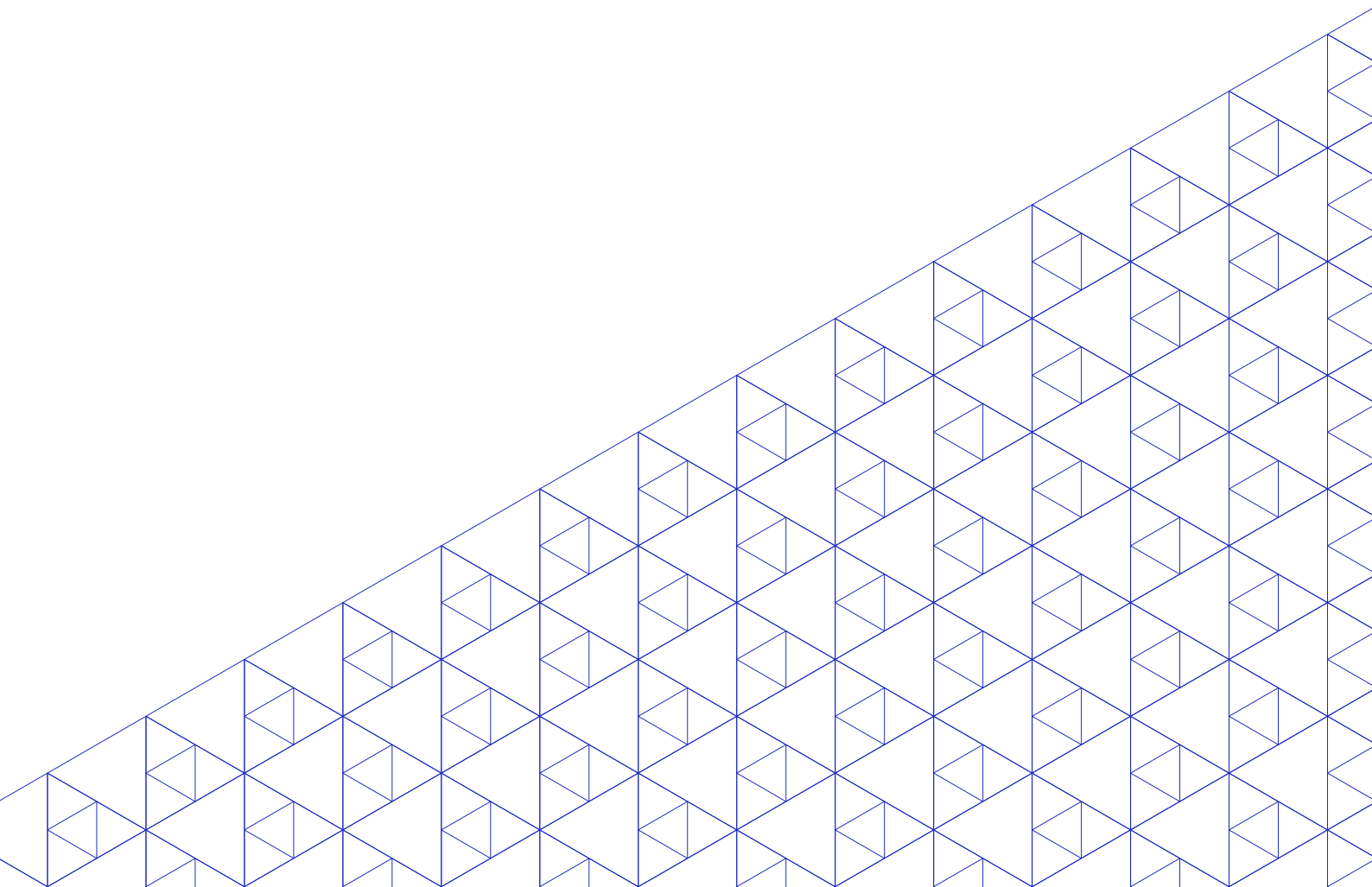
► ILO Working Paper 16

November / 2020

► The Effectiveness of National Social Dialogue Institutions

From Theory to Evidence

Authors / Igor Guardiancich, Oscar Molina





This is an open access work distributed under the Creative Commons Attribution 3.0 IGO License (<http://creativecommons.org/licenses/by/3.0/igo>). Users can reuse, share, adapt and build upon the original work, even for commercial purposes, as detailed in the License. The ILO must be clearly credited as the owner of the original work. The use of the emblem of the ILO is not permitted in connection with users' work.

Translations – In case of a translation of this work, the following disclaimer must be added along with the attribution: *This translation was not created by the International Labour Office (ILO) and should not be considered an official ILO translation. The ILO is not responsible for the content or accuracy of this translation.*

Adaptations – In case of an adaptation of this work, the following disclaimer must be added along with the attribution: *This is an adaptation of an original work by the International Labour Office (ILO). Responsibility for the views and opinions expressed in the adaptation rests solely with the author or authors of the adaptation and are not endorsed by the ILO.*

All queries on rights and licensing should be addressed to ILO Publications (Rights and Licensing), CH-1211 Geneva 22, Switzerland, or by email to rights@ilo.org.

ISBN: 978-92-2-033768-4 (print)
ISBN: 978-92-2-033726-4 (web-pdf)
ISBN: 978-92-2-033769-1 (epub)
ISBN: 978-92-2-033770-7 (mobi)
ISSN: 2708-3446

The designations employed in ILO publications, which are in conformity with United Nations practice, and the presentation of material therein do not imply the expression of any opinion whatsoever on the part of the International Labour Office concerning the legal status of any country, area or territory or of its authorities, or concerning the delimitation of its frontiers.

The responsibility for opinions expressed in signed articles, studies and other contributions rests solely with their authors, and publication does not constitute an endorsement by the International Labour Office of the opinions expressed in them.

Reference to names of firms and commercial products and processes does not imply their endorsement by the International Labour Office, and any failure to mention a particular firm, commercial product or process is not a sign of disapproval.

ILO Working Papers summarize the results of ILO research in progress, and seek to stimulate discussion of a range of issues related to the world of work. Comments on this ILO Working Paper are welcome and can be sent to governance@ilo.org.

Authorization for publication: Youcef GHELLAB, Head of the Social Dialogue and Tripartism Unit

ILO Working Papers can be found at: www.ilo.org/global/publications/working-papers

Suggested citation:

Guardiancich, I., Molina, O. 2020. *The Effectiveness of National Social Dialogue Institutions: From Theory to Evidence*, ILO Working Paper 16 (Geneva, ILO).

Abstract

Social dialogue has been challenged in some countries in the wake of the Great Recession. In particular, National Social Dialogue Institutions (NSDIs) have sometimes been charged with having limited effectiveness in policymaking. This paper evaluates how and when NSDIs prove less effective than they should in performing their tasks, how to measure such effectiveness, and how to improve their operational capacity and impact. The effectiveness of social dialogue crucially depends on combinations of the problem-solving capacity of the NSDI, an encompassing mandate to deal with relevant socioeconomic issues and an enabling environment that grants the inclusion of social dialogue into decision-making. Combining the results from a 2017 ILO-AICESIS survey of Economic and Social Councils and Similar Institutions around the globe with the analysis of four case studies (Italy, South Korea, Brazil and Tunisia), the study shows substantial evidence that two sub-dimensions are key to enhance the policy effectiveness of NSDIs: enjoying political support and having an 'effective mandate' as opposed to relying on just a formal remit to deal with socio-economic issues of interest.

About the authors

Igor Guardiancich is Assistant Professor, Department of Political Science, Law and International Studies (SPGI) at the Università di Padova.

Oscar Molina is Associate Professor, Department of Sociology Centre d'Estudis Sociològics sobre la Vida Quotidiana i el Trenall (QUIT) at the Universitat Autònoma de Barcelona.

Table of contents

Abstract	01
About the authors	01
Introduction	03
<hr/>	
► 1 Theoretical framework	05
1.1 The role of social dialogue	06
1.2 Conditions for effectiveness	07
<hr/>	
► 2 Quantitative survey	10
2.1 Inclusion in policymaking	10
2.2 Problem-solving capacity	10
2.3 Encompassing mandate	11
2.4 The effectiveness of NSDIs	11
2.5 Hypotheses for variation	12
<hr/>	
► 3 Case study analysis	14
3.1 When a lack of mandate trumps available resources: The Italian CNEL	14
3.2 Power imbalances that matter: The Korean ESLC	15
3.3 The importance of political support: The Brazilian CDES	16
3.4 Creation of an NSDI: the Conseil National du Dialogue Social (CNDS) in Tunisia	17
<hr/>	
Conclusion	19
Annex	20
Annex 1 Survey questions (summary)	20
Annex 2 List of respondents	23
References	25

Introduction

The post-WWII history of social dialogue, defined by the ILO as “*all types of negotiation and consultation, and also the exchange of information between, or among, representatives of governments, employers and workers on issues of common interest relating to economic and social policy*”¹, has recorded a number of undeniable successes. A robust social contract between government and the social partners underpinned economic growth in the 1950s-60s and helped distributing the gains between labour and capital (Schmitter, 1974). During the 1970s, social dialogue aimed to preserve employment in a time of domestic turmoil and increased global competition. The 1980s-1990s witnessed the emergence of social pacts, also in countries lacking strong social dialogue institutions (Baccaro and Galindo, 2018; Avdagić, Rhodes and Visser, 2011). In the immediate aftermath of the global financial crisis social dialogue succeeded in protecting jobs across the globe (Ghellab, 2009).

