

## Managing Membership Decline in a Hostile Environment: The Case of the Print Unions in the Czech Republic, Slovakia and Hungary

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## Managing Membership Decline in a Hostile Environment: The Case of the Print Unions in the Czech Republic, Slovakia and Hungary

**ABSTRACT** ■ This article examines printing trade unions in the Czech Republic, Slovakia and Hungary. Since 1990 they have been under major pressure from financial difficulties resulting from a dramatic fall in membership. This, in turn, stemmed from the hostile environment of privatization, corporate mergers and acquisitions, technological change and anti-trade union policies on the part of some employers. To reduce costs and ensure institutional survival, and potentially revival, the leaderships of the three unions have implemented strategies to redefine union objectives, the means of their achievement and the procedures of union democracy. Modernization is, however, constrained by their unions' decision-making structures, cultures, resources and their own ideologies.

**KEYWORDS:** membership decline ■ political, democratic and administrative rationalities ■ strategy

### Introduction

There is much literature analysing the transformation of trade unions in central and eastern Europe, from 'transmission belts' to independent organizations (Cox and Mason, 2000; Martin and Cristescu-Martin, 2003; Pollert, 1999, 2000). At the individual country level, the analysis is mainly confined to peak trade union organization (Gill, 1990; Hughes, 1992; Myant and Smith 1999; Pollert, 1997; Tóth, 2000; for an exception, see Upchurch, 1997). There is also some literature focusing on shop-floor representation and/or quantitative studies of the transformation of workplace relations in post-communist enterprises (Frege, 2001). An important theme in this literature is the decline in trade union membership. There is, however, little analysis of how individual unions have managed this decline in order to maintain institutional viability. This article, examining the strategic choices made by the leaders of the print union in the Czech Republic, Slovakia and Hungary, attempts to fill this gap.

I begin by analysing the political, economic, technological and industrial relations environment in which the three unions have operated over the past 15 years, then consider the impact of a hostile environment on their membership and compare their experiences with trade unions in other sectors in the three countries. Using a qualified contingency model of change I then analyse the impact of declining membership on strategic choices made by the leaderships of the three unions to ensure their institutional survival and revival. I explore similarities and differences in the strategies adopted by the three leaderships, and conclude by considering the future prospects for the three unions.

## The Printing Unions

*Typografická beseda* (TB, Typographical Circle) was created in 1862 by print workers in the Czech part of the Austro-Hungarian empire (Kraus, 2000; Slomp, 1994). Under the German (1939–45) and Soviet (1948–89) occupations, the union was dissolved;<sup>1</sup> printers in postwar Czechoslovakia were members of the Union of Workers of the Chemical, Paper, Glass and Printing Industries. *Typografická beseda* was reconstituted in January 1990; it has 36 workplace branches whilst its 11-person national executive is elected at a quadrennial congress, the supreme policymaking body. *Slovenský odborový zväz pracovníkov poligrafie* (SOZPP, Slovak Graphical Trade Union) was reconstituted in March 1990. It has eight workplace branches and its eight-person national executive meets quarterly, but the supreme policymaking body is the four-yearly congress. Its president (previously the personnel director in Bratislava for the *Pravda* newspaper) is the only full-time officer.

The Hungarian *Nyomdaiipari Dolgozók Szakszervezete* (NDSz, Graphical Workers' Union), formed in 1864, was dissolved under the communists when print workers became members of the Hungarian Paper, Press and Publishing Trade Union.<sup>2</sup> In 1989 the union was reconstituted. It has 50 workplace branches and a nine-person executive committee elected by a General Assembly which oversees financial and collective bargaining matters. Its quadrennial congress is the supreme policymaking body.

## Analytical Framework

The analytical framework used is the qualified contingency model of change (Undy et al., 1996). This places a union at the centre of a web of pressures for change, interpreted through an amended version of the concepts of representative and administrative rationality proposed by Child et al. (1973).

The model recognizes that union leaders make strategic choices within constraints imposed by the external and internal environments in which their union operates. The leaders evaluate the importance of the various pressures and act accordingly.

The political, economic, and technological contexts of a trade union influence its membership levels. An unfavourable economic environment depresses demand and unemployment rises, hence union membership will probably fall. If the average size of the employing unit falls then union membership is also likely to decline, as it is more costly to organize one person in a hundred different workplaces than 100 people in one workplace.

