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Employment security in the automobile industry. Differing strategies of unions and works councils in Sweden and Germany

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1. Introduction

Companies in the automotive industry have long been active on an international scale, but over the past few years, they have begun to adopt management strategies that play workforces and production sites off against one another systematically. In the most recent dispute at GME, for example, the Saab plant in Trollhättan and the Opel plant in Rüsselsheim were forced to compete for the future production of mid-range General Motors cars.

On the other side unions and works councils/shop floor employee representatives focuses more or less on their established national strategies and their national industrial relations system. But transnational coordination of employee representation is indispensable for a new power balance between employees and management. Otherwise employees are in danger of being pushed to the wall by management.

European Works Councils (EWCs), which have been set up in almost all car companies within the EU, can serve as a focus for co-ordinating national worker representative bodies, but their statutory rights are restricted to information and consultation, and they do not have the rights of co-determination that German Works Councils or Swedish union representatives enjoy. Nonetheless some EWCs in the automobile industry have established themselves as negotiation partners for management and have enlarged their competences given by law.

This paper first wants to look at some selected national preconditions for the strategies of unions and employee representatives concerning job security. It is necessary to have a look at the two industrial relations systems. Effects of welfare state organization, the vocational education system and the constitution of the labour market should be looked at, too.

As a second step different strategies for job security are presented. Are these strategies compatible or not? What do these different strategies mean for transnational coordination of employee interests?

The next chapter is about the situation at GM Europe and focuses the conflict about job cuts in 2004/2005.

In the end some first conclusions and further problems are presented.

2. Industrial Relations in Sweden and Germany. Selected differences and similarities

In this chapter I concentrate on the regulations and the actors at company level, but of course aspects of the bargaining system and strategies of central actors are systematically intervoven and have to be taken into account.

In an international comparison perspective one can identify some similarities between the two countries. In both countries there is an established system of co-determination at the workplace and at the board of directors. But the organization of co-determination is quite different. In Germany the Betriebsverfassungsgesetz is a detailed law that defines the competences and rights of the works councils. In Sweden the MBL (Medbestämmandelagen) can be seen as a framework law that must be filled by agreements negotiated by the unions and the employers or rather the employers associations¹. In this respect there is more space for differing arrangements of co-determination in Sweden. Nevertheless this difference should not be overestimated. The

¹ This kind of framework legislation is characteristic for Swedish labour law. Exceptions are for example the detailed legislation concerning health and safety regulations.

MBL agreements are negotiated by strong and nationwide organized and coordinated actors, so the possible variety of co-determination agreements is normally restricted by the constitution of actors in the Swedish industrial relations system.

The detailed German law on the other hand leaves space for variety in co-determination practice, too. A first conclusion of my research is that there is more variety in co-determination practice in the Swedish automobile companies than in the German companies, but this difference is not as high as might be expected from the different construction of the co-determination laws².

The main topics in co-determination praxis are quite similar in the two countries: Working time regulation, Reorganization processes, implementation of new production systems and their effects on workplace organization and job cuts can be seen as examples for challenges in both countries. In Sweden the differentiated union system leads to a high union density in the white-collar and academic sector. The interests of these employee groups are represented in a more collective way than in Germany. In Germany interests of high educated employees seem sometimes to be a black box for unions and works councils. For example the working conditions of engineers have been massively affected by the reorganization schemes in the automobile industry in the last years (Weber; Wegge; Kranz 2001: 41f). This was much more made a subject of discussion by the Swedish white-collar and academic unions than by the German IG Metall.

The Swedish union clubs

In Sweden we find status-differentiated union organizations and the employee representation at company level is organized in this way, too. In the automobile companies there is normally a so called union club of each status group. The blue-collar workers are organized in Svenska Metall, the white-collar-employees in the union for salaried employees in industry (SIF) and the academics in the engineering union (CF)³. The degree of cooperation between the three union clubs differs from company to company (sometimes from plant to plant). At Scania for example they have a joint internet platform, in other companies more emphasis is put on independence. In general the union clubs cooperate and coordinate their work in co-determination questions, even when competing about members. There are two other union organizations that do not fit into this status-orientated organization scheme. The syndicalistic SAC-unions have a minority position in the automobile sector and are not discussed in this paper. Ledarna (Sveriges Cheforganisation), the former foreman union, competes about members with SIF and CF. The other unions (Metall, SIF, CF) try to find agreements about recruiting borders, today Ledarna is in an open competition with the other unions. In comparison with the other unions it is quite a small organization.