However, social dialogue has been seriously challenged in the wake of the Great Recession of 2008-09. The spread of national social dialogue institutions and increased ratification of Convention No. 144 concerning Tripartite Consultations (ILO, 2017a) have not always translated into positive results on the ground. Social dialogue has been charged with being insufficiently effective to prevent growing vulnerabilities and precariousness (Standing, 2011), increasing income inequality (ILO, 2017; OECD, 2015), the deregulation of industrial relations (Baccaro and Howell, 2017), declining collective bargaining coverage (OECD, 2017: 138), the forging of less ambitious social pacts compared to the past (Guardiancich and Molina, 2017; Baccaro and Galindo, 2018; ILO, 2018), and so on.

Indeed, one of the most pressing issues that emerged in 2018 during the 107th Session of the International Labour Conference was that social dialogue was perceived as not being as effective as the current circumstances require, as pointed out in several ILO documents, both those originating within the Office (ILO, 2018), the Conference (ILO, 2018a) and those stemming from the comments received by the social partners (ILO, 2018b). The Resolution on social dialogue and tripartism has explicitly asked for ILO's cooperation to (ILO, 2018a: 4): “*enhance the effectiveness and inclusiveness of mechanisms and institutions for national tripartite social dialogue between governments and the social partners, including in relation to areas pertaining to the future of work and the SDGs [Sustainable Development Goals]*”. In the context of the Covid-19 pandemic, evidence shows that social dialogue has played a key role in the early stages of crisis response in many countries in devising timely and targeted responses to support employment and economic recovery (ILO, 2020). Consequently, it is important to evaluate how and when do national social dialogue institutions prove less effective than they should in performing their task, how to measure such effectiveness, and how to improve their operational capacity and impact.²

The paper consists of a theoretical and an empirical part. Within the theoretical part the aim is to get a better definition of two concepts that are often taken for granted. First, given the multiple roles played by social dialogue in the decision-making process, the need arises to isolate its precise contribution to the production of policy that is being evaluated. Second, once the role is isolated, it is possible to individuate those mutually non-exclusive scope conditions that allow for the effective operation of National Social Dialogue Institutions (NSDIs) to take place.

Taking inspiration from the management-related literature, social dialogue effectiveness – in terms of providing the inputs and influencing the outputs of policymaking, so the ‘substantial’ rather than just the ‘procedural’ aspects of social dialogue – crucially depends on combinations of the problem-solving capacity of the NSDI, an encompassing mandate to deal with relevant socioeconomic issues and an enabling environment that grants the political inclusion of social dialogue into decision-making. In order to study these

¹ See [https://www.ilo.org/ifpdial/areas-of-work/social-dialogue/lang-en/index.htm\)%20%20a](https://www.ilo.org/ifpdial/areas-of-work/social-dialogue/lang-en/index.htm)%20%20a)

² Compatibly with the availability of data, the present analysis is limited to specific forms of social dialogue. As it is well known, in many countries social dialogue happens outside of the national social dialogue institutions established for that purpose. Jessop (2015) claims that new heterarchical governance structures have been emerging already since the 1980s, thereby including a multitude of new stakeholders into decision-making. Guardiancich and Molina (2017) show that there are cases where dedicated social dialogue fora have been set up to cope with the crisis (Germany, France), where bipartite negotiations have supplanted the breakdown of tripartism (Spain), and where bipartism is the norm and has not been interrupted (Sweden).

underlying conditions and their impact on social dialogue effectiveness, the paper follows van de Ven's (1976) suggestion that the indicators of organizational assessment shall be divided into those that can be observed through a generalized survey and are comparable across the case studies, and those that can be studied through a detailed case history only.

Consequently, the first part of the empirical analysis is based on the results of the survey of Economic and Social Councils and Similar Institutions (ESC-SIs),³ launched in 2017 by the ILO, in collaboration with the International Association of Economic and Social Councils and Similar Institutions (AICESIS). The survey consists of multiple-choice questions paired with open-ended explanations⁴ (for the whole list of questions, see Appendix I) and had been sent to 86 institutions.⁵ The reasons for limiting the number of participants to the survey was either the dormant status of or the difficulty to reach out to some ESC-SIs. 45 representatives of ESC-SIs responded (52.3 per cent): nine from Africa, five from the Americas and the Caribbean, two from the Arab States, ten from the Asia-Pacific region and 19 from Europe (for details, see Appendix II). Three fifths of respondents were also AICESIS members.

Even though the survey was commissioned in a different context, it contains several questions related to social dialogue effectiveness covered in this brief. Most important, it dedicates a number of questions to the SDGs (UN, 2015) and the Future of Work (FoW) initiative (ILO, 2015), the two domains in which the ILO (2018a) had been explicitly asked for cooperation to enhance the effectiveness of social dialogue. Given that the overall number of cases is too low to perform a statistical analysis of social dialogue effectiveness, the paper investigates correlations only.

Despite the usefulness of the survey, it can be employed just as a complement to more fine-grained accounts of social dialogue in action. Hence, the second part of the empirical analysis contemplates selected case studies from four global regions. Within the highly developed European context, the *Consiglio Nazionale dell'Economia e del Lavoro* (CNEL) in Italy suffers from a clear lack of mandate. In Asia, the power imbalances obstructed the functioning of the Korean Tripartite Commission (KTC), which has been not long ago relaunched as the Economic, Social and Labor Council (ESLC). In Latin America, the Brazilian *Conselho de Desenvolvimento Econômico e Social* (CDES) is a relevant case of political vulnerability. Finally, the Tunisian *Groupe de Travail Tripartite du Contrat Social* is included as to provide a tentative guide for emerging NSDIs, many of which have recently sprung up across Africa.

³ For the sake of simplicity, the paper uses the acronyms ESC-SIs and NSDIs interchangeably.

⁴ As the composition of ESC-SIs varies considerably, the respondents were asked to report the unified views of the institution. Failing that, nuanced answers for different stakeholders were in certain cases provided.

⁵ From the following countries/territories: Albania, Algeria, Argentina, Armenia, Bangladesh, Barbados, Belgium, Benin, Brazil, Bulgaria, Burkina Faso, Burundi, Cameroon, Chad, Chile, China, Colombia, Cook Islands, Costa Rica, Curaçao, Czechia, Democratic Republic of Congo, Dominican Republic, El Salvador, Fiji, Finland, France, Gabon, Georgia, Greece, Grenada, Guinea, Hungary, Indonesia, Ireland, Israel, Italy, Ivory Coast, Jamaica, Japan, Jordan, Kenya, Kiribati, Laos, Lebanon, Luxembourg, Macao, Mali, Malta, Mauritania, Mexico, Monaco, Montenegro, Morocco, Netherlands, Niger, North Macedonia, Norway, Occupied Palestinian Territories, Panama, Papua New Guinea, Poland, Portugal, Republika Srpska (Bosnia and Herzegovina), Romania, Russian Federation, Salmon Islands, Samoa, Senegal, Serbia, Singapore, Sint Maarten, Slovakia, Slovenia, South Africa, South Korea, Spain, Sri Lanka, Suriname, Thailand, Tonga, Tunisia, Tuvalu, Ukraine, Vanuatu, Viet-Nam

► 1 Theoretical framework

For the purpose of this paper, social dialogue is conceived as a *system of policymaking*, rather than a *structure of interest representation*.⁶ This implies that, regardless of their undoubted and growing importance, the present policy brief does not deal with issues of inclusiveness (which actors are represented) and representativeness (do the actors included in social dialogue fairly reflect the underlying categories of workers, employers, civil society, etc.), i.e. the so-called 'input legitimacy' of social dialogue. Nor it looks at 'throughput legitimacy', i.e. the democratic quality of consultation and participation processes (Schmidt, 2013), but focuses instead on the effectiveness of NSDIs' involvement in policymaking, its so-called 'output legitimacy' (Scharpf, 2003).⁷

Within the management-related literature, according to van de Ven (1976: 74), effectiveness (one of the performance indicators for an organization) is defined as *"the extent to which organizational goals are attained. A tangible goal normally specifies a desired level of change in organizational input, transformation, and output within a certain time period. [...] The extent or percentage of goal attainment at the end of the operating period, then, is the measure of effectiveness."*

To this end the Socio-economic Council of the Netherlands (*Sociaal-Economische Raad*) has defined three dimensions of effectiveness (SER, 2018). The one most closely associated to 'output legitimacy' is instrumental or policy effectiveness, where the institution's opinions and recommendations have to be translated into public policies. The second one is agenda effectiveness, which refers to the impact that social dialogue may have on setting the political and public policy agenda. This could happen through several mechanisms, including the publication of research or policy reports, the development of awareness raising campaigns etc. In this way, notwithstanding the limited policy power most social dialogue institutions have, there are greater possibilities to influence the public opinion, political parties and ultimately policy-makers about a certain matter.

The third dimension of effectiveness refers to the capacity that social partners or NSDIs have to analyse a certain policy issue or problem and make policy recommendations or indicate potential avenues to reach specific policy goals. Analytical effectiveness is accordingly the capacity of NSDIs and the social partners to provide a public good, which consists in their ability to develop rigorous, independent and up-to-date analyses around any social problem. These provide members and stakeholders with the necessary knowledge in order to assess and tackle a certain socio-economic problem. Both agenda and analytical effectiveness play an important role in the policymaking process as they generate inputs for policy formulation, therefore contributing to overall policy effectiveness.

⁶ Such dual nature of corporatist regimes was long debated in the vast literature on neo-corporatism (see, among others, Schmitter and Lehmbrecht, 1982; Molina and Rhodes, 2002; Baccaro, 2003). For example, Cawson (1986: 38) defines corporatism as a specific socio-political process in which organizations representing monopolistic functional interests engage in political exchange with state agencies over public policy outputs which involves those organizations in a role which combines interest representation and policy implementation through delegated self-enforcement.

