

Gardawski, Juliusz; Towalski, Rafał

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The comparative analysis of the industrial relations systems in Europe

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Empirical Paper

Juliusz Gardawski*, Rafał Towalski

The comparative analysis of the industrial relations systems in Europe

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Abstract: This article aims to quantify the institutional similarities between industrial relations systems in 11 Central and Eastern European countries (CEE11), on the one hand and each of the four models of capitalism in Western Europe identified by Amable [2003], on the other hand. The comparative analysis was performed on the basis of six variables. Three of them represent inputs or institutional determinants of industrial relations. Another three variables represent outputs or the labor market performance. For each variable, the similarity coefficients between CEE11 countries and four reference EU15 economies representing Western European models of capitalism were calculated. Based on these coefficients, the hexagons of similarity were built.

The analyses led us to some general observations. In 2005, most of the countries in the region developed industrial relations systems similar to the continental model, what can be interpreted as a strategy to meet the requirements imposed on these countries in the process of European integration. After accession, most of the countries abandoned “social partnership” ship and started the cruises to the Anglo-Saxon model.

Keywords: industrial relations system, Central and Eastern Europe, capitalism models, comparative studies

JEL Classification: J5, P16, P51

1 Introduction

Both labor relations and research in this field have a long history. These relations contemporary frequently obtain the form of industrial relations and are connected with the industrial revolution, and hence started in the second half of the 18th century, while the scientific study of these relations developed in the early years of the 20th century, initially in the Anglo-Saxon countries. Kaufman described that “the first event in the birth of industrial relations as a field of study took place in 1912 – that year President Taft established a Commission on Industrial Relations” [Kaufman, 2004: 85]. At the same time, John Commons began to form the basis of the theory of industrial relations, grounded on institutional concept of transaction [Tittenbrun, 2012: 37-39]. Another key event took place immediately after the First World War in 1919: International Labor Organization (ILO) became established in Paris Peace Treaty. It resulted in a tripartite organization, bringing together representatives of governments, employers, and workers in its executive bodies “represented an significant move away from a laissez-fair and commodity approach to labor and shift toward a more humanistic a social approach” [Kaufmam, 2004]. In declaration of ILO was described a principle that “labour is not a commodity” [ILO, 2010]. In the initial period, industrial relations were

*Corresponding author: Juliusz Gardawski, Collegium of Socio Economics, SGH Warsaw School of Economics, Warsaw, Poland, E-mail: gardawski@yahoo.com

Rafał Towalski, Collegium of Socio Economics, SGH Warsaw School of Economics, Warsaw, Poland, E-mail: rtowal@sgh.waw.pl

limited to the issue of pay and working conditions, the existence of trade unions and collective agreements between the parties of employment relations [i.e. between the employers' and the employees' sides). That's how they were defined by the then ILO.

The researchers commonly pointed out that industrial relations constitute one of the important cores of socioeconomic order. Bruno Amable emphasized that labor relations are a key factor for the relations between labor market institutions and macroeconomic phenomena [2003: 130], while Krzysztof Jasiecki in the encyclopedic work "Capitalism Polish style" wrote that "(in) discussions about the diversity of capitalism, the issue of collective labor relations is very important place. It focuses, as in the lens, on the fundamental issues of the development of the market economy" [2013: 325].

Owing to the economic importance of industrial relations and its complex nature, extensive literature was devoted to them. Kaufman pointed out that "the institutions and practices of industrial relations vary considerably across nations states and that no single form or archetype of industrial relations system exists. (...) in reality every country's industrial relations system is exceptional in the sense of having numerous unique practices and institutions." [Kaufman, 2004: 5].

Science of industrial relations undergone the same evolution as contemporary social sciences: starting from functionalism and going to institutionalism with all its diversity. In the 1940s and 1950s, the system approach, grounded in functionalist Parsonian tradition, dominated. A special role played in that period (theory of John Dunlop 1958). In the research carried out by Polish labor and economic sociologists, Dunlop conceptual scheme was relatively popular, even in the last period of authoritarian ("communist") order. We mean first his specification of actors (a hierarchy of managers and their representatives in supervision; a hierarchy of workers and their spokesmen; specialized government agencies concerned with workers, enterprisers, and their relationships), second, his specification of the environment (the technological characteristics of the workplace and work community; the market or budgetary constraints which impinge on the actors; and the distribution of power in larger society). According to functionalist prospect, industrial relations were united by common meta-ideology, despite of ideology differences between employers, employees, and representatives of government agencies [Jackson, 1991: 3-4].

Since then, the concept of the industrial relations system has undergone significant modifications, being a reflection of a vigorous debate on industrial relations definition.

Solomon states that any definition must assume and emphasize a particular view of the nature and purpose of industrial actors. One of the most influential approaches to industrial relations is comparative analysis, although we have to keep in mind that there is no one "right approach" [Solomon, 1998; pp. 3-4]. There are also significant differences in a comparative method, expressed in the set of indicators applied in different studies. Potentially, such criteria can be hundreds. The reduction of criteria in particular theories or research schools usually leads to the selection of at most a dozen or so criteria. Thus, a well-known canon of 17 criteria (KLIM) was established at the ILO.

Various definitions and conceptions of industrial relations do not exclude each other and emphasize different elements, the central of which can be identified as follows:

- Processes of control over work relations and regulations of interest,
- Web of institutionalized relationships between actors, organizations and institutions,
- Collective relations,
- Different actors and arenas,
- Different levels of industrial relations and interplay between them,
- Legal and institutional framework,
- Cooperative and conflictual relationships,
- Diversity of existing national models [Weiler, 2004, pp. 13].

In one of the latest reports discussing the results of comparative analyses in the field of industrial relations, an interesting breakdown of variables was proposed, thanks to which we can study this area. All variables can be, according to the authors of the study, attributed to one of the factors shaping the stage of industrial relations. The first factor is the quality of work, which can be measured by variables such as workplace health and well-being, employment security, and skills development [Eurofound, 2017, pp. 5].

The second factor is competitiveness, measured by work efficiency and the employment rate. The third factor is “industrial democracy” measured by the reach of collective agreements, the level of unionization or the scope of employee participation practices [Eurofound, 2017, pp. 11-12]. The last factor is the social justice approximated, among others, by the percentage of long-term unemployed people. It is easy to notice that these analyses combine increasingly traditional elements describing the systems of industrial relations with variables reserved so far for the description of the labor market, treating them as output variables.

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Comparative analyses give rise to typologies, often generalized in the form of varieties of capitalism. Lucie Davione, Christine Erhel and Mathilde Guergoat in their work *A Taxonomy of European Labour Markets. Using Quality Indicators* [2008] presented, on the basis of cluster analysis, the map of job quality and then grouped the EU member states in several distinctive clusters. The results confirmed the heterogeneity of job quality across Europe. In 2005–2006, the European Union was divided by the three authors into five clusters. The Northern cluster included Sweden, Denmark, Finland, and the United Kingdom. It was characterized by high participation rates in education and training, high employment rates, and high job satisfaction. The Continental cluster comprised Germany, France, Belgium, Luxembourg, Austria, the Netherlands, Ireland, and Slovenia. The Southern cluster encompassed Spain, Italy, Portugal, Greece, and Malta. It showed a high proportion of early school leavers and a high gender employment gap, with poor levels of education and training. The authors considered the new member states, which were allocated into two more clusters: the first cluster contained Poland and Slovakia, while the second one was composed of the remaining new EU members (Estonia, Latvia, Lithuania, Cyprus, the Czech Republic, Hungary, Bulgaria, and Romania). The first group that includes Poland and Slovakia displayed high long-term unemployment rates and low employment rates. The second group was characterized by very low levels of productivity but high rates of productivity growth, which is typical of countries in a catching-up process.