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- 2 For the automobile industry the question is if these varieties are a product of the special Swedish co-determination legislation, or if they are produced by different traditions in employee-employer relations in the four today existing automobile companies. 2 traditions can be identified: Volvo Trucks and Cars vs. Saab, Scania (Bartmann 2005: 43).
 - 3 The terms 'white collar union' and 'academic union' are somewhat problematic, because on the one hand academic employees from their legal status are of course white-collar employees as well. On the other hand there are also members with an academic degree in SIF. The borders between the white collar unions and the academic unions are not very strict and there is competition about members in an overlapping zone (see table 2). Nevertheless social science literature and the unions themselves use these terms. Of course there are not only engineers as employees with an academic status, but CF is the leading union of academics in the automobile industry, so the CF union club represents the interests of the other academic employees. Another possibility is that the academics form a union club under the label of their umbrella organization SACO.

Another characteristic of Swedish union organizations are negotiation cartels. These cartells play an important role in collective bargaining at branch level. One of the most important cartels is PTK that is a cooperation of 27 white-collar and academic unions plus Ledarna. This cartel also exists at company level.

In General one might say that union differentiation in Sweden is combined with a high degree of union cooperation even between unions that compete about members.

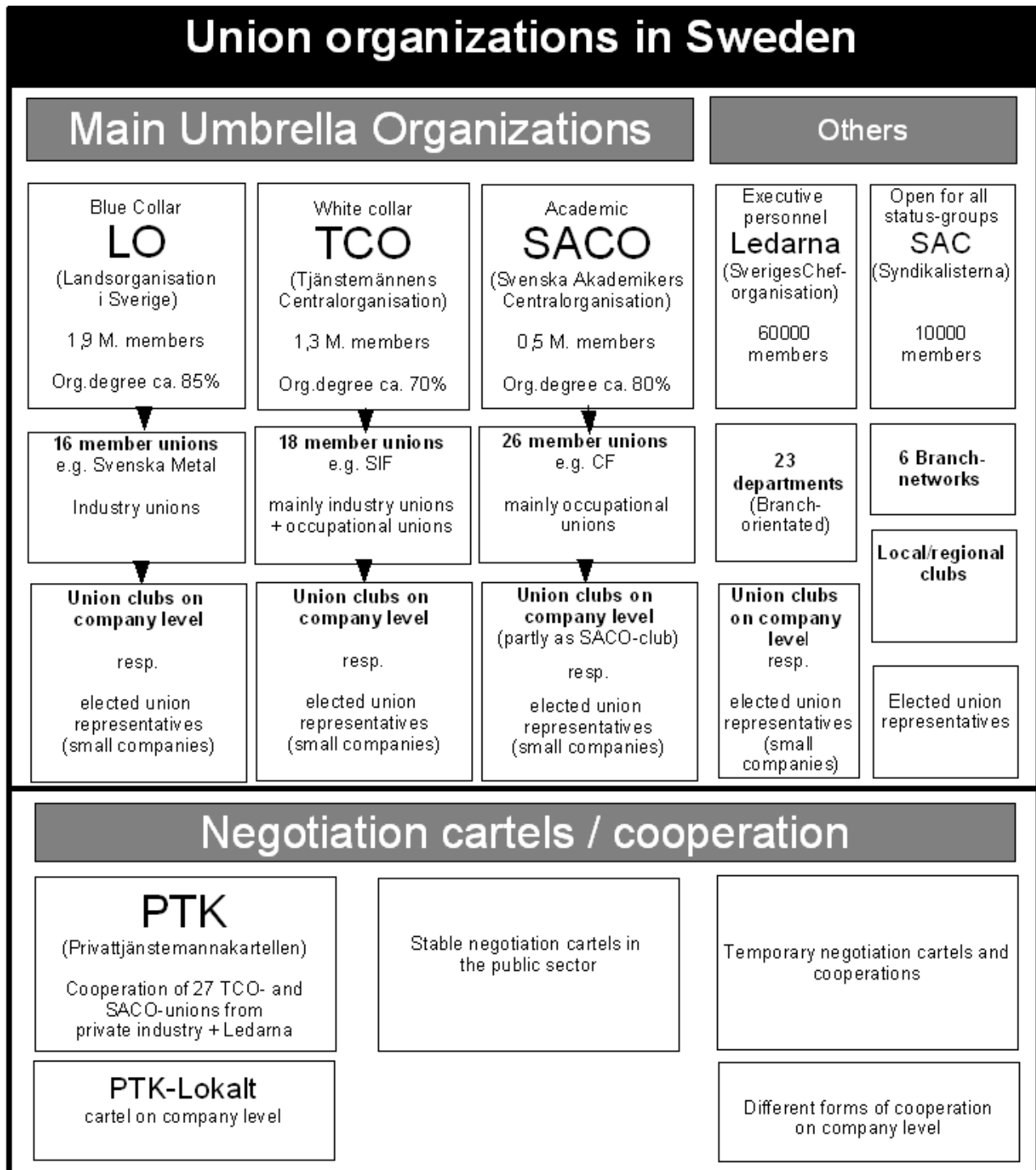
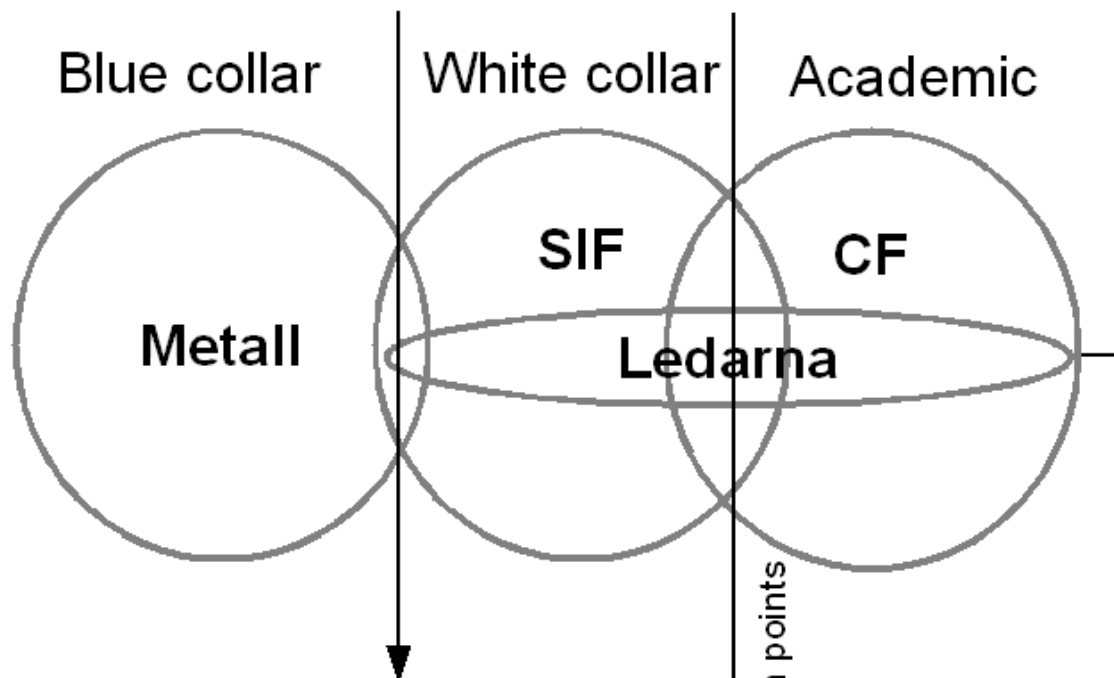