⁷ The ILO (2013) itself proposes four macro conditions for successful national (tripartite) social dialogue: democratic foundations and freedom of association; strong, legitimate, independent and representative workers' and employers' organizations; political will, a sense of responsibility and commitment of all parties to engage in social dialogue; appropriate institutional support. Freedom of association and the existence of strong social partners are not being discussed in this brief.

Hence, the contribution strives to individuate two fundamental characteristics of social dialogue that underpin its performance or lack thereof. First, it pinpoints the policymaking role of social dialogue for which effectiveness is assessed. Second, it singles out the scope conditions for social dialogue to be effective.

1.1 The role of social dialogue

Despite the existence of several caveats, the article refers to the simplified policy cycle model of policymaking, first defined as a series of steps – agenda-setting, policy formulation, decision-making, policy implementation and evaluation – by Harold Lasswell in the 1950s (Howell and Giest, 2012: 17). Ideally, social dialogue should be present at each of the steps of the policy cycle, as underscored in ILO's definition, which gives the whole policymaking process the already mentioned 'throughput legitimacy'.

The government, together with the social partners shall set the agenda – individuate the problems and a range of solutions – with respect to those labour and social policies that are the domain of social dialogue (its implicit or explicit mandate). With help of the problem-solving and analytical capacity of the social partners, the government should then narrow down the policy options/solutions by eliminating the unfeasible or undesirable ones. Negotiations between the government and the social partners over which aspects of these policy solutions to adopt and which to discard (part of the so-called political exchange) should take place during policy formulation and/or during decision-making, leading to the adoption by government of a particular course of action, i.e. the policy output. This bulk of laws, decrees, regulations etc. becomes then executive and is implemented using some combination of the tools of public administration. In designated sectors, the social partners should play a role, warranting that the implementation reflects their desired distribution of goods and services in society. The policy outcomes and their impact on the targets of regulation thus obtained are then evaluated. The social partners should be informed and consulted on the results of such exercise, thereby leading to the reconceptualization of policy problems and solutions in the light of the gathered experience.

Parts of the policy cycle, where high levels of social dialogue activity take place, that is, where there is continuous interaction between the government and the social partners, are of interest for the paper. To be more precise, it focuses on those instances of social dialogue, where the social partners together with the government provide policy inputs during policy formulation, in order to make a tangible impact on the policy outputs, determined through decision-making.

Examples of the important policy role played by social dialogue in all phases of the policymaking process are the role it has played in countries experiencing transitions to democracy and in tackling income inequalities. Historically, social dialogue and tripartism have played a particularly important role in democratic transitions (Croucher and Wood, 2015). This irrespective of the economic system where the transition took place, as the comparative analysis of transitions to democracy in Poland and Spain showed (Meardi et al., 2015), or also those in South America and emerging economies (Collier and Collier, 1991; Hayter and Lee, 2018). These authors show that tripartite social dialogue had a 'foundational' function in stabilizing both political and economic transitions. Moreover, even when it became only poorly institutionalized, it nonetheless contributed to consolidate a pattern of sporadic tripartite social dialogue and policy concertation with a beneficial impact on the political climate.

Another important role played by social dialogue is the reduction in income inequalities. There is significant evidence showing a relationship between certain social dialogue and collective bargaining institutions as well as practice and lower income inequalities (Vaughan-Whitehead, 2017). Collective bargaining coverage, the degree of centralization or coordination of collective bargaining together with union density levels have been pointed out as those dimensions of industrial relations systems with a stronger role in reducing disparities (Keune, 2015; Hayter, 2011). But there are other indirect mechanisms, whereby social dialogue can affect income inequalities, including the fixing of minimum wages, or the negotiation of labour market and

welfare state reforms. Negotiated reforms reflect a balance between the interests of employers, workers and governments, and will accordingly tend to protect the interests of a majority of the working population.

1.2 Conditions for effectiveness

By focussing on the role of social dialogue within the process of transforming policy inputs (through negotiation, consultation and information sharing) into policy outputs (government decisions aimed at improving socioeconomic policy), it is now possible to individuate those scope conditions that allow social dialogue to be effective.⁸

An obvious starting point is to attain at the classical management literature that strives to measure organizational performance. For example, Lusthaus et al. (2002) posit that organizational performance is the result of the interaction of three fundamental characteristics: i) the organizational capacity, measured through its leadership, structure, resources, etc.; ii) the organizational motivation, which depends on its historical role, its mission, and so on; iii) the surrounding environment – political, administrative, socio-cultural, etc.

Even though these characteristics cannot be treated as conditions for success, they are mutually reinforcing: when the three are aligned – i.e. when the organization has sufficient capacity, it is motivated, and it operates in an enabling environment – then it is plausible to expect positive results on one or more performance indicators.

Such, albeit modified scheme can be then applied to social dialogue institutions in order to determine when these have a greater probability of being effective. The departing point is to be found in the twin literatures on the power resources theory of trade unions (Schmalz and Dörre, 2017) and on the political economy of corporatism (Molina and Rhodes, 2002).

Siaroff (1999), for example, individuates the following characteristics of functioning corporatism: i) structural features (characteristics of workers' and employers' organizations, internal operations, etc.), which determine the organizational capacity of the actors involved; ii) functional roles of represented interests in the decision-making process that largely influence the organizational motivation of actors; iii) behavioural patterns in policymaking, such as the importance of political exchange for consensus-building, and iv) favourable contexts, be they political, historical, economic, and so on.

With regards to the organizational capacity of social dialogue to actively participate in policy formulation with the aim of providing meaningful inputs to the policymaking process, then NSDIs have to be proficient in problem-solving. As Culpepper and Regan (2014) or Regalia and Regini (2018) neatly show for unions, governments take into consideration those interlocutors that can either threaten government stability (through, e.g., their mobilization capacity) or provide useful problem-solving ability.

The problem-solving capacity has at least two sub-dimensions that need to be disentangled. First, social dialogue institutions are more easily integrated into the process if they have the resources (human, financial and technical) to be proficient problem solvers. Well-endowed institutions, such as the *Sociaal-Economische Raad*, which employs some 100 staff and has a multi-million Euro budget, play a fundamental role in providing policy input to policymakers. Second, there must be a balance of power between employers and workers and government, including as regards the composition of individual NSDIs (for an extensive discussion

⁸ It is important to stress that the conditions detailed here are more exacting and related to the policymaking process than those suggested by the ILO (2013) in its guide on national tripartite social dialogue.

on minimum wage fixing machineries, see Guardiancich and Artale, 2018).⁹ This condition ensures that the decisions taken within the social dialogue institution are not systematically biased in favour of one or the other group that is represented. In the case of Korea and South Africa, the imbalances of power between labour and business went hand in hand with the diminishing role of the Korean Tripartite Commission (KTC) and the National Economic Development and Labour Council (NEDLAC) (Kim and Westhuizen, 2018).

As for organizational motivation, it is most useful to enquire whether social dialogue plays a mandated (formal or informal) role in policymaking, which implies having negotiating, consultative and/or information rights in a number of policy domains. The concept that types of institutionalization of corporatist systems give different access to policymaking to the social partners had been developed by Treu (1992), where, of course, the higher the integration in the decision-making process the greater the real influence over the design of policy output.

It is important to note, however, that few NSDIs have direct negotiating power. With respect, for instance, to minimum wage fixing, Eyraud and Saget (2005), show that the ratio of social dialogue institutions that provide non-binding opinions to institutions that make decisions is approximately five to one on a global basis. What seems more important is, whether a social dialogue institution has the 'effective mandate' to consult and/or negotiate over a specific socioeconomic issue or not. For example, in the case of European social dialogue, one major complaint is that the topics currently addressed are rather marginal to the employment and social policy agendas (Prosser and Perin, 2015).

As for the surrounding environment, there are at least three aspects worth exploring. First, Guardiancich and Molina (2017) have noted that a necessary condition for social dialogue to function is that there is a political will to *de facto* include it in the policymaking process. As it has been very clear from the outset of the crisis, whatever institutional arrangement is in place, governmental unilateralism is always a fall-back option (Culpepper, 2014; Ghellab and Papadakis, 2011). Moreover, according to keen observers of public policymaking (see Richardson, 2018), there has been a generalized trend that deliberative and consensual policymaking styles have been gradually replaced by freneticism and imposition in decision-making. An institution that has been gradually politically side-lined is the CNEL in Italy. Despite its endowments allowing for proficient problem-solving and its constitutionally sanctioned status, it was long shunned by the social partners and ultimately threatened with elimination in late 2016. A case of political disfavour is the Brazilian CDES, which was dissolved in the early days of 2019.

Second, under conditions of economic crisis or financial stress, often decision-makers have accused social dialogue institutions of not being fast or conclusive enough to produce incisive policy solutions. This was precisely the case for the challenges that the *Consejo Económico y Social* (CES) underwent in Spain. According to Molina and Miguélez (2017), during the crisis, in several Autonomous Communities, these Councils were suppressed as part of fiscal consolidation by virtue of their supposedly limited impact on policy. At the same time, the frequent recourse to emergency procedures for adopting legislation massively curtailed CES's national policymaking role.