The study of job quality by Davione, Erhel and Guergoat highlighted the dissimilarities between the Northern countries and most of the new member states in terms of working conditions and socioeconomic security. The Northern countries exhibited high wages and good working conditions but also high intensity at work. In contrast, the new EU members exhibited low socioeconomic security (low wages and high long-term unemployment rate) and bad working conditions. In turn, the Southern countries were characterized by unsatisfactory social dialog [Davione et al., 2008].

The analyses presented in the further part of the chapter are strictly quantitative. However, we would like to point out that during the evolution of industrial relations in the countries of Central and Eastern Europe after 1989, the qualitative factors—soft variables—played a large role. The frame of reference for the analysis of industrial relations in new Central-East European countries should consider vast societal context. All post-authoritarian countries despite similarities connected with soviet model implementation for 40 years, after return to democracy and market economy has followed relatively different trajectories.

The differences described separate institutional solutions, but different patterns of socioeconomic values hid behind them [Inglehart and Welzel, 2005]. Our study does not allow for the analysis in the field of cultural anthropology, but it must be remembered that institutional analysis, conducted in accordance with the methodology of the rational choice theory, allows only a superficial interpretation of differences: it allows to note differences, but does not allow understanding their meaning (in the Weberian sense). We pay attention to this fact because the interpretation we present in the next part of the chapter will have such a simplified character.

Bohle and Greskovits defined three (or four, including “nonregime countries”) main types of post-communist capitalism, which have got big influence on all industrial relations dimensions (2012). We can add that there are relatively substantive differences in the mentioned types of capitalism listed within. The disparities between Poland on the one hand and Czech and Slovak on the other existed in the Visegrad group [Ost, 2001; Pollert, 2001]. Anna Polert stressed the role of heritage of Austro-Hungarian political culture, internalized by Czech society. Poland and Hungary have some similarities, but one could have depicted significant differences, especially in the role of trade unions and nonstandard forms of

employment. For many years, Slovenia is building radically different models of industrial relations than all other post-authoritarian countries, much closer to Coordinated Market Economy model. Socioeconomic institutions, like workers' self-government, have survived the change of political system in Slovenia, have not survived in Poland, which is to a certain extent related to cultural differences between these societies. It was only one country that could be represented of old democracy in terms similar to West European countries, namely Slovenian Coordinated Market Economy (we mean Hall and Soskice [2001] model). We are willing to recognize this as an effect of the process of institutional changes and imitation as well as the effect of the patterns of values prevalent in given societies.

After long debates in the research team, we assumed that six variables, essentially quantitative, referring to industrial relations and, to some extent, labor market will be a good basis for conducting comparative analyses. Our goal was to limit the number of variables as much as possible, while at the same time covering key socioeconomic spheres. Initially, we planned to introduce the distribution of responses to questions from the European Social Survey, relating to values, but such a combination of variables did not yield a good result. Ultimately, we have limited ourselves to the variables listed below.

- 1) Adjusted bargaining coverage rate: proportion of all wage earners with right to bargaining (ADJCOV);
- 2) Union density rate, net union membership as a proportion of wage earners in employment (UD)
- 3) Government intervention in wage bargaining (GOVINT)
- 4) Temporary employees as percentage of the total number of employees (tesem110) (TEMEMP)
- 5) Employment rate by sex, age group 20–64 (t2020_10) (EMPRAT)
- 6) Employment rate of low skilled persons, age group 20-64 (LOWAGE).

The values of the first three variables were calculated on the basis of *Database on Institutional Characteristics of Trade Unions, Wage Setting, State Intervention and Social Pacts in 51 countries, between 1960 – 2014* [ICTWSS]. This set represent inputs. The values of the last three variables were calculated on the basis of Eurostat Database, and these data represent outputs [Eurostat].

For each variable, a factor of similarity between a Central and Eastern European (CEE) country and a Western European country was calculated. The value of the factor of similarity is 100, if a CEE country has an identical value of a given variable as a Western European country. On the other hand, the value is 0, if the result for a CEE country falls outside the following range:

$$\left(X_{refC} - 3 \times \text{st.dev.} \left(X_1 \quad X_{15} \right); X_{refC} + 3 \times \text{st.dev.} \left(X_1 \quad X_{15} \right) \right)$$

where X_{refC} is the value of the X variable for the reference country (representing a given model of capitalism), whereas $\text{st. dev.} (X_1...X_{15})$ is the standard deviation of the X variable in the entire analyzed group. Accordingly, the 0 value (lack of similarity) means that a CEE country differs by more than three standard deviations from the country of reference, regardless of the direction of disparity. If the value of a given variable for a CEE country falls within the above range, similarity coefficients are calculated proportionally to the distance between the value in the reference country and the limit value in the range.

On the basis of the calculation of similarity coefficients, similarity hexagons were created. They serve the purpose of comparing 11 Central and Eastern European (CEE11) countries to Western European countries (Germany, Great Britain, Sweden, and Spain) of reference. The tips of the hexagons represent the values comprising the institutional area of industrial relations. The more extensive the coverage of a hexagon is, the more similar the respective countries are in the area of the creation of industrial relations.

2 The results of the analysis

At the outset, we would like to point out that we will be talking about four models for simplicity, although the subject of comparisons will be four countries which, according to our assumption, adequately represent these models (Germany representing continental model, Great Britain—Anglo-saxon model, Sweden—Scandinavian model and Spain representing Mediterranean model).

In 2005, the majority of Central and Eastern European (CEE) countries approached the continental model, symbolized by Germany (Table 1).

However, if we look at the hexagons, showing the scale of similarities between individual CEE countries to one of the four models, we notice that the previous observation ceases to be so unambiguous. The similarity to individual variables was unevenly distributed (see Appendix). Difficulties in determining similarity to a given model may be a consequence of the lack of a uniform and long-term strategy of industrial relations systems stakeholders. The “game” rules were used to reach the goals in the short-term dimension. This observation, to some extent, confirms the changes in the value of the similarity indicator for particular CEE countries in 2014, when most countries took a clear course on the Anglo Saxon model country (Table 2).

Three countries in southern Europe: Croatia, Bulgaria, and Romania were counted by Bohle and Greskovits to countries which in the 1990s were in a situation of economic and political disorder [Bohle and Greskovits, 2012: 22].

Table 1. Coefficients of similarity – labor market and industrial relations system (2005¹)

Country	Reference country			
	Germany	Spain	Sweden	Great Britain
Bulgaria	72	65.2	28.3	66.5
Croatia	87.6	56.7	41.4	69.3
Czech Republic	87.6	60.1	48.1	81.7
Estonia	76.4	50.4	38.6	81.6
Hungary	71.7	61.4	24.9	69.1
Latvia	78.2	45.1	37.9	73.4
Lithuania	74.0	46.2	37.1	76.5
Poland	60.2	63.5	22.5	50.9
Romania	59.2	54.2	39.7	51.1
Slovakia	74.6	66.3	30.1	70.9
Slovenia	65.1	60	45.9	52.7

Source: The author.

¹ For some countries, data refer to the years 2004 or 2006.