Table 1: Union organizations in Sweden

Recruitment borders of labour unions in the automobile industry



Central conciliation agreement between Metall and SIF for recruitment conflicts – loss of importance.
Today those conflicts are negotiated mainly on company level between the union clubs

No central conciliation agreement.
Partly agreements on company level.
Big overlapping zone
The border of 120 qualification points is more relevant for CF than for SIF

No conciliation agreements and arrangements.
Open competition between Ledarna and SIF/CF

Table 2: Recruitment borders of labor unions in the Swedish automobile industry

The German works council

In the German automobile industry we don't find such status-orientated union organizations. The IG Metall is the dominant union and claims to organize all employee groups. The Christian metal workers union (CGM) competes with the IG Metall but has only few members.

The organization of employee representation at company level is different from the Swedish system. There is one representation body for all employees, the works council. The works council is formally independent of the union and is elected by all employees not exclusively by the union members⁴. In fact in the automobile industry there is a strong relationship between the works councils and the unions. All works councils are dominated by IG Metall members and on the other hand the works councils of the automobile companies have a powerful position inside the IG Metall. But there are works council members that are not union members or belong to the CGM.

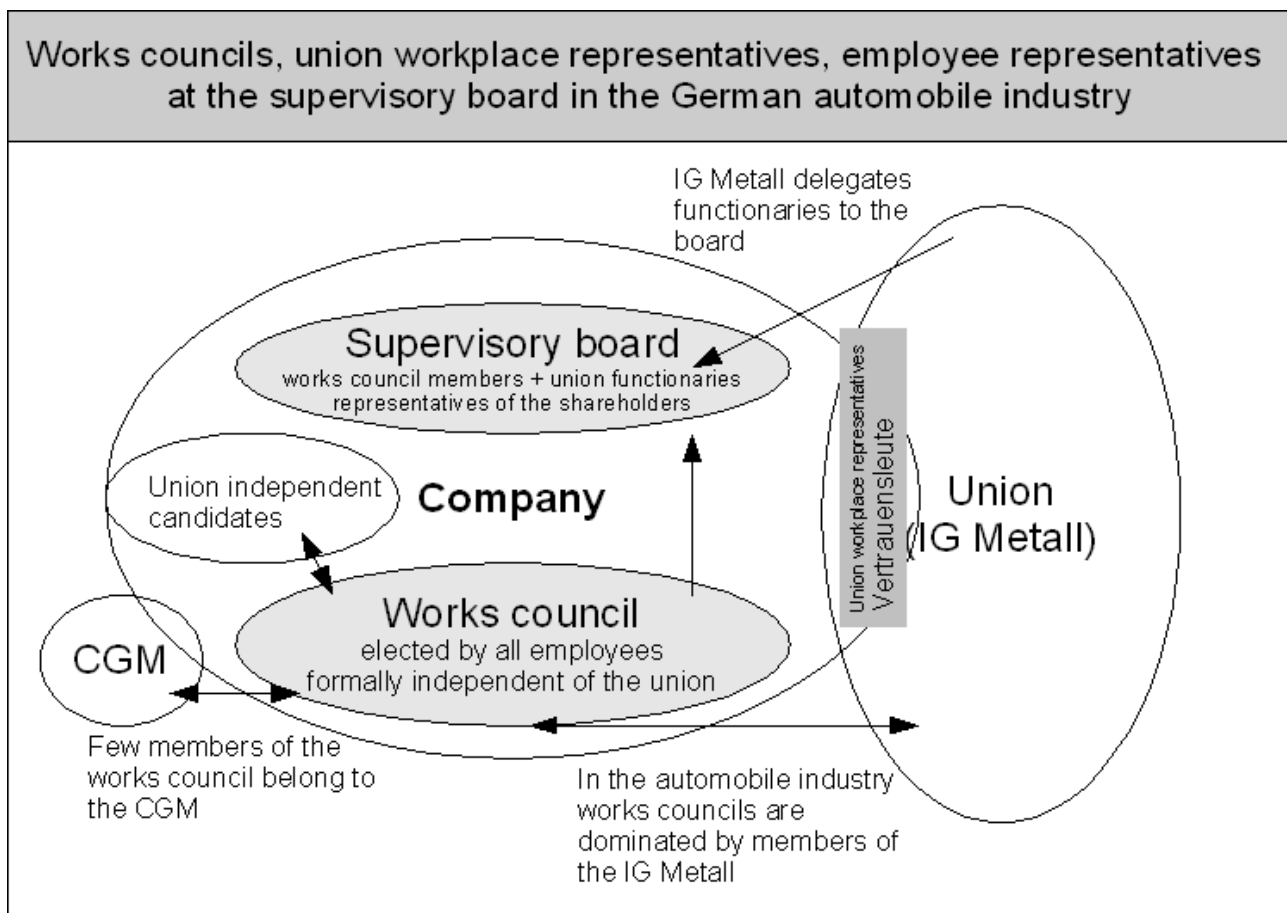


Table 3: employee representation in the German automobile industry

- 4 In the implementation phase of the Betriebsverfassungsgesetz German unions tried to fight this union free construction of the works councils, but they weren't successful. Today they have come to an arrangement with this construction and the works council is not seen as a competitor for union organization. Nevertheless there are the so called 'Gewerkschaftliche Vertrauensleute' – union workplace representatives that are elected exclusively by the union members. In general the relationship between the Vertrauensleute and the works councils should not be described as strongly competitive anymore. That doesn't mean that there aren't sometimes different opinions and strategies between those two representation forms, but normally it is not a structural conflict.

Union density

Union density in Sweden is higher than in any other European country. Altogether it is about 80% whereas it is about 20% in Germany. The automobile industry is in both countries one of the best organized branches. Differences in union density can be identified also in the capability of the unions to organize white collar and academic employees. For German unions they are problem groups as well as women and young people. The situation in Sweden is totally different. White collar and academic employees nearly reach the organization degree of blue collar workers. Union density among women is even higher than the figure for males.

Payment negotiations at company level

From a juridical point of view there is a big difference between Sweden and Germany. In Sweden the union clubs have the competence for bargaining in payment questions. Until the employers left the central collective bargaining system in the 1980ies, there was a three level system of collective bargaining in Sweden. First there were negotiations on the central level (the national umbrella organizations), followed by branch-level negotiations and in the last step negotiations at company level (between the union clubs and the company). Today it is a two level system (branch level and company level). The importance of the different levels may vary in different bargaining rounds⁵.