Third, the mutual trust between the social partners is a *condition sine qua non* for social dialogue, not only in NSDIs, to function correctly and play a constructive role in the policymaking process. If one of the tripartite partners prevails, or coalesces with a second one against the third, it is reasonable to expect a deterioration of relations between the partners and, hence, much lower legitimacy of the resolutions obtained through social dialogue. There are several examples worth mentioning. During the sovereign debt crisis,

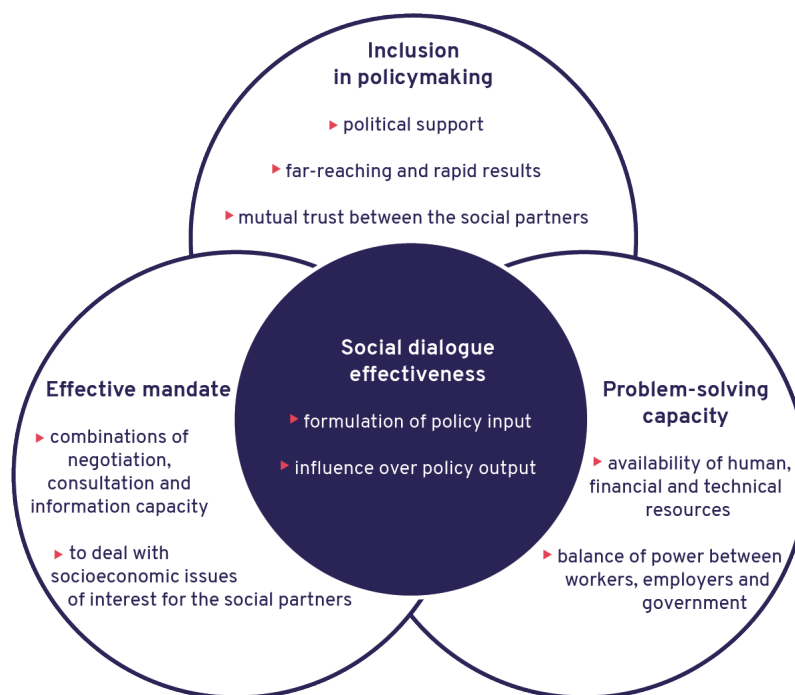
⁹ It has to be stressed that the literature on social pacts and corporatism assigns different weights to the tripartite social partners. While older corporatist literature focused almost exclusively on the centralization and coordination of unions, authors such as Hall and Soskice (2001) and Thelen (2002) posit that the capacity of coordination and willingness to participate in social dialogue of employers is key. Avdagić (2011) argues that the ample use of social dialogue in the 1990s was conditional on having weak or minority governments relying on the social partners for their legitimacy.

which ravaged the Eurozone between 2009 and 2013, the Slovenian government led separate negotiations and granted separate concessions to employers and workers. These soured relations between the social partners and forced the employer organizations to boycott tripartite social dialogue at the *Ekonomski in Socialni Svet* (ESS) in Slovenia, after more than 15 years of uninterrupted functioning (Guardiancich, 2017). Again, during the crisis, the Irish conservative government of Fianna Fáil emasculated social dialogue after portraying the unions as a public-sector interest group, lobbying government in defence of ‘overpaid bureaucrats’ and ‘labor market insiders’ (Culpepper and Regan, 2014). In the early 2000s, in Italy, after a period of uninterrupted social pacts, both the newly instated centre-right government as well as the major employer organization *Confindustria* deemed national peak negotiations as less useful in the past, leading to a progressive abandonment of social pacting (Baccaro and Howell, 2017).

The three mutually reinforcing characteristics, as shown in Figure 1, are:

- i) the capacity of NSDIs to solve problems, i.e. its organizational or problem-solving capacity:
 - a) availability of human, financial and technical resources;
 - b) balance of power between workers and employers;
- ii) an implicit or explicit, that is, ‘effective mandate’ to deal with a number of social and economic issues that are of interest to the social partners, reflecting the organizational motivation in social dialogue;
- iii) the acceptance of social dialogue as part of the policymaking process, that is, the existence of an enabling external environment:
 - a) political will and government support;
 - b) results of social dialogue seen as far-reaching and rapid;
 - c) mutual trust between the social partners.

► **Figure 1 Enabling conditions for effective social dialogue**



► 2 Quantitative survey

2.1 Inclusion in policymaking

One of the key questions (Q6) administered through the ILO-AICESIS survey in 2017 tried to assess the inclusion of the NSDI in policymaking during the difficult post-crisis period. Almost two-thirds of NSDIs (65 per cent) acknowledged that social dialogue had been politically challenged since the global economic and financial crisis hit a decade ago. Breaking down the answer according to the three sub-dimensions, the results were as follows: i) 69 per cent of respondents (20/29) found that the solutions obtained through social dialogue were deemed as insufficiently far-reaching or rapid; ii) lack of mutual trust between the social partners and lack of political will and/or government support obtained similar evaluations, as 35-39 per cent of respondents stated they were highly relevant and a further 32 per cent somewhat relevant.

Individual NSDIs faced combinations of the three obstacles during the crisis. For instance, when the Greek Economic and Social Council (OKE) continued issuing opinions on most socioeconomic matters, in several cases the Parliament, under external pressure, adopted draft laws without paying due attention. In Belgium, the decision-making tempo of social dialogue was often deemed too slow to meet the government's requirements. Lack of trust between the tripartite actors was further exacerbated by the absence of political will to sustain social dialogue (e.g. in *Republika Srpska* (BiH)). Internal disagreements within the trade unions and employers' organizations, in the Netherlands, or between them, for example on fiscal issues in Luxembourg, rendered cooperation difficult.

2.2 Problem-solving capacity

The questions in the survey that addressed an institution's problem-solving capacity referred to the challenges befalling the NSDIs. Q7 addressed the internal challenges, such as the lack of resources and lack of knowledge within an institution. Q5 and Q14, instead, explored the possible imbalance of power between the social partners sitting in the NSDIs.

With regards to the internal challenges, among the two dimensions related to resources: general lack of human, technical and financial resources; and lack of capacity and/or knowledge of the members and secretariat, the first one was deemed as the most important. Fully 73 per cent of the responding NSDIs (30/41) lamented that lack of resources was detrimental to their correct functioning (13 saw it as a crucial issue). Not surprisingly, predominantly higher-income countries such as Japan, Luxembourg, the Netherlands, Norway, Singapore, Spain, etc. did not report resource-related problems. With regards to knowledge gaps, instead, just 37.5 per cent of NSDIs (15/40) deemed this to be a relevant problem (only three a highly relevant one).

As for potential imbalances in the power of the social partners, regrettably, neither set of answers satisfactorily presents the situation in individual NSDIs. The responses to Q5 showed only minimal differences in the participation of worker and employer organizations in social dialogue. As many as 29 worker and 27 employer organizations, respectively, displayed medium to high levels of activity. Occasional or no involvement in social dialogue was rare, as only three labour and five employer organizations seemed to be only scarcely engaged. In terms of participation, there appeared to be fair balances of power. Of the 42 NSDIs that fully responded to the question, just six reported an imbalance in the participation: in five cases employer representatives were less engaged than the employee ones.

Similarly, the wording of one of the answers to Q14, i.e. that *Changes in the trade union density and employer organization membership base* are shaping national social dialogue, does not provide additional information on eventual imbalances. Yet, experience as well as the answers tell a different story: a majority of respondents (23/42) deemed these changes to be relevant (or highly relevant) for the future of domestic social dialogue, most probably meaning that changes in the composition of social partners' memberships was unsettling, or soon may be, the balance of power between employers and employees.

2.3 Encompassing mandate

A number of survey questions addressed the issue of whether the institutions' mandate was sufficiently broad to deal with socioeconomic issues relevant to the social partners. One was generic (Q7) and three (Q4, Q4ter and Q9) dealt explicitly with SDGs and the FoW initiative.

As for a general lack of mandate, this did not seem to matter to 72.5 per cent of the answering NSDIs (29/40). Seven found it relevant and only four highly important. Of these, a salient case is the Italian CNEL, where, despite its constitutionally sanctioned nature, the institution seems not to find a proper role in decision-making.

With regards to the individual initiatives, NSDIs are engaged in the FoW initiative more than in the SDGs. Whereas almost 75 per cent of respondents (32/43) declared that they had a mandate to deal with FoW-related issues, only 56 per cent of respondents (24/43) answered that they had discussed SDGs.¹⁰ Of the 19 institutions that did not discuss SDGs, six did not have the mandate, six did not have sufficient information (hence, inadequate problem-solving capacity) and six planned to do so in the near future.

With regards to FoW-related initiatives, Q9 bis asked NSDIs to self-evaluate their participation in the policy-making process, ranging from no role (0) to being very active (3).

The respondents had to assess three possible modes of participation: having an advisory role in drafting legislation and developing policies (average 1.71); being primarily involved in information-sharing, including sharing good practices (average 1.56); having the mandate to negotiate (average 1.19). Unsurprisingly, negotiation rights were the least widespread. Finally, a composite variable on 'effective mandate' was derived by averaging the sum of the three.

2.4 The effectiveness of NSDIs

The survey makes it possible to study the effectiveness of NSDIs from two different viewpoints. First, a number of questions asked whether NSDIs have been involved in the discussion of policy inputs and in the preparation of policy outputs related to the SDGs (Q4bis) and each of the four 'mega-drivers of change' – technological advancement, climate change, demographic shifts and accelerating globalization – impacting on the world of work (Q10, Q11, Q12, Q13).

¹⁰ The greater involvement with the FoW initiative may boil down to its encompassing and less prescriptive nature. In fact, a variety of aspects of the changing world of work, such as demographics and globalization, had been on the agenda of several NSDIs for decades.

