Shaping the Paths to Labor Weakness:

The Interplay of Political Strategies and Institutional Structures in Post-Communist Central Eastern Europe

Sabina Avdagić

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Doctoral Defense Committee:

László Bruszt (CEU); Béla Greskovits (CEU); David Ost (Hobart and William Smith Colleges); Jonas Pontusson (Cornell University); Gábor Tóka (CEU)

Abstract

The thesis examines the sources of variations in the degree to which transformation has weakened organized labor in the Czech Republic, Hungary, and Poland. I argue that these variations can be attributed to distinct incorporation paths – pragmatic bargaining, unstable bargaining, and cooptation - which are the product of continuous interactions between respective governments and unions within the general framework of national tripartite institutions. The analysis suggests that traditional institutionalist arguments are of little help for understanding the varied fortunes of organized labor in the three cases, as broadly similar tripartite arrangements have resulted in rather different outcomes. Instead, I suggest a more dynamic approach in which institutions are not firm constraints that determine outcomes, but rather enabling constraints that allow enough room for strategic maneuver when governments and unions react to broader shifts in the economic and political context. The thesis develops a model of government-union interactions by identifying conditions that determine the initial choice of strategies (i.e. the degree of union fragmentation, the nature of inter-union dynamics, and the existence of formal ties between unions and political parties), and factors that influence continuation or modification of these strategies (i.e. the nature of broader economic and political shifts, and the experience and lessons drawn from previous episodes of interaction). Outcomes of these interactions shape tripartite institutions, in such a way that they start reflecting accentuated power disparities between the contending actors and limiting the scope of possible choices for the weaker actor later on. By allowing more room for agency and strategic interplay, the thesis argues that endogenous forces, and not only external shocks, can incrementally alter or modify institutional arrangements, so that they can start serving rather different goals and purposes. In this way, the thesis contributes to the advancement of theoretical arguments employed by historical institutionalism by extending the discussion from the main concern of how institutions create certain paths and how these paths are sustained, to the conceptualization of processes through which institutions evolve and change over time.