In Germany the works councils are formally not involved in collective bargaining. This is often mentioned as one of the characteristics of the German dual system. But actually works councils today have to deal a lot with payment questions. In the German automobile industry it was quite normal that the OEM companies pay up to 20% surplus of the metal collective agreement. The works councils are massively involved in the current negotiations about reducing this surplus payment. With the so called Pforzheim-Agreement (between IGMetall and the employers association Gesamtmetall) the flexibility of the collective agreements and the involvement of the actors at company level was increased once again. So the situation for the works councils today is quite different from the former 'German-model-days'.

In the Swedish automobile industry there have been no strikes for many years. In Germany the automobile industry is one of the pilot branches of collective bargaining and the companies are affected by industrial action above average.

Co-determination at the board of directors/the supervisory board

In both countries we find employee representatives at the board of directors/the supervisory board. In Sweden the union clubs delegate two or three representatives. In Germany employee representatives hold nearly half of the seats in the supervisory board⁶. Another difference is that in Sweden the union representatives in the board of directors are nominated by the union clubs and normally are employees of the company. In Germany

⁵ At the moment bargaining at company level is not so important and there are even tendencies of central coordination of collective bargaining, but no negotiations on the central level.

⁶ In Germany there are three different laws for the union representatives at the supervisory board. The one that regulates the topic in the automobile manufacturing companies leads to the so called 'unterparitätische Mitbestimmung', that means that employees and capital have the same number of seats in the supervisory board, but the head of the board is set by the owners of the company (in case of conflict about the filling of the position). In fifty-fifty-situations the head of the board has two votes.

some of the employee representatives are nominated by the central union organizations and functionaries of the unions hold these seats.

Despite these different organizational aspects of board co-determination, the influence of the employee representatives doesn't seem to diverge so much. Other conditions beyond the national differences seem to be more important. The influence of the boards concerning important company decisions is quite different in the automobile companies. At Saab and Opel for example the boards with employee representatives as members are not so influential anymore. Important decisions are made by the European headquarters in Zürich or the GM headquarters in Detroit that are not affected by Swedish or German board co-determination laws. In cases like Volvo Trucks, Scania, DaimlerChrysler or Volkswagen the boards with employee representatives are much more influential.

Currently the attitudes towards established co-determination regulation differ in the two countries. In Germany a discussion about co-determination regulation takes place, especially about co-determination at board level, initiated by parts of the employers and by protagonists of the political system⁷. Employers in the automobile industry have a restrained position in this debate.

Today there is no equivalent to this German debate in Sweden. After their massive protests against co-determination laws in the 1970ies and 1980ies⁸, Swedish employers seem to have come to terms with the negotiated co-determination agreements and with the established co-determination practice (Levinson 2000).

3. National framework conditions

This chapter tries to give a short overview of important differences affecting industrial relations and especially the employment security strategies in the two countries.

Vocational education

The vocational education systems in Sweden and Germany are totally different. In Germany vocational education is organized in the so called dual system. This combines learning in a vocational school with learning and working in the company. Large scale of specialized occupations exist.

In Sweden vocational education is organized mainly in the upper secondary school. There are 14 vocational courses. Compared with the huge number of specialized German professions the Swedish system apparently doesn't prepare employees directly for specialized tasks in the companies. On the other hand it is argued that people in the Swedish vocational programmes get a better general education (e.g. in languages and math)

7 Rolf Rogowski, former head of the BDI (umbrella organization of the trade associations) for example called Co-determination at the board of directors „a mistake of history“ (Rogowski 2004)

8 The labour law offensive of the Social Democratic government in the 1970ies – intensely linked with the blue-collar-unions – led to massive protests of the employers and their organizations. They interpreted the law offensive as a break of the tradition of the so called 'Saltsjöbaden-agreement' of 1938 that is based on bilateral agreements between unions and employers associations, keeping away state influence. In the first years of co-determination legislation employers tried to undermine the necessary (required by the MBL-law) negotiations about co-determination agreements (Levinson 2000).

Labour market

The differences in vocational education as described in this paper have an effect on the constitution of the labour markets. Job changes even with branch changes are much more common in Sweden than in Germany. In the automobile industry especially blue-collar workers have a high fluctuation rate (up to 20% per year). Jobs in automobile manufacturing are oftentimes seen as a temporary period of working life. In contrast in Germany the ideal of life-long employment at one company is still valid for manufacturing jobs.