Table 2. Coefficients of similarity – industrial relations system (2014)

Country	Reference country			
	Germany	Spain	Sweden	Great Britain
Bulgaria	63.6	57.8	22.8	70
Croatia	64.8	67.4	36.6	51.7
Czech Republic	85.9	47.2	46	78.4
Estonia	77.5	29.6	36.1	81.6
Hungary	64.9	57.5	27.7	63.4
Latvia	63.7	39.2	23.2	67.9
Lithuania	62.9	36.3	23.6	67.1
Poland	65.6	49.5	29.8	60.5
Romania	64.1	48.3	20.8	66.9
Slovakia	65.3	56.4	24.3	67.4
Slovenia	71.8	70.0	41.3	58.3

Source: The author.

The results obtained suggest that over 10 years, **Bulgaria** has undergone a profound transformation in the area of labor market and industrial relations. While in 2005, we could talk about the institutional convergence toward the Continental model, by 2014, the picture considerably changed—the institutional characteristics of the labor market and industrial relations became relatively most similar to the Anglo-Saxon model.

As suggested by various sources (ETUI, ILO reports), the model that was formed in the middle of the first decade of the 21st century may be a derivative of actions undertaken in this country for the harmonization of the economy and political system with the mechanisms adopted in the European Union. The first clear signal was the amendment to the Labor Code from 2001, thanks to which the foundations of the industrial relations system were created that met the standards resulting from the accession process.

In 2009–2011, the effects of the global crisis undermined the foundations of industrial relations in this country. The mechanisms of coordination in both tripartite and bilateral arrangements have been weakened. Perhaps it was the crisis that led the country to enter the path leading to the deregulation of the collective bargaining and the liberalization of the labor market, accompanied by diminishing power of social partnership [ETUI, 2016; Dimitrov, 2017].

Croatia has not undergone such a rapid transformation as Bulgaria, although both countries have a different starting points. We may suppose that the reasons for the development of the continental model were similar to those in Bulgaria, mean integration with the European Union.

Currently, this country represents the characteristics of the Mediterranean model, and thus, among other things, the strong role of the state as a regulator and the conflictual nature of the relationship between social partners (ETUI). Many expert underline the problem of trust deficit in industrial relation, what negatively affect the process of collective bargaining. At the same time, the dispute resolution mechanisms are so ineffective that open conflicts are quite frequent. In addition, the state claims the right to the role of the “key player”, both in the field of labor law and the shaping of socioeconomic policies. [Seperic, 2017]

In the **Czech Republic**, the Continental model has been developing consistently. What makes the Czech Republic most akin to this model in the area concerned is first of all the scope of trade unions, the scope of collective agreements and the degree of involvement of social partners in the system of shaping socioeconomic policies. Undoubtedly, the European integration played an important role in building the Continental model in this country. But unlike many other CEE countries discussed in this text, the Czech Republic has managed to maintain the basic elements relevant to the Continental pattern. It became clear, after the parliamentary elections in 2013, when a center-left government was formed with Prime Minister Bohuslav, and the relationship between social partners, especially trade unions and the government, improved rapidly. [Chmelar, 2017]

It is also worth noting that the adoption of the Continental solutions in the initial period concerned primarily the system of industrial relations, because when it comes to the characteristics of the labor market, the Czech Republic was closer to the Anglo-Saxon model. With the passage of time, the consistent implementation of the Continental model has also led to the correction of labor market characteristics and the departure from the Anglo-Saxon model.

Estonia is another example of consequences in the implementation of a chosen development logic in the analyzed area. Regarding the three Baltic countries, Estonia in the first place, it was concluded that, although in the early 1990s, these countries “rather followed the Central European system (...), later the elements of a liberal system were introduced. (...) Even before the crisis (2008), compared with other European countries the Baltic state formed a distinct group characterized by relatively low social protection and expenditures, and flexible labour markets” [Mass et al., 2015: 105]. For many years, the Anglo-Saxon model has been implemented, which confirms the thesis put forward by, among others, Bohle and Greskovits, in the opinion that reformist radicalism in the Baltic countries was to lead to the destruction of industrial relations [Bohle and Greskovits, 2012]. One of the reasons might be highly fragmented trade unions movement in this country. Less than 10 per of total employees are trade union members and trade unions are basically present at the company level. At the same time, employers’ organizations play a marginal role in the industrial relations system. Tripartite social dialog between the government and social

partners remains “illusory” [Woolfson and Kallaste, 2011]. There is no institution similar to those existing even in Poland or Hungary. The tripartite negotiations forum is made up of insurance funds, although the social partners do not have sufficient powers there, and the government can unilaterally decide on the issues of managing them. This was the case in 2011, when funds from health funds and unemployment strengthened the state budget despite the opposition of the social partners.

Hungary has witnessed a similar transformation as Bulgaria, that is from the Continental model in the period of country’s accession to the European Union to the Anglo-Saxon model today. Although it should be noted that the coefficients of similarity to both models are almost the same (for the Continental model - 63.9 and the Anglo-Saxon model - 64.1 in 2014). Similarly, in the initial year, the respective coefficient was slightly higher for the Continental model (70.3) than for the Anglo-Saxon model (69.1).

This ambiguity may be a derivative of a specific feature of the system that has developed in this country. Formally, the system of industrial relations contains institutional mechanisms, necessary for social partnership and coordination in the social and economic sphere. Unfortunately, paraphrasing D. North’s concept of institutions, although the rules of the game are made explicit, not all the players are interested in participating in the game. The authors of *Changing models of capitalism in Europe and the US* mention the untapped institutional potential of industrial relations [Deeg and Jackson, 2015]. The operation of existing social dialog bodies remains unsatisfactory. The collective bargaining at company and sectoral level is difficult, what resulted in growing number of industrial conflicts [Neumann, 2017].

Industrial relations system in **Latvia**, went the same path like in many other countries of the region—from Continental to Anglo-Saxon pattern, what confirms the proposition put forward by Bohle and Greskovits, mentioned earlier in the text [Bohle and Greskovits, 2012]. It is worth noting, however, that what distinguished the system of industrial relations in Latvia from the Anglo-Saxon model, and makes it more similar to the Continental model, was the involvement of social partners in shaping socioeconomic policies. In 2008, in the face of the global economic crisis, social partners and the government signed an agreement on anti-crisis measures, which was not a rule in all countries affected by the crisis in that period. Since then, the importance of social partnership, especially at macro level, continuously has been weakening. Ongoing decentralization of workers representation and collective bargaining marginalization became clear evidence for deepening liberalization in the field of industrial relations in this country, leading to Anglo-Saxon model.

Lithuania is another example of the consistent implementation of the Anglo-Saxon solutions. What obviously makes the industrial relation system similar to the Anglo-Saxon model is deregulation of industrial relations at the industry and company levels, as evidenced by the low coverage of lower-level collective agreements.

Simultaneously, as in Latvia, what brings the country closer to the Continental model is greater, compared to the Anglo-Saxon benchmark, participation of social partners in the decision-making processes at the central level.

Moreover, in comparison with other Baltic republics, the system of tripartite negotiations in Lithuania remains well developed. The Tripartite Council of the Republic of Lithuania was set up in 1995. In accordance with the applicable law, all blueprints of new or amended legislation relating to the labor issues and socioeconomic problems must be consulted in the council. The Council also played a positive role during the global crisis, when the parties involved signed the National Arrangement containing proposals for solutions to cope with the crisis.