As every scholar dealing with policymaking knows, the demarcation line between policy inputs and outputs can be blurred. In fact, the survey presented the NSDIs with a number of answers to choose from that could be either attributed to the inputs (preparation of a strategy, formulation of opinions and recommendations, provision of policy advice, etc.) or to the outputs (development of a program of activities, definition of a methodology to monitor implementation, capacity building, and so on).

In practice, the results for both SDGs and FoW-related matters are not entirely satisfactory. With regards to the Sustainable Development Goals, of the 24 NSDIs that discussed them, 13 prepared a strategy to implement the SDGs, 12 formulated opinions and recommendations, nine developed a program of activities (for example, training, awareness rising, etc.) and seven defined a methodology to monitor progress and achievements (e.g. by designing a national statistical information system).

As for FoW-related issues, the survey reveals generalized low involvement, with great variance among individual countries. Table 1 shows that: i) tasks that have been for long on the agenda (demography and globalization) received greater attention than newer, more salient issues (technology and climate); ii) activities leading to the formulation of policy inputs (research, various initiatives and collaborations) took priority before the production of policy outputs (capacity building, development of an action plan, and so on). Most probably, both trends contributed to the general sentiment that NSDIs were not effective enough.

► **Table 1 Engagement of NSDIs in FoW-related issues**

	Climate	Technology	Demography	Globalization	Total
Conduct research	1.02	0.76	1.27	1.11	1.04
Provide policy advice	0.93	0.62	1.27	1.13	0.99
Awareness rising	0.93	0.64	1.24	1.04	0.97
Initiatives at regional, national and global level	1.16	1.02	1.51	1.31	1.25
Capacity building	0.67	0.58	0.93	0.71	0.72
Collaboration with relevant institutions	1.16	0.78	1.38	1.11	1.11
Develop action plan	0.71	0.40	0.91	0.78	0.70
Total	0.94	0.69	1.22	1.03	0.97

Notes: Average engagement of the 45 respondents, where 0 = None; 1 = Low; 2 = Active; 3 = Very active

One important finding is that effectiveness seems to be either present or not in different social dialogue institutions. According to the answers to the survey, those NSDIs that discussed SDGs were also relatively more active in multiple FoW-related interventions, especially in demography and globalization. Hence, countries dealing with SDGs and/or one or more FoW-related item tend to deal with the others as well and vice-versa. Furthermore, established issues, in particular, population ageing and the spread of global supply chains, command greater attention than newer ones, such as the implications for the world of work of the fourth industrial revolution and of anthropogenic climate change.

2.5 Hypotheses for variation

There are several hypotheses on the differential effectiveness of NSDIs that can be derived from the survey. They relate to whether social dialogue institutions: i) take part in decision-making; ii) have the ability to solve problems; iii) are endowed with an adequate mandate.

First, with regards to the variables indicating the inclusion in policymaking, those countries that have experienced recent challenges to social dialogue have also been less active in FoW-related actions, especially in climate change. Second, the existence of resource limitations or knowledge gaps are pervasive, yet, they seem to only limitedly affect the effectiveness of NSDIs. This may be related to the different roles played by NSDIs, which in certain cases can be extremely powerful without having own resources or even a firm legal basis. For example, the Slovenian ESS has limited financial endowments (yet, the social partners are themselves well resourced) and is based on a collective agreement without being enshrined in law. Third, as shown above, it is possible to measure the 'effective mandate' of an NSDI. It comes as unsurprising that the institutions, which reported having competences in FoW-related issues also have enacted a relatively higher number of FoW-related actions.

► 3 Case study analysis

3.1 When a lack of mandate trumps available resources: The Italian CNEL

The CNEL was instituted through Art. 99 of the Italian Constitution in 1946 as an auxiliary body of Government and regulated by law in 1957. Art. 99 recites:

“The National Council for Economics and Labour is composed, as set out by law, of experts and representatives of the economic categories, in such a proportion as to take account of their numerical and qualitative importance. It serves as a consultative body for the Houses and the Government for those matters and those functions attributed to it by law. It can initiate legislation and may contribute to drafting economic and social legislation according to the principles and within the limitations laid out by law.”

Hence, it is a bipartite-plus NSDI, consisting of representatives of labour (22), businesses (17), the self-employed and professions (9) as well as the third sector (6). The 65-strong staff also includes ten experts and the President.¹¹ The Constitution endowed it with a research function, a consultative role and a negotiating task, limited to legislative initiative. Yet, subsequent implementation limited CNEL's powers, in particular, mandatory consultation disappeared, the appointment of the President was delegated to the Government, meetings became closed to the public and its financial autonomy was reduced.¹²

Despite a relatively positive start, the 1960s economic boom helped the development of strong social partners – especially the three union confederations, divided along ideological lines – the Italian General Confederation of Labour (CGIL), the Confederation of Trade Unions in Italy (CISL) and the Italian Federation of Trade Unions (UIL) – that started to circumvent the CNEL in negotiating with the Government. Despite a number of attempts at CNEL's revival, the situation did not change. In fact, the successful social pacts of the 1990s were negotiated outside of its institution's premises. As detailed in several accounts, e.g. in Baccaro and Howell (2017) and Culpepper (2014), the gradual detachment of governmental action from any form of concertation with the social partners that started with the centre-right governments in the early 2000s and continued with centre-left ones in the 2010s, culminated with the proposal of abolishing the CNEL through a constitutional referendum to be held on 4 December 2016.

The CNEL was accused of several mishaps. In particular, a fundamental lack of mandate severely hindered its capacity of generating policy inputs (since the 1970s it did not play the role of proper social dialogue institution for the social partners) and of influencing policy outputs (its legislative initiatives have not produced concrete laws). Moreover, a generalized public disinclination towards excessive spending elevated the CNEL – despite the relatively small budget and a reduction in the number of its members from 121 to 64 since 2012 – to scapegoat for the profligate use of public funds (Rizzo and Stella, 2013). A partial endorsement of its functions was instead provided in the so-called ‘Document of 56 constitutional lawyers’, according to which the CNEL should not be abolished, but rather re-proposed as an intermediary institution between the political authorities and the social partners (Ferrero, 2016). Ultimately, the 2016 referendum failed, thereby triggering an ongoing redefinition of the institution's role. This started as a legislative initiative for self-reform in February 2017 and is currently continuing under the Presidency, since May 2017, of former Labor Minister Tiziano Treu, also upon request of the three Italian union confederations.

¹¹ During the height of the sovereign debt crisis, the ‘Save Italy’ decree, legislated under the technocratic Monti government in late 2011, slashed the number of CNEL members from 121 to 64.

¹² See <https://www.cnel.it/Chi-Siamo/La-Storia>

The main lesson for the effectiveness of social dialogue is that even a constitutionally sanctioned institution that has at disposal both resources and knowledge and that could, in theory, rely on powerful and relatively balanced social partners, suffers in the absence of a strong 'effective mandate' to participate in policymaking. The supposed low effectiveness that derives from such state of affairs negatively affects the public support for and political willingness to maintain such institution.

3.2 Power imbalances that matter: The Korean ESLC

The Korea Tripartite Commission (KTC) was established in January 1998 as a presidential advisory body with the purpose of staving off the consequences of the 1997-98 financial crisis and respond to the requests of the International Monetary Fund (IMF) attached to its financial assistance programme. The employers and employees, under the leadership of President Kim Dae Jung, soon agreed on a social compact, dubbed 'the Great Compromise'.

The establishment of the KTC marked a rupture in Korean industrial relations and the underlying neoliberal economic philosophy, thereby espousing for the first time 'democratic corporatism' and less adversarial labour relations. The crisis, governmental weakness vis-à-vis the IMF and the understanding by employers that social dialogue could help them flexibilize the labour market in exchange for *chaebol* reform were key drivers for venturing into social dialogue. The initial successes, however, were not to be repeated in full. As chronicled by Kim and Ahn (2018) and Kim and Westhuizen (2018), the relations between the government and the KTC were fraught with tensions from the beginning as the former soon resorted to unilateralism for a number of reforms. This angered both the Federation of Korean Trade Unions (FKTU) and especially the Korean Confederation of Trade Unions (KCTU), which intermittently boycotted the KTC. The Korean Employers Federation (KEF) sometimes also withdrew its participation, in protest against concessions to labour.

An additional blow to the effectiveness of the KTC was that, once the sense of crisis had passed, Korean industrial relations reverted back to the default position, where the imbalance of power grants greater bargaining power to employers than employees. Such imbalance is further exacerbated by three characteristics of Korean society (Kim and Ahn, 2018: 14): the support given to employers through a special relationship of *chaebols* with government, a divided labour movement (sometimes disputes between KCTU and FKTU occur), and weak political representation of labour. For these reasons, save for the immediate aftermath of the financial crisis, in no period was there an equilibrium between the powers of employees and employers. Finally, the relatively late Korean democratization and a policymaking culture that is inclined towards neoliberalism meant that government and labour held radically differing views of the role of social dialogue in Korean industrial relations, especially during the two governments expressed by the Conservative Party between 2008 and 2016.

The result of these disputes was that the effectiveness of the KTC was often questioned by the very participants to social dialogue. Of the multitude of tripartite agreements signed (166, as documented in the ILO-AICESIS survey), many did not sufficiently reflect the preferences of the employees or were not fully implemented (Kim and Ahn, 2018).