The differences in unemployment rates reinforce these trends. The unemployment rate in Germany is about twice as high as in Sweden. The possibilities to change the job or rather to find a new one after being laid-off are much better for Swedish employees. Long-term unemployment is much lower in Sweden.

In most periods active labour market policy was much more important in Sweden than in Germany. Actually in Germany the full-employment-goal is given up. In Sweden the ideal of full employment is still vital and shared by nearly all political parties and actors.

The welfare state

In this paragraph only few selected differences that affect the industrial relations and especially the job security topic can be presented.

Sweden is often characterized as an universalistic welfare state granting welfare to all citizens. The organization of unemployment benefits seems not to fit into this welfare state regime. Apart from a state-run low level unemployment compensation scheme for all citizens the main unemployment insurance system is voluntary and most of the insurance funds are managed by the unions. This is mentioned oftentimes as one reason for the high union density⁹

The financing of the welfare states is quite different in the two countries. In Germany the welfare system is mainly a social insurance model financed by social insurance contributions of employees and employers. In Sweden much more of the welfare state budget is financed by taxes. This leads to lower direct labour costs in Sweden. In Germany particularly the so called 'Normalarbeitsverhältnis' (standard employment relationship) is affected by high social insurance contributions which may become an incentive for outsourcing, so called precarious employment contracts etc..

9 It is not true that only union members can be members of an unemployment insurance fund. On the one hand there is one 'neutral' fund and on the other hand employees can join a union managed fund without being a union member. For more details see Bartmann 2005: 18f and Ahlberg

Selected national conditions		
	Sweden	Germany
unemployment	Ca. 5% Low long-term-unemployment	> 10% High long-term-unemployment
Unemployment benefits	80%	60 resp. 67%
Labor market	Changes of job and branch are much more common than in Germany Active labour-market-policy The ideal of full employment is vital	Nonelastic Labor-market-policy: ‚Fordern‘ more important than ‚Fördern‘? The goal of full employment was given up defacto
fluctuation	High fluctuation rates of blue-collar workers in the automobile companies (annual rates up to 20% - e.g. Volvo cars plant Torslanda) ► Jobs in automobile manufacturing are seen as a temporary period of working life	Low fluctuation rates ► The ideal of life-long employment is still vital for jobs in manufacturing (from vocational training to retirement)
Vocational education	Mainly in upper secondary school (Gymnasieskola) ► 14 vocational courses (3 ‚academic‘ courses) ► pilot projects for more cooperation between companies and Gymnasieskola (e.g. Volvo and Technical Gymnasieskola Göteborg)	Dual system: company vocational training is combined with vocational training school (Berufsschule) ► High differentiation of professions
Dismissal	Middle juridical protection against dismissal Lower costs for the companies	High juridical protection against dismissal High costs for the companies
Co-determination	In the European context high co-determination rights Framework laws	In the European context high co-determination rights Detailed co-determination laws
Financing of the welfare state	Mainly by taxes ► Lower labour costs – similar net-earnings	Mainly social insurance model ► High labour costs
Wages and salaries	Low pay differences ► e.g. engineers in the automobile industry earn less than their German colleagues	Higher pay differences ► white-collar workers and academics earn more than in Sweden

Table 4: Selected national conditions

4. Employment Security – Strategies of unions and works councils

4.1. Germany

The strategies of German works councils and unions are highly company-centered and employment security agreements play a major role.

Klaus Franz – the head of the Opel works council – describes the employment security strategies at Opel as 'two-embankments-strategy'. This means in a first step employment security agreements try to prevent job cuts by reducing working-time, flexible working-time agreements. Employees make concessions for example concerning wages (reduction of surplus payments in relation to the metal collective agreement) overtime pay and flexibility of working times. On the other hand the employers give a job security guarantee which means compulsory redundancies are foreclosed for a certain time-period. This first 'embankment' can be seen as tool to solve temporary problems of a company.

The second 'embankment' deals with long-term problems like huge overcapacities that can not be solved by the above mentioned tools. In this phase compensation programmes, early retirement schemes and so called transfer agencies are combined and should prevent forced redundancies. The aim of the works council is to negotiate better conditions than the minimum conditions set by law for those employees who have to leave the company. In this severe situation the works council accepts that there will be job cuts. Nevertheless even in these situations the works councils try to negotiate job security agreements for those employees that stay in the company.

4.2. Sweden

Swedish unions, in contrast, have traditionally rejected employment guarantees, implementing a strong macro-economic strategy instead aimed at securing employment opportunities for members – and workers in general – by improving the operation of the labor market.