The commonalities shared by the all “Baltic states”, according to experts, is that *...practices of collective negotiations and bargaining, as well as of social dialogue, albeit exercised by trade unions, other organizations and general public, often do not have the desired impact and effect on the policymaking process as they can be easily disregarded by policy-makers and legislators...* [Ungure and Lulle, 2017]

Compared to other CEE11 countries, **Poland** remains a special case. In the initial year of our study (2005), there were visible features indicating the institutional convergence of the area concerned toward the Mediterranean model with a strong role of the state, the conflictual union pluralism and weak employers’ organizations.

What was common for Poland and the Mediterranean model was the dominant role of the state and a similar percentage of people employed for a fixed period.

However, in 2014, the Polish industrial relations system showed relatively more similarities to the Continental model. The most visible similarities to the Continental model comprised: the level of unionization, the role of social partners in the political system, and the percentage of low-paid people among the employed. The results obtained may be surprising especially in the context of the crisis that took place in Poland at that time in mutual relations between the government and social partners.

On the basis of the aforementioned observations, we can formulate some conclusions. The most important concerns growing asymmetry in industrial relations. The main player is the state with its administrative apparatus, which consistently, does not always mean effectively, fulfills its tasks resulting from “exercising power.” In turn, social partners increasingly often stand in the position of a “petent,” demanding their rights to be a stakeholder of policy-making processes.

Romania, like Bulgaria, has experienced a shift of its labor market and industrial relations system from the Continental model toward the Anglo-Saxon pattern.

In 2014, the institutional architecture of the labor market and industrial relations area displayed a significant similarity to the Anglo-Saxon model in terms of the percentage of people employed for a definite period. Simultaneously, its resemblance to the Anglo-Saxon model was revealed in the scope of collective agreements. It can be assumed that there has been a deep decentralization of the collective bargaining system in this country coupled with a weakened role of upper level negotiations. The most striking information concerned the scope of collective bargaining. The collective bargaining coverage declined from 99% in 2010 to 35% in 2013. The breaking point in industrial relations was the adoption of the Social Dialogue Reform Act in 2011 that increased the representativeness threshold for both trade unions and employers' federations. [Stoiciu, 2017]

Slovakia is also a country where the “Anglo-Saxon project” won. In the initial year of our study, the Continental model predominated, although the difference in the value of the respective similarity coefficient vis-à-vis the Anglo-Saxon model, was insignificant (Table 1). Moreover, in terms of two variables, that is, the scope of collective agreements and the percentage of people employed for a fixed period, from the very beginning of our time frame there was a strong resemblance to the Anglo-Saxon pattern. As it turned out, the process of European integration, which in the sphere of industrial relations implied the implementation of solutions close to the Continental model, did not have a significant impact on the shape of this sphere in Slovakia. Just a couple of years after the country's accession to the EU, it became clear that apart from a few exceptions, most attempts to harmonize the system of industrial relations in Slovakia in compliance with the EU requirements failed. Undoubtedly, the global crisis has also played an important role.

By 2014, in the area concerned, Slovakia was characterized by the relatively greatest similarity to the Anglo-Saxon model. However, the trade unions' density and the degree of involvement of social partners in state policy suggest that some institutional features of the Continental model have survived.

Slovenia, for many years, was considered a country in which the corporatist system was successfully developed. Thanks to that, it was possible to create a stable and competitive labor market compared to other post-socialist countries. As our research shows, the similarities to the Continental model, in the area of the industrial relations, were very clear in 2005.

By 2014, the similarities were not as clear. In principle, except for the variable “rate of employment,” it is difficult to clearly indicate a model of capitalism to which industrial relations in Slovenia would be uniquely similar. Slight advantage of features that prove “continental” nature of industrial relations in this country, on the one hand and growing importance of features characterized for Mediterranean model on the other hand, might be seem a barely visible sign of retreat from “social partnership philosophy.” At the same time, state, remaining “driving force” of social dialog, consequently invites trade unions and employers organizations to the discussions concerning employability of low skilled or older people. At the same time, it is *...emphasized the necessity of including workers and civil society in the procedures of privatisations of state-owned companies and strengthening the role of the representatives of the workers in the Slovenian Sovereign Holding (SSH)...* [Lukic, 2017], which seems to have much to do with the philosophy underlying the continental model.

3 Conclusions

On the basis of the foregoing analysis, several general conclusions can be drawn. In 2005, the majority of the CEE11 countries developed industrial relations systems most similar (in relative terms) to the Continental model, what can be interpreted as a strategy to meet the requirements imposed on these countries in the process of European integration. After the EU accession, most of the countries involved abandoned the “social partnership” ship and started their cruises toward the Anglo-Saxon model. This trend became clear especially in the case of Bulgaria and Romania. The Baltic countries, to different extent, rejected the implementation of the Continental or Scandinavian industrial relations’ philosophy. Estonia and Lithuania—from the beginning of our observation—have consistently implemented the Anglo-Saxon “project.” The state intervention remained the solution for Croatia and Slovenia, which—after a short period of attempts aimed to build the Continental model—finally became similar to the Mediterranean pattern in the sphere of industrial relations. The special case among the analyzed countries is Poland, which has moved from the Mediterranean model toward the Continental model. The similarities of the industrial relations system in Poland to the Mediterranean benchmark were mostly due to the dominant role of the state and a similar percentage of people employed for a definite period as well as the level of unionization. In 2014, Poland exhibited a relatively closest institutional resemblance to the Continental model, especially in terms of the unionization level, the role of social partners in the political system and the percentage of low-paid workers. We believe that this change is a result of a strengthened social partnership in times of the 2008 crisis, thanks to which it became possible to maintain a stable labor market. As we know, after 2014, the social dialog in Poland was in a serious crisis.

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Appendix

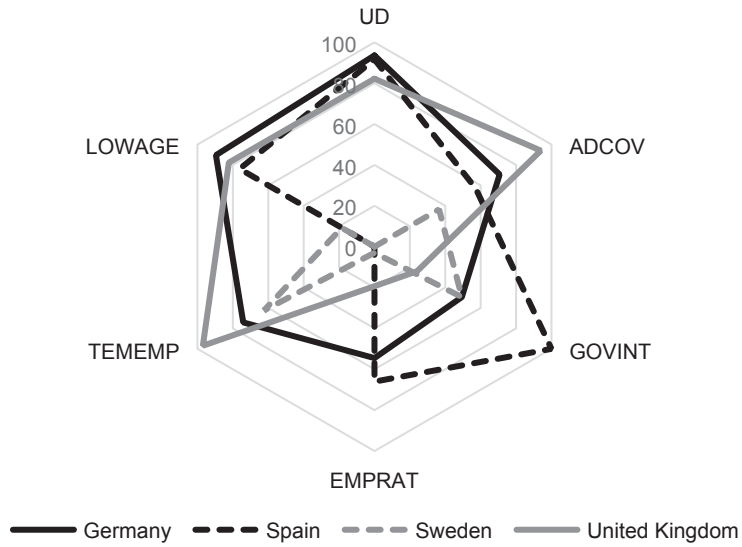


Figure A1. The hexagon of similarities for Bulgaria (2005).

Source: own elaboration.