As a consequence of scarce effectiveness, a profound redefinition of social dialogue's role is now underway in Korea. The twin wins of the Liberal Party in the general and presidential elections, respectively, in 2016 and 2017, marked a turn towards labour-friendly growth under President Moon Jae-In. One firm item on the agenda was the rekindling of Korean tripartism. With the help of the ILO and AICESIS, the FKTU, KCTU, KEF and the Korea Chamber of Commerce and Industry (KCCI) agreed to resume social dialogue. As detailed in the ILO-AICESIS survey, the new NSDI shall undergo changes in the discussion agenda (focussing on training for the skilled workforce, the platform economy, coverage and role of social safety nets, etc.),

in its role (aiming at forging social agreements to respond to the challenges of a changing world of work), in its composition and participation (diverse stakeholders representing non-regular and temporary workers, and so on).

Consequently, in June 2018, the new Economic, Social and Labour Council (ESLC) was established, thereby substituting the Economic and Social Development Commission (ESDC). It is an NSDI with a strong commitment to decent work and reduced social polarization, which extends participation to youth, women, atypical workers, small and medium enterprises, etc.¹³

The main lesson from the Korean case is that, independently from the resources or mandate, sustaining effective social dialogue is difficult when the problem-solving capacity of a dedicated institution is impaired due to the power imbalances between the social partners. These can be then partly or entirely reduced through political commitment to concertation.

3.3 The importance of political support: The Brazilian CDES

Despite not being part of the ILO-AICESIS survey, the Brazilian CDES is an illustrative example of the importance of political support as a condition to continuing social dialogue.

President Luiz Inácio Lula da Silva of the Workers' Party (PT) took office in January 2003, thereby marking a potential shift in state-society relations in Brazil from state corporatism to neo-corporatist arrangements favouring good governance. One of the cornerstones of such shift was the establishment of the *Conselho de Desenvolvimento Econômico e Social* (CDES) shaped in the guise of European neo-corporatist arrangements, especially of the Dutch SER. According to Doctor (2007: 137), although the CDES did not have SER's supervisory powers, it emulated it by performing important advisory functions, reporting directly to the executive and by being strongly committed to ensuring sustainable economic development, equitable income distribution, and national competitiveness. The Spanish and Portuguese experiences with neo-corporatism were also taken as example of relatively late but successful democratization through social dialogue.

In addition to the President of the Republic and 11 government representatives, the tripartite-plus body had an unequal distribution of members between business (41), labour unions (13), social movements (11), independent experts (10), class organizations (3), cultural associations (2), religious groups (2) as well as Northern and Northeastern regions (7) (Diniz, 2011).

A number of weaknesses reduced the CDES effectiveness, especially in influencing policy output (Doctor, 2007: 143): a clear preponderance of representatives of individual businesses, little attention to the poorer northern and northeastern regions of the country, excessively large size, infrequent meetings leading to debate on specific issues only and not to the general evaluation of the policy environment, dependence on the executive and lack of autonomy, a subordinate status of the executive to Congress, an institution jealous of its exclusive legislative decision-making powers. All these characteristics point to a decisive lack of 'effective mandate' for the CDES, and a power imbalance in its composition. Yet, the CDES represented an important institutional innovation, favouring greater societal participation in the policy formulation process. As illustration, the Unified Workers' Central (CUT) considered the institution as key for the elaboration of a common agenda to face the consequences of the 2008 global crisis (Mosoetsa and Williams, 2012).

¹³ One noteworthy operational rule adopted by the ESLC is that its Plenary Committee decisions on the agenda require two-third majorities on condition that at least half of the representatives of labour, management and government are present (similar to the Minimum Wage Council, as detailed in Guardiancich and Artale, 2018).

The most important weakness, however, was the disinterest among political elites (parties other than the PT and state governors) for the activities of the CDES, which rather than hampering its short-term operations represented a threat to its long-term survival. Doctor's (2017) intuition was quite prophetic. In recent years, a long recession negatively impacted the economy and the social climate in Brazil, whose political instability was exacerbated by the impeachment of former President Dilma Rousseff. The 2018 Presidential elections witnessed the victory of Jair Bolsonaro of the Social Liberal Party (PSL). One of the first moves of the new government was the abolition of the CDES in January 2019. The 'swinging pendulum' of Brazilian politics has had a negative impact on the institutional continuity of industrial relations, including the CDES (Berg and Schneider, 2018)

Hence, the Brazilian experience with CDES, especially if compared to that of Korea, provides us with a key lesson. Social dialogue institutions – even if lacking an adequate mandate or a balanced composition – have to be given sufficient time and political support to adapt and evolve in countries where a social dialogue tradition is absent. Political backing is, hence, the most crucial variable to enable a social dialogue to thrive and eventually produce effective policy results.

3.4 Creation of an NSDI: the Conseil National du Dialogue Social (CNDS) in Tunisia

Tunisia is part of what Carothers (2002) calls the seventh democratic wave during the past half century, i.e. a liberalizing trend in some Middle Eastern countries that started in the mid-1990s and erupted with the Arab Spring 15 years later.

During and after the upheavals, Tunisia became an outlier in the Arab world, as social dialogue and the social partners played a determinant role in building a process of peaceful democratic transition since the 2011 revolution. The National Dialogue Quartet, consisting of the Tunisian General Labour Union (UGTT), the Tunisian Union of Industry Commerce and Handicrafts (UTICA), the Tunisian National Bar Association, and the Tunisian League for the Defence of Human Rights was awarded the Nobel Peace Prize in 2015 for its role in building a peaceful transition, meaning that beyond procedural matters social dialogue has been successful in Tunisia on substantive issues as well (De Koster, 2015).

With the support of the ILO, the Government, UGTT and UTICA signed in January 2013 a 'Social contract'. One of its five priorities foresaw the institution of the CNDS. Yet due to political and economic crises, establishing it proved to be a lengthy process that required several negotiation rounds: only in July 2017, the law establishing the CNDS was promulgated, followed, in August 2018, by the decrees on its financing, operations and composition (Marzouk, 2018).

In light of the enabling conditions for effective social dialogue, the external environment seems rather favourable. Despite the long gestation, there seems to be a modicum of both political support for the CNDS and mutual trust between the social partners that participated to its creation. Until the operations start within the ordinary policymaking cycle, little can be said on the rapidity and incisiveness of the institution in terms of policy inputs and outputs.

As regards the mandate, the CNDS has a large remit. It is responsible for continuous and regular tripartite social dialogue on national, regional or sectoral socioeconomic issues of interest. It has supervision capacity on compliance with social legislation and collective bargaining. It expresses opinions on socioeconomic projects presented by Government, on the evolution of minimum wages, on the ratification of international conventions on labour standards, etc. It proposes mechanisms likely to prevent collective conflicts and

helps companies in the management of industrial relations and labour disputes. It furthermore carries out research on matters of competence. As for its 'effective mandate', the Council must be compulsorily consulted on laws and decrees relating to work, industrial relations, vocational training and social protection; optionally on other socioeconomic matters, economic and social development plans and budgets. Its opinion is transmitted to the Government within one month, annexed to laws and submitted to Parliament. The CNSD may, of its own motion, take up matters of labour and industrial relations and submit proposals to the relevant parties.

Relative to the problem-solving capacity of the CNDS, its composition reflects well the tripartite partners: 35 members from the most representative union, 35 from government (most ministries, social security funds, etc. are present), 30 representatives of the major employer organizations outside of agriculture and 5 within. As for its rules of conduct, the General assembly convenes upon the presence of at least two thirds of members and decides by consensus. Failing that, a majority of votes is needed, and the President prevails in case of a draw. With regards to the resources assigned to the Council, the decree foresees a detailed structure comprising a secretariat and units dedicated to administrative and financial affairs, debates, documentation and informatics, legislation and studies. The financial aspects are also regulated by decree. The resources include budgetary allocations provided by the State, gifts, donations and legacies, revenue from sales of movable and immovable property, and so on. The expenses foresee allowances granted to the members of the council, as well as other operating costs.

Seen through the lens of this brief's theoretical framework, the CNDS appears to be a textbook example of how to construct a balanced and effective NSDI. Yet, its *de facto* effectiveness will have to be assessed once the interactions between social dialogue within the CNDS and policymaking begin.

Conclusion

The paper has explored some of the issues related to the effectiveness of NSDIs in presenting meaningful policy input that influences the ensuing output through the policymaking process (so, restricted to their 'output legitimacy'). It individuated three mutually-reinforcing dimensions that guarantee the operability of an NSDI: an enabling external environment (where there is support by policy makers, mutual trust between the social partners as well as the perception that NSDI actions are rapid and relevant), an encompassing mandate (consisting of issues under the remit of an NSDI and an 'effective' capacity to act on them), and its problem-solving capacity (that is exerted when a balance of power of the tripartite actors is underpinned by sufficient resources).

Each of the dimensions has been analysed both through a quantitative survey of NSDIs and individual case-study analysis. There is substantial evidence that two sub-dimensions are key for effective social dialogue: having political support and having an 'effective mandate' as opposed to just a formal remit to deal with socioeconomic issues of interest. As part of an enabling environment, issues of mutual trust between the social partners and the NSDIs perceived rapidity and incisiveness are also of crucial importance, but they are intricately linked to political support. In fact, the government has the option – or better the duty – to intervene by facilitating the resolution of disputes or by updating the structure/operation of an NSDI with exactly the aim of supporting social dialogue.

As for the problem-solving capacity of an NSDI, this dimension's impact is not entirely clear-cut. With regards to the endowment with resources, it depends on the precise tasks attributed to the NSDI. If it deals directly with high-level policy research, they are indispensable. If it provides a forum for the social partners to convene in, less so. With regards, instead to the balance of power of the social partners, the paper must rely only on anecdotal evidence, as none of the indicators in the survey measured this precisely. Certainly, the composition of the NSDI that should not favour any particular group matters immensely, as policy input and output have to result from a correct balancing of the different interests at stake. The external weight of the individual social partners is also of utmost importance, but they are a precondition of having social dialogue at all, rather than of its policy effectiveness, or 'output legitimacy'.