This strategy is boosted by Sweden's labour market policy which aims at full employment, and has achieved a relatively low unemployment rate (around 5 per cent) and comprehensive opportunities for further training and reskilling. This means that workers' representatives in Sweden are much more likely than, let's say, their German counterparts to accept job cuts where there is surplus capacity.

The companies have to announce large job cuts at an early time. This is required by law and after these announcement negotiations between company, union clubs and the labor market authority start. Qualification and training programmes for the affected workers start before the lay-off

Another difference to Germany is that Swedish unions didn't use the strategy of company centered working time reductions like the 'four-day-week' at VW or the '30-hours-plus-agreement' at Opel to prevent job cuts.

4.3. Conflicts and analogies between the national strategies

Analogies

In both countries the flexibilization of working time is used as a buffer for market volatility. Long-term working time reduction schemes are unusual in Sweden.

The German transfer agencies have intentions similar to the Swedish qualification and training programmes that start before people lose their jobs. From a financial point of view the transfer agencies are attractive for the companies, because they get rid of employees in a short time-period and the transfer agencies are funded massively by the welfare state system.

The role of the state or rather the government changes from case to case. In the case of GM the Swedish government tried to influence the GM decisions and offered for example investments in infrastructure. In that conflict the German government acted slightly more restrained. In other cases outside the automobile industry e.g. in the case of the construction company Holzmann the German government intervened massively.

Conflicts

In multinational companies Swedish unions feel that they are under pressure from guarantee agreements in other countries, and in some cases they complained of unfair competition, arguing that companies find it easier to cut jobs in Sweden than elsewhere. Consensual relations between management and trade unions can to some extent be seen as compensating for a lack of employment guarantees - although this was largely irrelevant in the case of Saab, since site location and employment decisions had shifted from Saab management in Sweden to GME management in Zürich. This shows that the strategic options for the employee representatives can differ in one country. For the actors at Volvo Trucks, Scania and at least presently also at Volvo cars the threat of Continental European employment security agreements is more or less latent, but for Saab it is a manifest problem. Additionally the union clubs of the other three companies can use their power at the board of directors to influence decisions about plant closures. As mentioned before this is no longer a promising option at Saab.

The Swedish macro-economic strategy is, however, not the only approach coming under pressure by such guarantee agreements: British trade unionists equally see the German agreements as well as the statutory and financial restrictions on job cuts in Germany as unfair competition between the countries of Europe. Some Swedish unionists fear that even if productivity and labour costs are more favourable in Sweden, it could be attractive for companies to cut jobs in Sweden because in the short-run it might be cheaper and less conflictual.

German companies may also regard statutory restrictions as hampering their flexibility and even preventing new investment, and this could offer a medium-term advantage to countries with fewer restrictions. It should also be remembered that the Swedish strategy is bound up with a framework of low unemployment and high unemployment benefits that does not exist in Germany and without which workers rapidly withdraw support for a strategy of this kind.

In the case of the conflict at GM some German unions and works council members were

irritated by the offensive reaction of the Swedish government. On the other hand the government options for subsidies are restricted in the EU-context.

5. The conflict about job cuts at GM Europe in 2004/2005

5.1. The role of the European Employee Forum at GM Europe

The dispute around the alliance between GM and Fiat in 2000 was a key first step. The EWC organised Europe-wide action over management's failure to abide by information and consultation rights, forcing it to the bargaining table and securing a European framework agreement that, among other things, secured workers' status in those sections of the company integrated into joint ventures with Fiat.

It is, in fact, not unusual for companies in the automotive industry to ignore EWCs' rights to information and consultation when the bodies are first set up. GM's EWC was able to take action against this without recourse to law, unlike Renault's closure of its Belgian plant in Vilvoorde in 1997, which led to a landmark court case. The EWC's next test came with the dispute around the closure of Vauxhall's British plant in Luton in 2000/01.

This dispute, unlike that surrounding the alliance with Fiat, set GM workforces on a collision course with each other, as Rüsselsheim stood to benefit directly from the closure of Vectra production in Luton. Against this backdrop, it is remarkable that the EWC - and, of course, local unions and works councils - managed to mobilise 40,000 workers for the first European day of action, and to secure a European framework agreement with management. The closure of Vectra production at Luton went ahead, but the plant survived and there were no compulsory redundancies (Herber; Schäfer-Klug 2002).

The EWC concluded its third European framework agreement after the 'Olympia' restructuring programme, which directly affected plants in Belgium, Germany and Spain. It accepted the need to reduce surplus capacity but was keen to avoid plant closures and redundancies, arguing that cuts and job losses should be spread across Europe rather than being concentrated on just one production site.