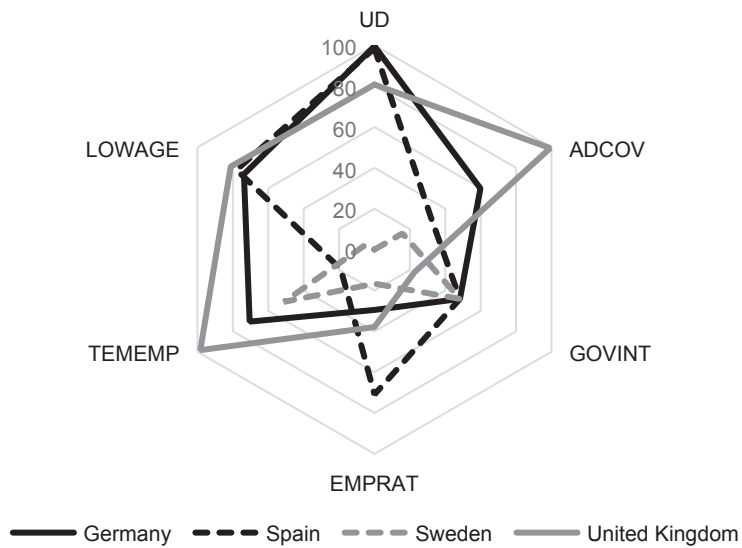


Figure A2. The hexagon of similarities for Bulgaria (2014).

Source: own elaboration.

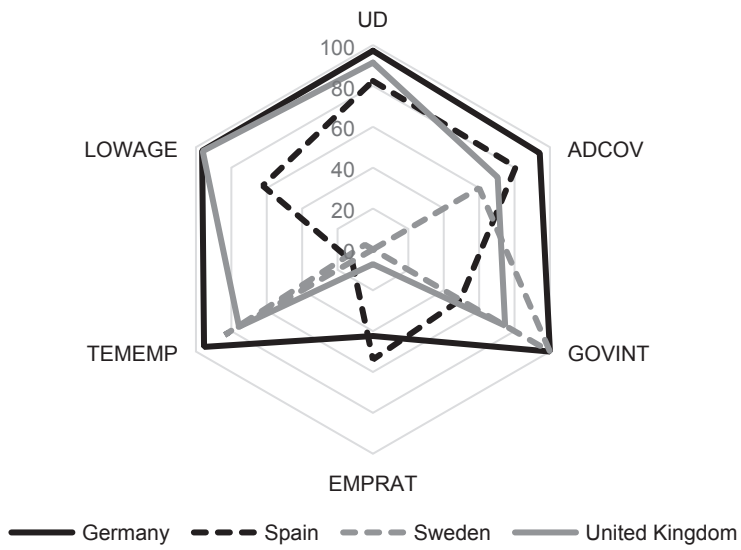


Figure A3. The hexagon of similarities for Croatia (2005).

Source: own elaboration.

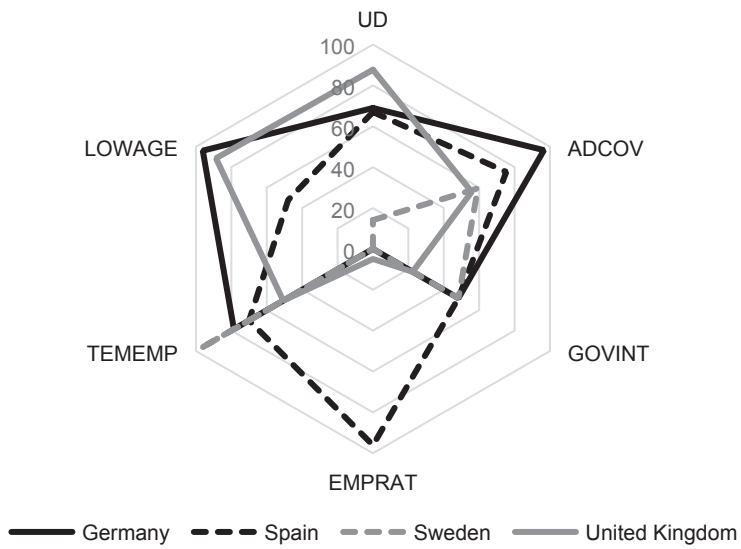


Figure A4. The hexagon of similarities for Croatia (2014).

Source: own elaboration.

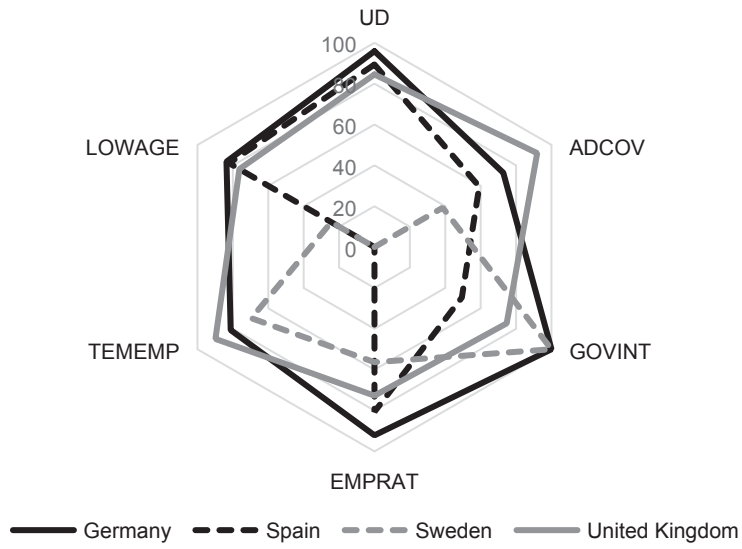


Figure A5. The hexagon of similarities for Czech Republic (2005).

Source: own elaboration.

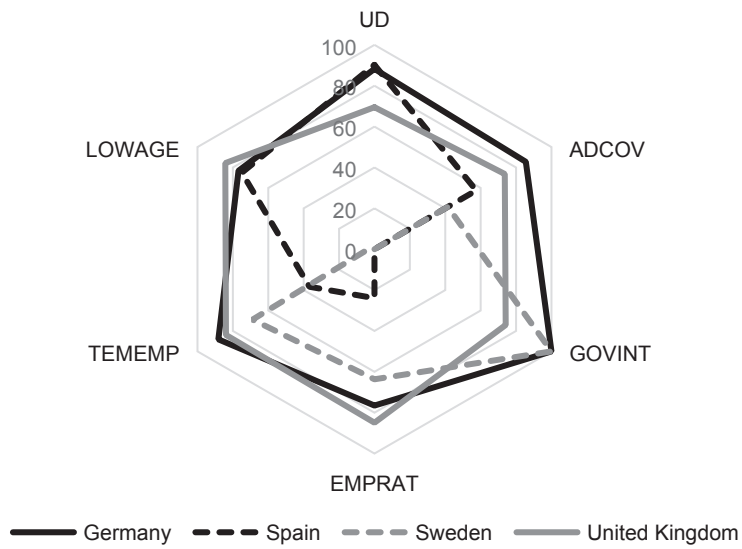


Figure A6. The hexagon of similarities for Czech Republic (2014).

Source: own elaboration.