Being this an explorative paper, it raises several questions to be addressed by future research. In addition to exploring the sources of input and throughput legitimacy of the processes pertaining to this specific form of social dialogue, also the preconditions informing NSDIs' output legitimacy require further unpacking. Where do social dialogue institutions derive their mandate from? What are the best institutional set-ups that guarantee inclusive policymaking? What determines an institution's problem-solving capacity?

The resources an NSDI can draw on to improve its proficiency in problem-solving vary enormously depending on the context. A good case study may be the national minimum wage policy by NEDLAC in South Africa, which drew on a combination of information and consultation, public hearings, an interrogation of research findings and international practices by an Advisory Panel, and negotiations between the social partners on the policy as well as mechanisms for compliance and enforcement.

Annex

Annex 1 Survey questions (summary)

Q1: In the past few years, has your institution experienced any major restructuring (change in mandate, composition, structure, method of functioning, etc.)?

Q2: Does your institution have a strategic plan to enhance the role and impact of social dialogue in policy/law making in your country?

Q3: Which of the following thematic areas in the world of work are priorities for your institution?

Q4: Has your institution discussed the 2030 Agenda for Sustainable Development and the Sustainable Development Goals (SDGs)?

Q4 bis: If yes, what were the outcomes of the discussions?

Q4 ter: If no, what is the reason?

Q5: Over the last few years, how would you assess the participation of workers' and employers' organizations in the work of your institution?

Q5 bis: What does the participation of workers' organizations entail?

Q5 ter: What does the participation of employers' organizations entail?

Q6: Over the last few years, has social dialogue been challenged in your country?

Q6 bis: If yes, please assess the actions taken to address these challenges?

Q6 ter: Please assess the actions taken to address these challenges.

Q8: What are the main labour-related challenges facing society?

Q7: What are the internal challenges that are hindering the functioning of your institution?

Q9: Is your institution mandated and/or involved in developing action plans to manage changes in the world of work caused by factors such as, among others, technology, globalization, demography, climate change or work-life balance?

Q9 bis: If yes, please indicate the level of involvement by your institution.

Q9 ter: Please indicate the outcome of this involvement.

Q10: In the context of climate change, jobs will be created (i.e. green jobs), substituted and eliminated. What steps has your institution taken to help your members/constituents?

Q11: The implementation of new technologies, such as crowdwork platforms (e.g. Uber, Amazon Mechanical Turk, AirBnB), is having an impact on industrial relations, employment relationship, working conditions, businesses and employment. What steps has your institution taken to help your members/constituents?

Q12: Demographic changes, ageing populations, entrance of young generations to the labour markets and increase in female labour market participation, will require responses that provide care services to the elderly, new jobs for youth and accompanying measures for workers with family responsibilities. What steps has your institution taken to help your members/constituents?

Q13: Changing values and aspirations in today's globalized economy has implications for the world of work, especially in terms of work-life balance (family responsibilities, maternity/paternity leave, etc.), equality, well-being, evolving gender roles, etc. At the same time, needs and expectations of enterprises toward their employees are also transforming greatly (e.g. increased mobility and productivity). What steps has your institution taken to help your members/constituents?

Q14: What are the major transformational changes that are shaping social dialogue in your country?

Q15: What does your institution see as possible solutions for improved social dialogue in the future?

Q16: What role should the ESC-SIs play in strengthening social dialogue, renewing the social contract and shaping the future of work?

Q17: What changes would you envisage your institution to undergo in order to remain relevant in the evolving context of work (e.g. in terms of agenda, missions, composition, participation, etc.)?

Q18: What steps can ESC-SI workers' and employers' member organizations take in order to increase their role and influence in policymaking?

Q19: What kind of input or support would your ESC-SI expect from AICESIS in this area?

Q20: How can ILO further support ESC-SIs to promote social dialogue in the context of the future of work in your country?

Q21: Please fill in below any additional comments.

Annex 2 List of respondents

Region	No. of responses	ESC-SIs
Africa	9 (20.0%)	Conseil national économique et social (Algeria) Haut Conseil du Dialogue Social (Burkina Faso) Comité National de Dialogue Social (Burundi) Comité National du Dialogue Social (Chad) Conseil Economique et Social (Guinea) Conseil Economique Social Environnemental et Culturel (Côte d'Ivoire) Conseil Economique Social et Environnemental (Morocco) Conseil Economique, Social et Environnemental (Senegal) Groupe de Travail Tripartite du Contrat Social (Tunisia)
Americas and the Caribbean	5 (11.1%)	Superior Labor Council of Chile Ministry of Labour of Colombia Consejo Superior de Trabajo (Costa Rica) Consejo Economico y Social (Dominican Republic) Ministry of Labour of Grenada
Arab States	2 (4.4%)	Jordan Economic and Social Council Economic and Social Council of the Occupied Palestinian Territories
Asia-Pacific	10 (22.2%)	Ready Made Garment – Tripartite Consultation Committee (Bangladesh) Cook Islands National Tripartite Labour Advisory Council China Economic and Social Council Ministry of Manpower of Indonesia The Labour Policy Council of Japan Economic and Social Development Commission of Korea Samoa National Tripartite Forum Ministry of Manpower of Singapore (in collaboration with the social partners) Ministry of Labour, Trade Union Relations and Sabaragamuwa Development of Sri Lanka Tripartite Labour Advisory Council of Vanuatu

Europe	19 (42.2%)	Public Council of Armenia
		Conseil National du Travail (Belgium)
		Consejo Económico y Social de España
		Conseil économique social et environnemental (France)
		Ministry of Labour, Health and Social Affairs of Georgia (on Tripartite Social Partnership Commission)
		Economic and Social Council of Greece
		Consiglio Nazionale dell'Economia e del Lavoro (Italy)
		Conseil économique et social (Luxembourg)
		Malta Council for Economic and Social Development
		Social Council of Montenegro
		Sociaal Economische Raad (the Netherlands)
		Economic and Social Council of North Macedonia
		Norwegian Ministry of Labour and Social Affairs
		Social Dialogue Council of Poland
		Economic and Social Council of Romania
		Civic Chamber of the Russian Federation
		Social and Economic Council of Republic of Serbia
		Economic and Social Council of the Republika Srpska (part of Bosnia and Herzegovina (BiH))
		National Tripartite Social and Economic Council (Ukraine)

References

Avdagić, S. (2011). The Conditions for Pacts: A Fuzzy-Set Analysis of the Resurgence of Tripartite Concertation. In S. Avdagić, M. Rhodes, & J. Visser (Eds.), *Social Pacts in Europe: Emergence, Evolution, and Institutionalization* (pp. 17–42). Oxford, New York: Oxford University Press.

Avdagić, S., Rhodes, M., & Visser, J. (Eds.). (2011). *Social Pacts in Europe: Emergence, Evolution, and Institutionalization*. Oxford: Oxford University Press.

Baccaro, L. (2003). What is Alive and What is Dead in the Theory of Corporatism. *British Journal of Industrial Relations*, 41(4), 683–706. <https://doi.org/10.1046/j.1467-8543.2003.00294.x>

Baccaro, L., & Howell, C. (2017). *Trajectories of Neoliberal Transformation*. Cambridge, UK: Cambridge University Press.

Baccaro, L., & Galindo, J. (2018). *Are social pacts still viable in today's world of work?* Geneva: International Labour Organization.

Berg, J., & Schneider, E. (2018). Brazil: The Swinging Pendulum. In Hayter, S., & Lee, C. H. (Eds.), *Industrial Relations in Emerging Economies* (pp. 115–150). Cheltenham, UK: Edward Elgar Publishing.

Carothers, T. (2002). The End of the Transition Paradigm. *Journal of Democracy*, 13(1), 5–21. <https://doi.org/10.1353/jod.2002.0003>

Cawson, A. (1986). *Corporatism and Political Theory*. London: Blackwell.

Collier, R. & Collier, D. (1991) Shaping the Political Arena. Critical Junctures , the Labor Movement, and Regimen Dynamics in Latin America, Princeton: Princeton University Press. Croucher, R. & Wood, G. (2015). Tripartism in Comparative and Historical Perspective. *Business History* 57(3): 347–357. <https://doi.org/10.1080/00076791.2014.983479>

Culpepper, P. D. (2014). The Political Economy of Unmediated Democracy: Italian Austerity under Mario Monti. *West European Politics*, 37(6), 1264–1281. <https://doi.org/10.1080/01402382.2014.929334>

Culpepper, P. D., & Regan, A. (2014). Why Don't Governments Need Trade Unions Anymore? The Death of Social Pacts in Ireland and Italy. *Socio-Economic Review*, 12(4), 723–745. <https://doi.org/10.1093/ser/mwt028>

Diniz, E. (2011). Democracy, State, and Industry: Continuity and Change between the Cardoso and Lula Administrations. *Latin American Perspectives*, 38(3), 59–77. <https://doi.org/10.1177/0094582X10391065>

De Koster, A. (2015). *Social Dialogue in Morocco, Tunisia and Jordan: Regulations and Realities of Social Dialogue*. Brussels: European Commission.

Doctor, M. (2007). Lula's Development Council: Neo-Corporatism and Policy Reform in Brazil. *Latin American Perspectives*, 34(6), 131–148. <https://doi.org/10.1177/0094582X07308265>

Eyraud, F., & Saget, C. (2005). *The Fundamentals of Minimum Wage Fixing*. Geneva: International Labour Organization.