Competition between Rüsselsheim and Trollhättan

The EWC faced its fourth big test in October 2004, when GME announced a restructuring and cost-savings plan that threatened 12,000 jobs in Europe. Production of mid-range Saab and Opel cars was to be concentrated in just one plant, with the Rüsselsheim and Trollhättan plants in direct competition for the work. The announcement of job losses led to an unofficial strike at the Bochum plant, which halted production in other plants. The EWC organised a further European day of action, which was supported by workers in Belgium, Germany, Great Britain, Poland, Spain and Sweden.

German and Swedish workers' representatives negotiated rules governing competition for midrange production: national collective agreements were not to be undercut and both sites were to be retained. However, these concessions prompted tensions between the plants for a while. The scope for pay concessions was, for example, greater in Germany because payments were often higher than the collectively agreed minima, while the German plants were sceptical about concessions in Trollhättan, such as threeshift working with low shift premia and longer hours in return for subsidies from the Swedish government.

In December 2004, management and the EWC signed a framework agreement providing for 12,000 jobs to be cut, including 9,500 in Germany. This agreement provided for the cuts in Germany to be secured by means of voluntary severance, partial or early retirement for older workers, outsourcing and so-called 'transfer agencies' (government-subsidised schemes to offer workers retraining and wage guarantees) rather than compulsory redundancies. Management gave no guarantees that sites would be retained at this point, and had also not yet decided where midrange production was to be located (Dribbusch 2004).

It was only on 4 March 2005 that mid-range production was given to Rüsselsheim and what was called the 'future agreement' for Germany was concluded, with management underwriting sites until 2010 and undertaking not to make compulsory redundancies. In return, workers accepted lower Christmas bonuses, further measures to make working time more flexible, and a one-year pay freeze.

The future of the Trollhättan plant has also been secured until 2010, but employment has not been guaranteed and it is not clear which models the plant will be manufacturing: there is even the possibility that the Saab 9-5 could be relocated to Rüsselsheim. Development of mid-range models has been concentrated in Rüsselsheim, putting a question mark over Saab's research and design centres. There has also been speculation about the possible sale of Saab, although GM management's most recent statements indicate that the Saab range may be extended. In June 2005, the development centre in Rüsselsheim was asked to develop the compact range as well as mid-range vehicles, securing and even extending its role over the next few years.

5.2. Problems and challenges of transnational coordination of employee representation

The four above mentioned framework agreements demonstrate that GME's EWC is able to co-ordinate workers' interests beyond national borders. The most recent dispute also illustrates how difficult this coordination can be.

The divergent industrial relations models and different socio-economic conditions at national level will persist in the medium term, making it more difficult for bodies like EWCs to coordinate across borders. The case of GME illustrates, however, that transnational coordination and solidarity are practicable, even though more recent trends in 2004/05 show that the coordination is at times fragile.

A European Works Council that restricts its role to the information and consultation rights provided for by law will not be able to achieve the coordination and mobilisation of workers' solidarity that is necessary.

GME proves, however, that an active EWC can win rights which go beyond those in the EWC Directive and can establish itself as a partner for both negotiations and agreements. GME's EWC, called the European Employee Forum, was set up in 1996. Since then, it has engaged in four major sets of negotiations to conclude framework agreements with management, and has organised two major European days of action. It is one of the pioneers in increasing EWCs' powers. (The first EWC in the car industry to negotiate successfully with management was at Ford Europe where the Ford/Visteon agreement was signed in early 2000.)

6. First conclusions and further problems

Macro-economic strategies like those of the Swedish unions are under pressure because of the employment security agreements in other countries. At least in situations with a short term perspective of management decisions this could lead to more manifest pressure than most of the unionists in Sweden identify at the moment.

In a long term perspective the Swedish strategy might be more attractive for (new) company investments

Not every transnational coordination problem and conflict has its origin in national differences. Differing strategies and interests also do exist inside these countries. The conflicts between the works councils at Opel Rüsselsheim and Opel Bochum can be seen as one example.

Competition between plants inside one company suggests a 'fair' and objective decision determined by measurable facts like productivity, quality, labor costs. Actually the comparison is more difficult than one might suppose. For example the production technology (age), the maximum output, the age- and qualification structure of the workforce differ. Because of those effects employees generally interpret decisions about job cuts or plant closures not as fair and objective decisions.

The EWCs at GM Europe and at Ford Europe have been the pioneers of fighting for enlarged competences beyond the legal regulation. In both companies the influence of the nationally established codetermination institutions was weakend. Is there a correlation between this weakness and the fight for more rights for the EWC?

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