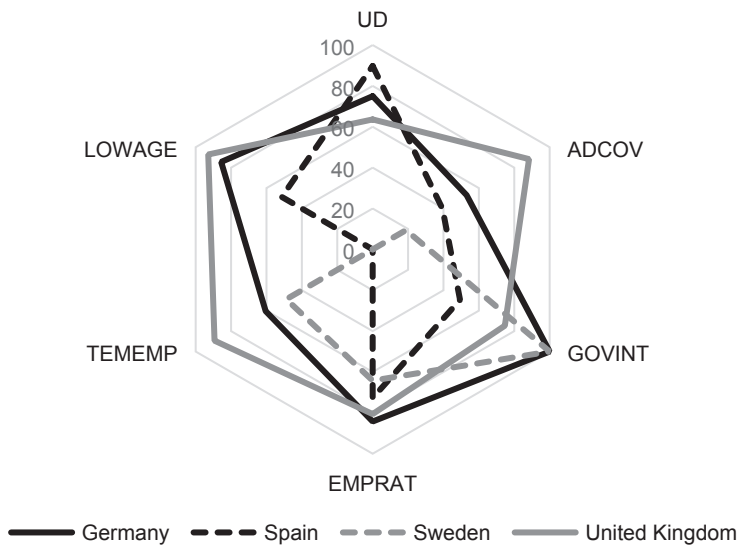


Figure A7. The hexagon of similarities for Estonia (2005).

Source: own elaboration.

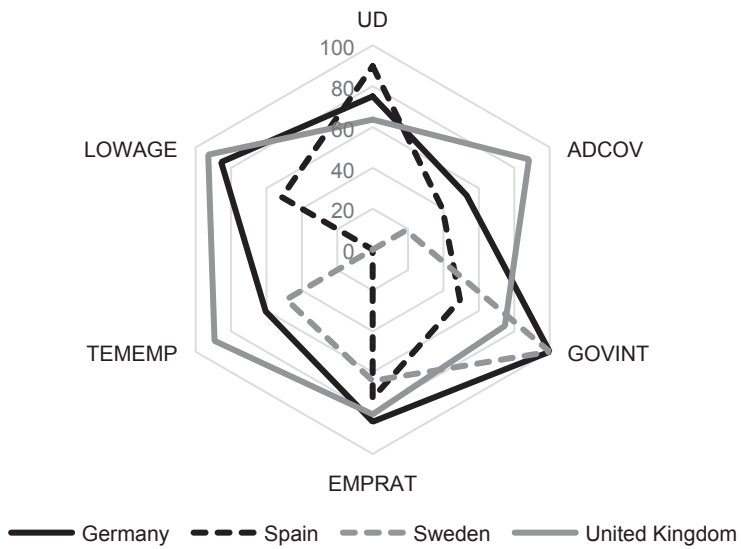


Figure A8. The hexagon of similarities for Estonia (2014).

Source: own elaboration.

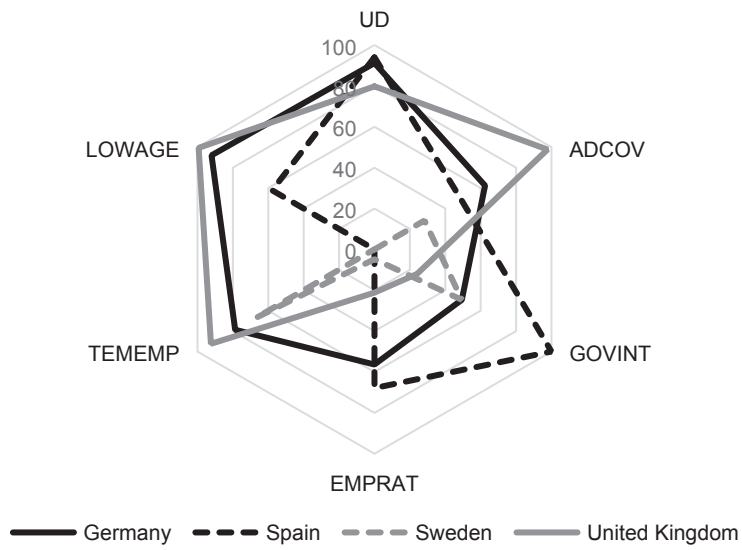


Figure A9. The hexagon of similarities for Hungary (2005).

Source: own elaboration.

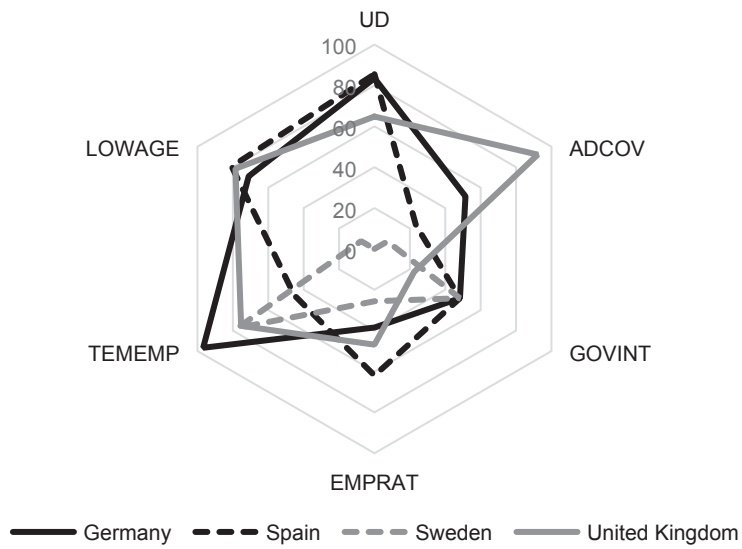


Figure A10. The hexagon of similarities for Hungary (2014).

Source: own elaboration.

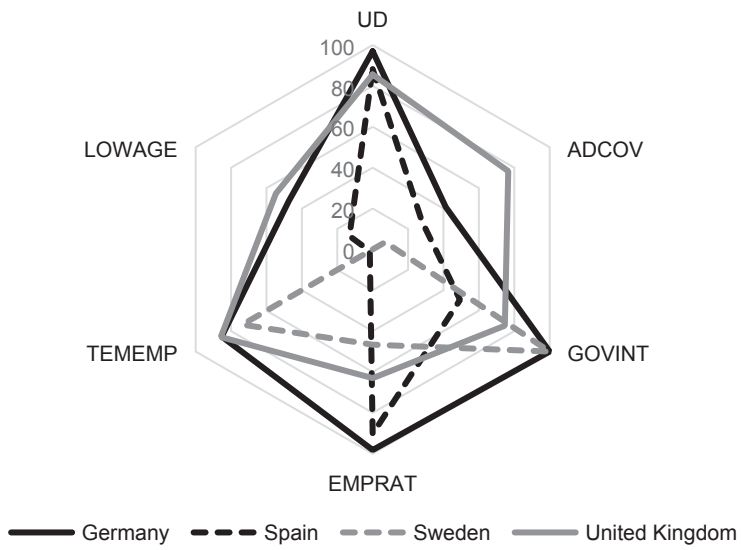


Figure A11. The hexagon of similarities for Latvia (2005).

Source: own elaboration.

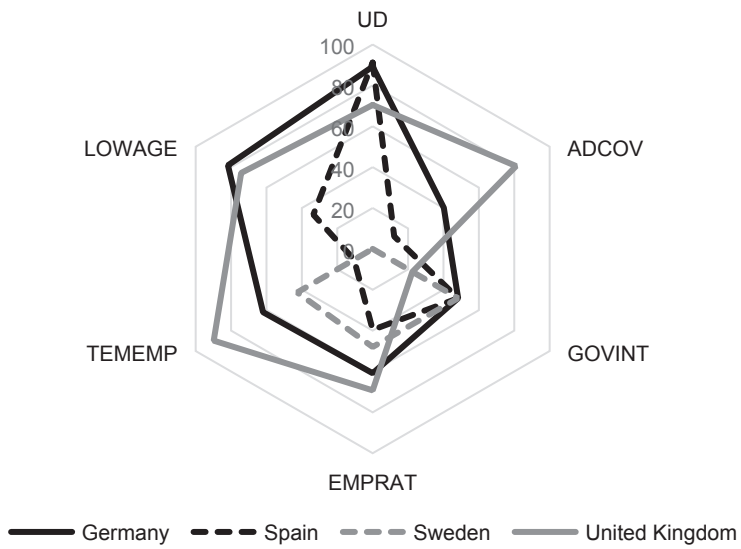


Figure A12. The hexagon of similarities for Latvia (2014).

