



## CEU Summer University

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### *The Politics of Market Making and Industrial Relations in Europe*

**1 July – 12 July 2002**

**Course director:** **László Bruszt**, Central European University, Budapest, Hungary  
**András Tóth**, Centre of Comparative European Employment Studies, Budapest, Hungary

**Resource persons:** **Marino Regini**, University of Milano, Italy  
**Otto Jacoby**, Laboratorium Europe  
**Wolfgang Streeck**, Max Planck Institute, Frankfurt, Germany  
**Jeremy Waddington**, University of Manchester, United Kingdom

**Invited guests:** **Reiner Hoffman**, European Trade Union Institute  
**Hardy Koch**, European Metallworkers Federation  
**Daniel Vaughan-Whitehead**, DG5

#### Short biographies

##### **László Bruszt**

Associate Professor, Department of Political Sciences, Central European University. A PhD in Sociology, his more recent studies focus on the interplay between state building, institutional development and economic change. His recent book, *Postsocialist Pathways: Transforming Politics and Property in Eastern Europe*, with David Stark, [Cambridge University Press](#), is a comparative study of the opportunities and dilemmas posed by the simultaneous extension of property rights and citizenship rights. He has taught in the United States at the Notre Dame University, at the New School for Social Research and at Cornell University. He has been a research fellow at the European University Institute (Florence) and a visiting fellow at the Wissenschaftskolleg in Berlin, at the Budapest Collegium and at the Center for Advanced Study in Behavioral Sciences at Stanford.

##### **András Tóth**

Director of the Centre of Comparative European Employment Studies at the Institute of Political Sciences, Budapest. Between 1996 and 1998 he worked at the European Trade Union Institute, Brussels as senior research fellow. His PH.D discussed the role of trade unions in strengthening the civil society in the Hungarian context. He has written extensively on the impact of foreign investment, use of modern management techniques and European intergration on workers and trade unions in the Central and Eastern European context. His latest publications include articles in Jeremy Waddington (ed) *Globalisation and Patterns of Labour Resistance*, Mansell, 1999 and Reiner Hoffmann and Jeremy Waddington (eds) *Trade Unions in Europe, Facing Challenges and Searching for Solutions*, ETUI, Brussels, 2000.

##### **Marino Regini**

Professor of Sociology and Industrial Relations, University of Milano and President of the Society for the Advancement of Socio-Economics. He has taught at John Hopkins University at the Autonomous University of Barcelona, at the European University Institute and had been a visiting scholar at Harvard University and at M.I.T. His numerous books include *'State, Market and Social Regulation*, [Cambridge University Press](#), 1989 (w. Peter Lange); *'The Future of Labour Movements'* [Sage](#), 1992 *'Uncertain boundaries : the social and political construction of European economies'* [Cambridge University Press](#); 1995; *Best Practice oder funktionale Äquivalenz?* [Rainer Hampp Verlag](#), 1997 (w.R.Bahnmüller);

*'From Tellers to Sellers'* MIT Press 1999 and *'Why Deregulate Labour Markets?'* Oxford University Press 2000 (w.G.E.Anderson).

### **Otto Jacoby**

Head of Laboratorium Europa, Independent research Institute for Industrial Relations in Europe, has written extensively on transnational trade union cooperation at European level and on the impact of EMU on national industrial relations systems in the European Union. His recent publications include *German Industrial Relations under the Impact of Structural Change, Unification and European Integration*. HBS: Düsseldorf., 1995 (together with Hoffmann, R.-Keller, B. and Weiss, M. (eds); *A Common Currency Area – A Fragmented Area for Wages?* Graue Reihe Hans Bockler Stiftung 1996 together with Philippe Pochet (eds); “Contours of a European Collective bargaining system under EMU”, *Transfer*, Vol.4 No. 2., Summer 1998 and „Transnational trade union cooperation at global and European level” *Transfer*, Vol. 6. No. 1. Spring 2000

### **Wolfgang Streeck**

Director of the Max-Planck-Institut Fur Gesellschaftsforschung, Cologne, since 1995, Adjunct Professor of Sociology at the Universitat zu Koln since 1999 and Professor of Sociology and Industrial Relations at the University of Wisconsin-Madison, 1988-95, member of the Berlin-Brandenburg Academy of Sciences (since 1998); President of the Society for the Advancement of Socio-Economics SASE (1998-1999). Author and editor of numerous books including *'Political Economy of Modern Capitalism: Mapping Convergence and Diversity'* (together with C. Crouch); *Work Councils: Consultation, Representation and Cooperation in Industrial Relations'* (together with Joel Rogers); *Governance in the European Union'* (together with G.Marks, F.W.Scharpf and Ph.C. Schmitter); *Social Institutions and Economic Performance: Studies of Industrial Relations in Advanced Capitalist Economies'*;

### **Jeremy Waddington**

Senior Lecturer at the Manchester University and a Project Coordinator for the European Trade Union Institute, Brussels. Previously he was at the Industrial Relations Research Unit at the Warwick University. He has written extensively on trade union structure, organisation and activity in Western Europe. He is currently working on trade union involvement in European Works Councils and structural change among trade unions in the European Union. His recent publications include *Globalisation and Patterns of Labour Resistance*, Mansell, 1999 and *Trade Unions in Europe, Facing Challenges and Searching for Solutions*, ETUI, Brussels, 2000, co-edited with Reiner Hoffmann

### **Course objectives**

The nineties were the decade of market making both in the Eastern and the Western parts of Europe. Market making, both at the national level and at the supra-national levels went hand in hand with a dramatic reshaping of the political and social relations among key economic actors in both parts of the continent and the consolidation of supranational (European) actors. The aim of the course is to offer analytical tools to the study of the nature of interlinkages between market making and industrial relations. The course will identify the patterns and underlying causes of success and failure in market making and its interlinkages to industrial relations. Economic transformations undertaken in Eastern and Central Europe mostly under the banner of 'Europeanization' have largely disregarded the role industrial relations have played in the economic development and the evolution of supra-national market integration in Western Europe. Better understanding of the logic of the evolution of industrial relations in that part of the continent might contribute to the better understanding of the social and political regulations of markets and the specificity and the developmental potentials of the European model of institutionalized or social capitalism.