Ferrero, E. (2016). Il Cnel. *Innovazione & Riforme*, (3), 42-45.

Guardiancich, I., & Molina, O. (Eds.). (2017). *Talking through the Crisis: Social Dialogue and Industrial Relations Trends in Selected EU Countries*. Geneva: International Labour Organization.

Guardiancich, I., & Artale, W. M. (2018). *Institutional Underpinnings of the Minimum Wage Fixing Machinery: The Role of Social Dialogue*. Geneva: International Labour Organization.

Ghellab, Y. (2009). *Recovering from the Crisis through Social Dialogue* (Dialogue in Brief No. 1) Geneva: International Labour Organization.

Ghellab, Y., & Papadakis, K. (2011). The politics of economic adjustment in Europe: State unilateralism or social dialogue? In *The global crisis: Causes, responses and challenges* (pp. 81–93). Geneva: International Labour Organization.

Guardiancich, I. (2020). *Report on the ILO-CNEL Seminar “Enhancing the Role and Impact of National Social Dialogue Institutions”*. Rome: ILO.

Guardiancich, I. (2017). Rebuilding Social Dialogue in Slovenia: A Complex Task for the Post-Crisis Period. In I. Guardiancich & O. Molina (Eds.), *Talking through the crisis: Social dialogue and industrial relations trends in selected EU countries* (pp. 233–256). Geneva: International Labour Organization.

Hall, P. A., & Soskice, D. (2001). An Introduction to Varieties of Capitalism. In P. A. Hall & D. Soskice (Eds.), *Varieties of Capitalism: The Institutional Foundations of Comparative Advantage* (pp. 1–68). Oxford University Press. <https://doi.org/10.1093/0199247757.003.0001>

Hayter, S. (ed.). (2011). *The Role of Collective Bargaining in the Global Economy: Negotiating for Social Justice*. Cheltenham, UK: Edward Elgar Publishing.

Hayter, S., & Lee, C. H. (Eds.). (2018). *Industrial Relations in Emerging Economies: The Quest for Inclusive Development*. Cheltenham, UK: Edward Elgar Publishing.

ILO. (2013). *National Tripartite Social Dialogue: An ILO Guide for Improved Governance*. Geneva: ILO.

—. (2015). *The Future of Work Centenary Initiative*, Report of the Director-General, International Labour Conference, 104th Session. Geneva: ILO.

—. (2017). *Global Wage Report 2016/17: Wage inequality in the workplace*. Geneva: International Labour Organization.

—. (2017a). *Towards the Universal Ratification of Convention no. 144 on Tripartite Consultation by the ILO Centenary in 2019*. Geneva: ILO.

—. (2018). *Social Dialogue and Tripartism, Report VI*, International Labour Conference, 107th Session. Geneva: ILO.

—. (2018a). *Resolution Concerning the Second Recurrent Discussion on Social Dialogue and Tripartism*, International Labour Conference, 107th Session. Geneva: ILO.

—. (2018b). *Sixth Item on the agenda: A Recurrent Discussion on the Strategic Objective of Social Dialogue and Tripartism, under the Follow-up to the ILO Declaration on Social Justice for a Fair Globalization, 2008*, International Labour Conference, 107th Session. Geneva: ILO.

—. (2020). *The Need for Social Dialogue in Addressing the COVID-19 Crisis*, ILO Policy Brief, May 2020. Geneva: ILO

Jessop, B. (2015). Corporatism and Beyond? On Governance and Its Limits. In E. Hartmann & P. F. Kjaer (Eds.), *The Evolution of Intermediary Institutions in Europe: From Corporatism to Governance* (pp. 29–46). London: Palgrave Macmillan UK. https://doi.org/10.1057/9781137484529_3

Keune, M. (2015). The Effects of the EU's Assault on Collective Bargaining: Less Governance Capacity and More Inequality. *Transfer: European Review of Labour and Research* 21(4): 477–483. <https://doi.org/10.1177/1024258915603571>

Kim, D.-O., & Ahn, J.-Y. (2018). From Authoritarianism to Democratic Corporatism? The Rise and Decline of Social Dialogue in Korea. *Sustainability*, 10(12), 4514. <https://doi.org/10.3390/su10124514>

Kim, Y., & Westhuizen, J. V. D. (2018). Corporatism as a Crisis Response to Democratisation? Comparing the Rise and Fall of Corporatism in South Korea and South Africa. *Politikon*, 45(2), 291–308. <https://doi.org/10.1080/02589346.2017.1398920>

Lusthaus, C., Adrien, M.-H., Anderson, G., Carden, F., & Plinio Montalván, G. (2002). *Organizational assessment: A framework for improving performance*. Ottawa and Washington, DC: International Development Research Centre and Inter-American Development Bank.

Marzouk, H. (2018). Tous les détails sur le Conseil national du dialogue social en Tunisie. *l'Économiste Maghrébin*, 27 November.

Meardi, G., Gardawski, J. & Molina, O. (2015). The Dynamics of Tripartism in Post-Democratic Transitions: Comparative Lessons from Spain and Poland. *Business History* 57(3): 398–417. <https://doi.org/10.1080/00076791.2015.1044516>

Molina, O., & Miguélez, F. (2017). Post-crisis Social Dialogue in Spain: The Calm after the Storm. In I. Guardiancich & O. Molina (Eds.), *Talking through the crisis: Social dialogue and industrial relations trends in selected EU countries* (pp. 257–280). Geneva: International Labour Organization.

Molina, O., & Rhodes, M. (2002). Corporatism: The Past, Present, and Future of a Concept. *Annual Review of Political Science*, 5(1), 305–331. <https://doi.org/10.1146/annurev.polisci.5.112701.184858>

Mosoetsa, S., & Williams, M. (Eds.). (2012). *Labour in the Global South: Challenges and Alternatives for Workers*. Geneva: International Labour Office.

OECD. (2015). *In It Together: Why Less Inequality Benefits All*. Paris: Organisation for Economic Co-operation and Development.

—. (2017). *OECD Employment Outlook 2017*. Paris: OECD.

Prosser, T. J., & Perin, E. (2015). European tripartism: chimera or reality? The 'new phase' of the European social dialogue in the light of tripartite theory and practice. *Business History*, 57(3), 376–397. <https://doi.org/10.1080/00076791.2014.983481>

Regalia, I., & Regini, M. (2018). Trade Unions and Employment Relations in Italy during the Economic Crisis. *South European Society and Politics*, 23(1), 63–79. <https://doi.org/10.1080/13608746.2018.1430608>

Richardson, J. (2018). *British Policymaking and the Need for a Post-Brexit Policy Style*. London: Palgrave Macmillan.

- Rizzo, S., & Stella G. A. (2013). "Sprechi plurimi" l'inchiesta sul CNEL. *Corriere della Sera*, 31 October.
- Scharpf, F. W. (2003). *Problem-solving effectiveness and democratic accountability in the EU* (Working Paper No. 03/1). MPIfG working paper. Retrieved from <https://www.econstor.eu/handle/10419/41664>
- Schmalz, S., & Dörre, K. (2014). Der Machtressourcenansatz: Ein Instrument zur Analyse gewerkschaftlichen Handlungsvermögens. *Industrielle Beziehungen / The German Journal of Industrial Relations*, 21(3), 217–237.
- Schmidt, V. A. (2013). Democracy and Legitimacy in the European Union Revisited: Input, Output and 'Throughput.' *Political Studies*, 61(1), 2–22. <https://doi.org/10.1111/j.1467-9248.2012.00962.x>
- Schmitter, P. C. (1974). Still the Century of Corporatism?. *The Review of Politics*, 36(1), 85–131. <https://doi.org/10.1017/S0034670500022178>
- Schmitter, P. C., & Lehbruch, G. (Eds.). (1982). *Patterns of Corporatist Policymaking*. London: Sage.
- SER. (2018) *Strengthening Effectiveness & Influence*. Amsterdam: Sociaal-Economische Raad.
- Siaroff, A. (1999). Corporatism in 24 Industrial Democracies: Meaning and Measurement. *European Journal of Political Research*, 36(2), 175–205. <https://doi.org/10.1111/1475-6765.00467>
- Standing, G. (2011). *The Precariat: The Dangerous New Class*. New York: Bloomsbury Academic.
- Thelen, K. (2002). The Political Economy of Business and Labor in the Developed Democracies. In I. Katznelson & H. V. Milner (Eds.), *Political Science: The State of the Discipline* (pp. 371–403). New York: W. W. Norton.
- Treu, T. (1992). *Participation in Public Policymaking: The Role of Trade Unions and Employers' Associations*. Berlin: Walter de Gruyter.
- United Nations (UN). (2015). *Transforming Our World: The 2030 Agenda for Sustainable Development*. New York: UN General Assembly.
- Van de Ven, A. H. (1976). A Framework for Organization Assessment. *Academy of Management Review*, 1(1), 64–78. <https://doi.org/10.5465/amr.1976.4408765>

► Advancing social justice, promoting decent work

The International Labour Organization is the United Nations agency for the world of work. We bring together governments, employers and workers to improve the working lives of all people, driving a human-centred approach to the future of work through employment creation, rights at work, social protection and social dialogue.

Contact details

**Governance and Tripartism Department
(GOVERNANCE)**
Social Dialogue and Tripartism Unit (DIALOGUE)

International Labour Organization
Route des Morillons 4
1211 Geneva 22
Switzerland
T +41 22 799 7035



I S B N 978-92-2-033768-4



9 789220 337684