Source: own elaboration.

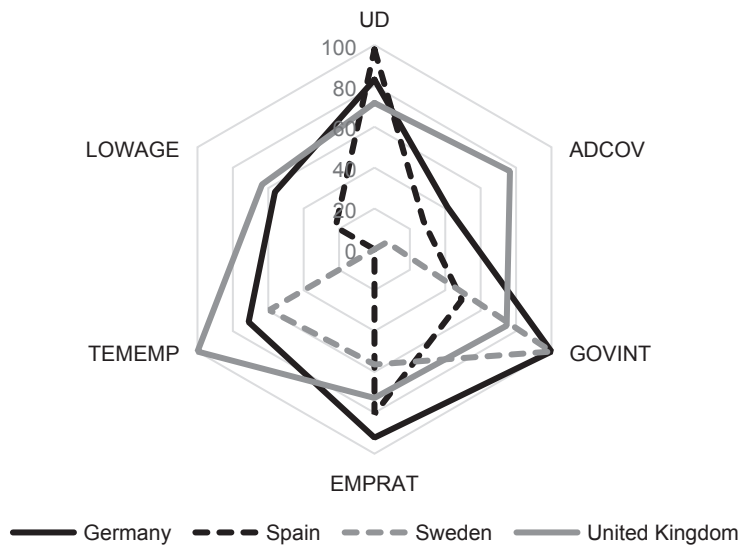


Figure A13. The hexagon of similarities for Lithuania (2005).

Source: own elaboration.

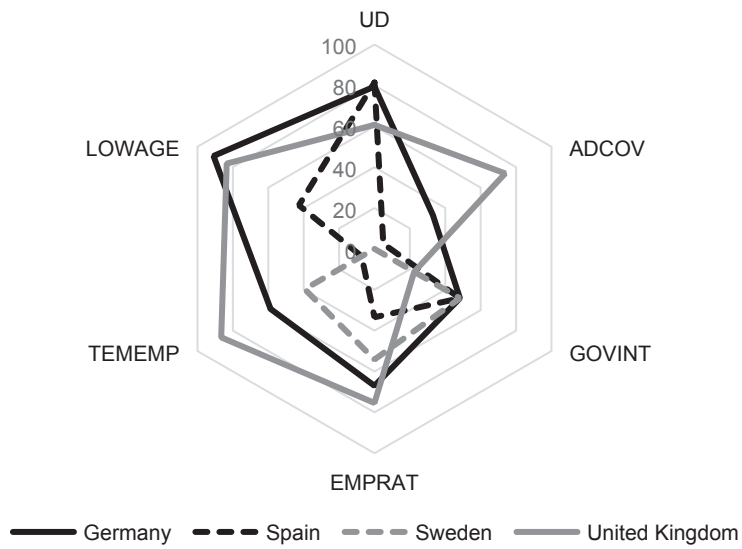


Figure A14. The hexagon of similarities for Lithuania (2014).

Source: own elaboration.

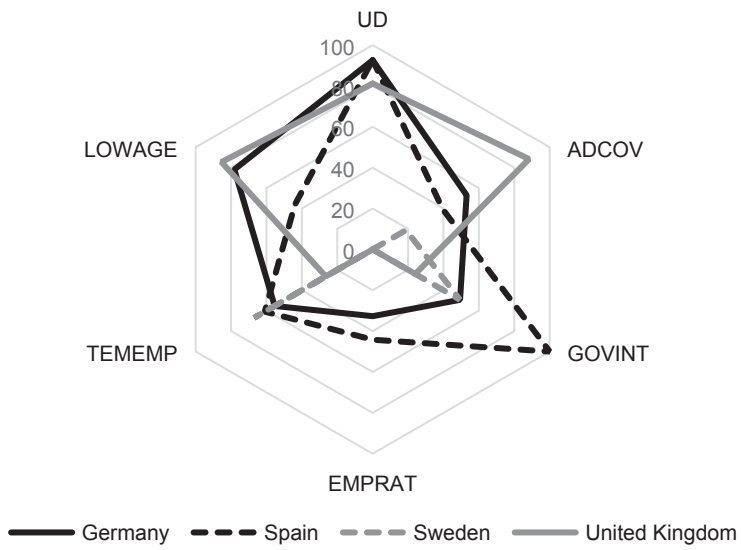


Figure A15. The hexagon of similarities for Poland (2005).

Source: own elaboration.

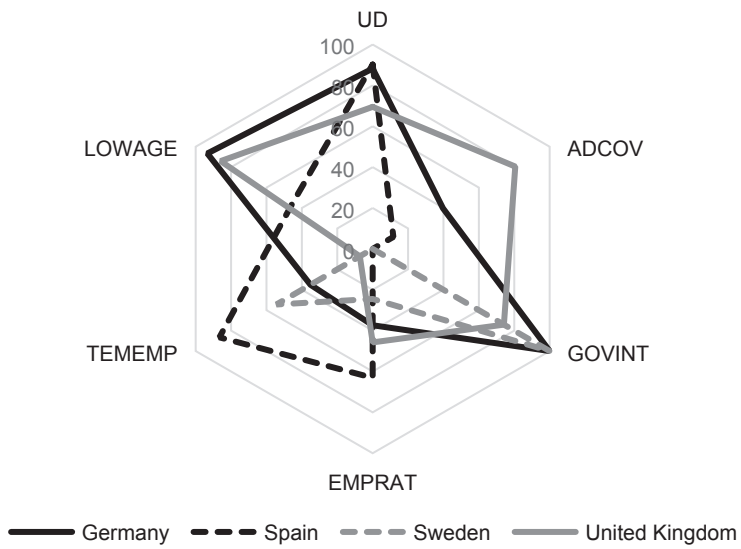


Figure A16. The hexagon of similarities for Poland (2014).

Source: own elaboration.

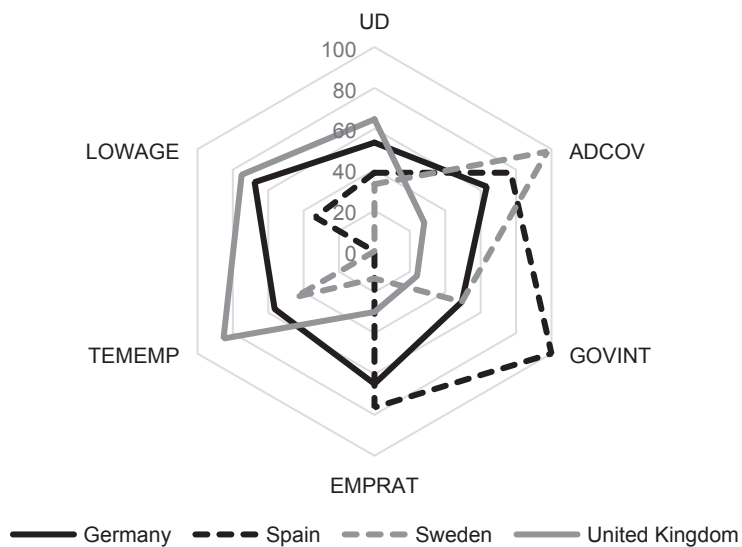


Figure A17. The hexagon of similarities for Romania (2005).