### **Target audience**

The course is primarily intended to assist young university lecturers, assistant professors, advanced postgraduate students and other scholars who are teaching or planning to teach such subjects at their home universities and institutes. It seeks to engage faculty in the fields of political science and sociology to develop courses on the politics of market making and industrial relations and researchers of the political economy of market making and economic transformation. It will equip the participants with the analytical tools drawn from the fields of political economy and sociology needed for the critical appraisal of the co-evolution of markets and industrial relations.

**Course level**

The course will be offered at a good upper-intermediate level. Previous exposure of the candidates to the political economy of economic transformations and/or the general literature on industrial relations will be a distinct advantage. In its core, the course is planned to be intelligible for all participants with basic knowledge of political sociology and/or intermediate political economics.

**Course content**

The course starts with a general introduction to the relationship between economic development and the evolution of industrial relations in Western Europe with a special focus on the divergent responses of European economies to globalization and the building of the European Single Market.

-The first large segment of the course will deal in more detail with the development of specific European national models ranging from deregulation to social pacts with a specific focus on the factors of divergence. It will discuss the two diametrically opposing responses to globalization and supra-national market making: the further decentralization of the British model and the transformation of the Italian system of industrial relations towards multi-level bargaining and social pacting. It will contrast the evolution of the German and the Swedish model, the challenges to and the persistence of the major elements of the German 'organized capitalism', and the demise of the Swedish social-democratic model. Finally, it will discuss the political economy of social pacting, drawing lessons from such widely differing cases as the transformation of industrial relations in Netherlands and in Ireland.

-The second segment of the course will be devoted to the political economy of the supra-national development of industrial relations in the EU. The evolution of the institutions of European social dialogue, the Europeanisation of trade unions and business associations, the creation of the European Work Councils and the emergence of sectoral social dialog and the possibility towards cross-border collective bargaining will be discussed in this block. Special attention will be given to the political economy of the relationship between the European Monetary Union and the characteristics of collective bargaining.

-The third segment will discuss the relationship between market making and the development of industrial relations in the postcommunist Central and Eastern Europe. This bloc will offer a general overview of the co-evolution of markets and industrial relations in the region, the major features of the developments at the level of firms, sectors and nation states, and the role played by collective agreements and social dialogue in these countries.

-The closing segment of the course will summarize the theoretical and political implications of the study of the co-evolution of markets and industrial relations in Europe. This part of the course will focus on the specific characteristics of European market making and its impact both on the sustainability of different national models and the prospects and problems of the internationalisation of industrial relations. The course will end with a round-table discussion of these issues participated by representatives of the European trade union movement and the European Commission.

### Tentative course syllabus

TOPICS	RESOURCE PERSON	NO. OF HOURS	TEACHING MODE	DISCUSSION POINTS
Introduction	László Bruszt	3+2	Lecture+seminar discussion	The political economy of market making in the Eastern and the Western parts of Europe, the co-evolution of markets and industrial relations
Divergent models 1. Germany and Sweden	Otto Jacoby	5	Lecture+seminar discussion	The end of the Social Democratic model and the persistence of the German model
Divergent models 2. United Kingdom and Italy	Marino Regini and Otto Jacoby	5	Lecture+seminar discussion	Two opposing models of economic adjustment: social pacts and labor exclusion
The Political Economy of Social Pacts	Marino Regini	5	Lecture+seminar discussion	Globalization, market reforms and the revival of social pacts in Western Europe
The internationalization of industrial relations and the Social Dialogue in the European Union	Jeremy Waddington	5	Lecture+seminar discussion	Supranational market making and the internationalization of industrial relations in Europe
Monetary Union and Collective Bargaining	Otto Jacoby and László Bruszt	2+3	Lecture+seminar discussion	Unified monetary policy and decentralized bargaining system ? The European Central Bank and the European trade unions
Making markets and industrial relations in Central Europe	András Tóth	5	Lecture+seminar discussion	Successful and failed patterns of market making and the general weakening of trade unions
Day Collective agreements and social dialogue in Central Europe	László Neumann and András Tóth	3+2	Lecture+seminar discussion	Do collective agreements matter? The nature and the importance of collective bargaining in Eastern and Central Europe
Day Market making and industrial relations	Wolfgang Streeck	5	Lecture+seminar discussion	Internationalization of Industrial Relations in Europe
Day Summary and Roundtable discussion	Wolfgang Streeck, László Bruszt, András Tóth, Hardy Koch, Daniel Vaughan-Whitehead, Reiner Hoffmann	3	Round table discussion	Topics of the whole two weeks

For more detailed biographies, updated course description, syllabus, reading lists please check <http://www.ceu.hu/sun/sunindx.html>

#### *Non-discrimination policy statement*

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