Source: own elaboration.

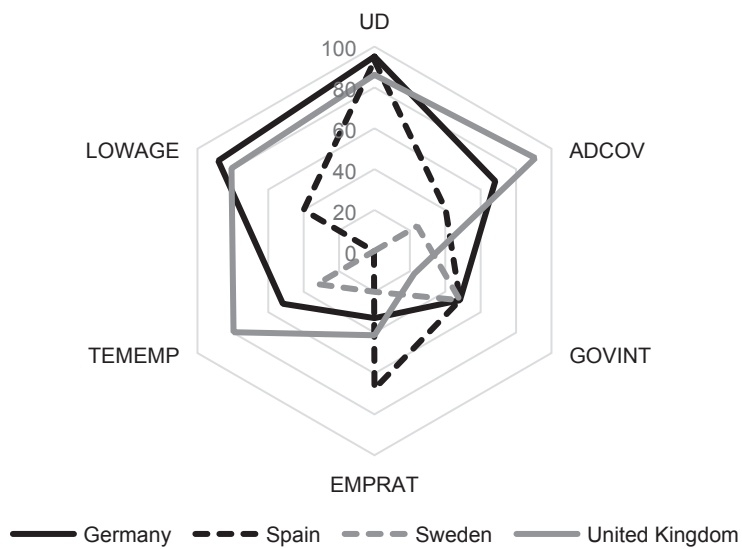


Figure A18. The hexagon of similarities for Romania (2014).

Source: own elaboration.

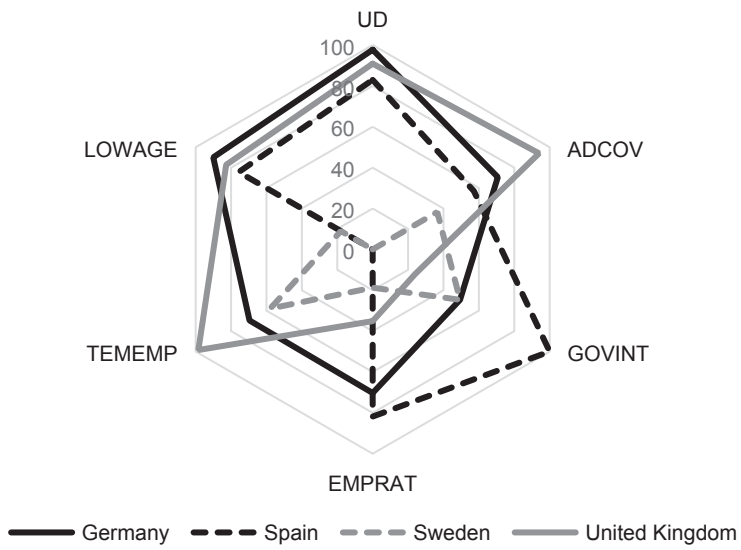


Figure A19. The hexagon of similarities for Slovakia (2005).

Source: own elaboration.

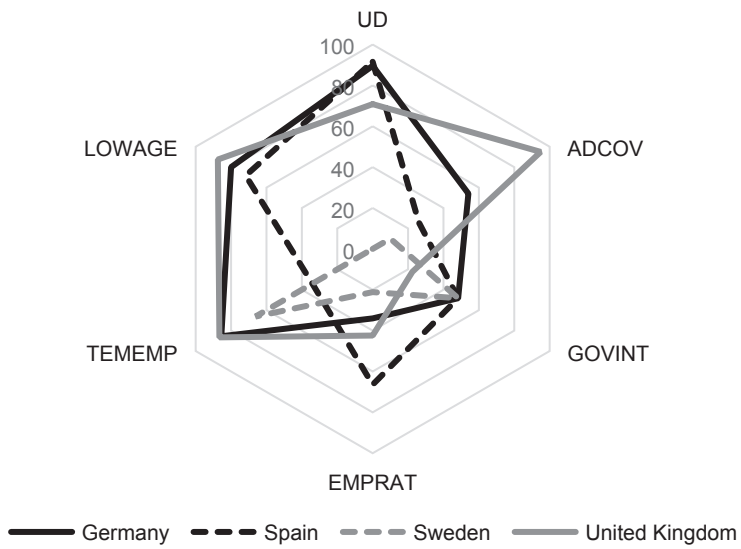


Figure A20. The hexagon of similarities for Slovakia (2014).

Source: own elaboration.

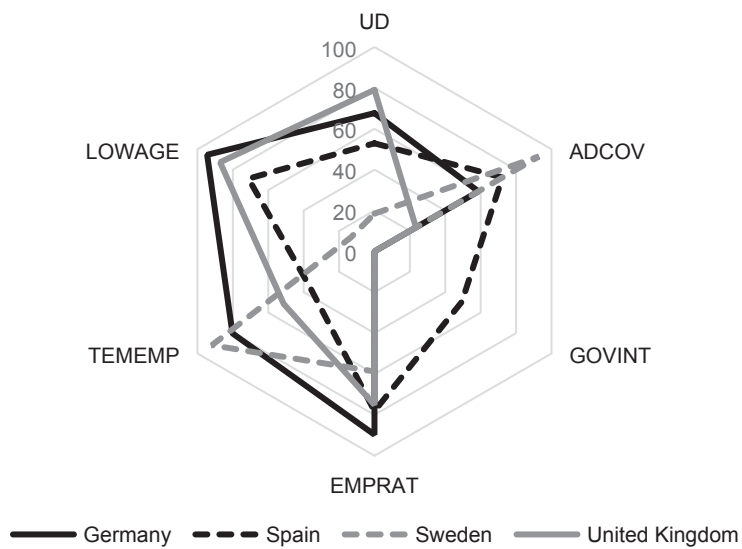


Figure A21. The hexagon of similarities for Slovenia (2005).

Source: own elaboration.

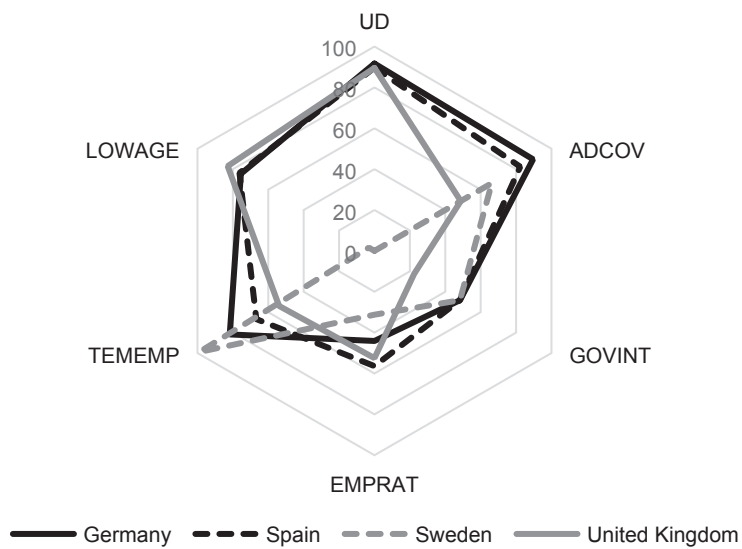


Figure A22. The hexagon of similarities for Slovenia (2014). *Source:* own materials.

Source: own elaboration.