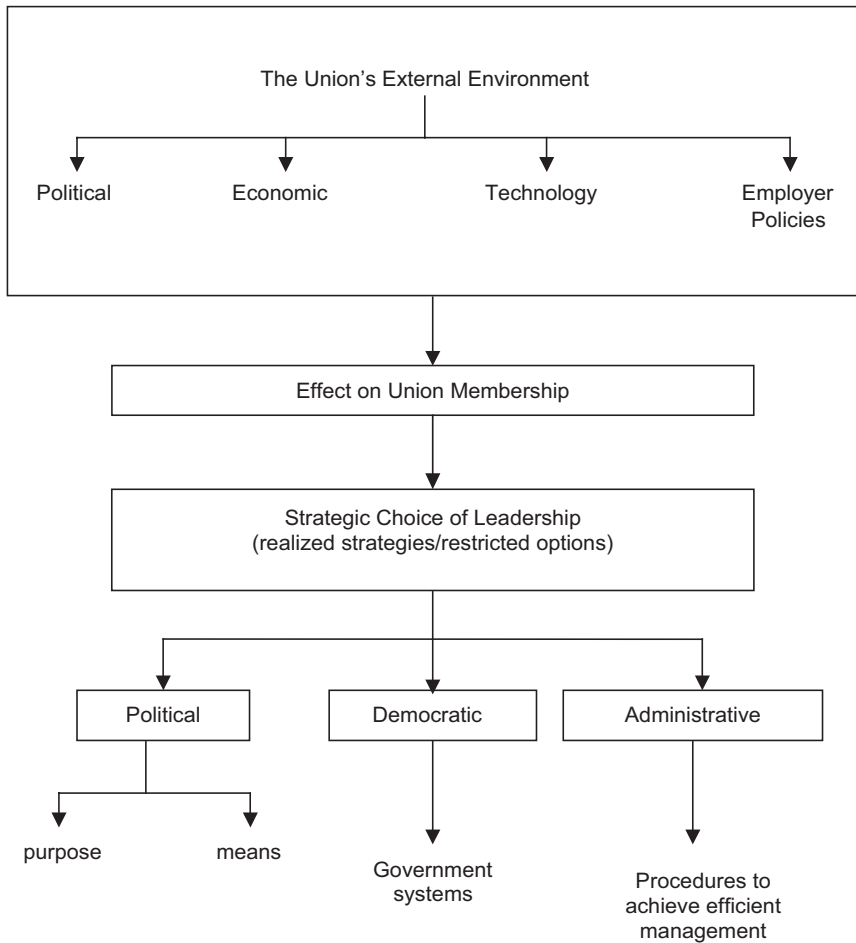
If government deregulates labour and product markets then competitive forces intensify, causing downward pressures on employment conditions and eventually the need for redundancies. The resulting unemployment increases the likelihood that union membership will fall. The implementation of new technology substitutes labour for capital, reducing the amount of labour employed; technological change may also alter the distribution of employment from unionized to non-unionized jobs.

In responding to declining membership, union leaders can exercise strategic choices. In doing so they are likely to be constrained by factors such as the union's governance system, its resources and its culture. Leadership strategic choices can be interpreted through a rationalities framework (see Figure 1). By strategic choice, it is not meant that leaderships adopt an integrated set of policies, but that they respond to identified pressures on their union.

Political rationality denotes the purpose of the union and its means of achieving that purpose. A union leadership may react to declining membership in a number of ways. It might change its objectives from those of 'business unionism' (improving its members' sectional interests within the existing social system) to 'reformist unionism' (seeking social change to enhance the interests of its members and other social groups) (Dabscheck and Niland, 1981). On the other hand, the leadership may keep the union's objectives unchanged but seek new means to achieve them: for example, by launching an organizing campaign. A third option may be to seek merger with another union. A further choice might be to change from adversarial to cooperative behaviour in collective bargaining. Typically, leaderships adopt a combination of these possible strategic responses.

Democratic rationality denotes the union's notions of democracy and its associated governmental systems, at both workplace and national levels. In response to membership loss and resulting financial difficulties, a union leadership may introduce greater centralization to exercise more control over expenditure. Alternatively, they might merge branches and reduce the amount of money held at branch level. In some unions,

FIGURE 1. Qualified Contingency Model



choice of a centralization strategy may be constrained by jealously guarded branch autonomy. Another choice for a union leadership could be to reduce the number of layers of union government, perhaps removing the regional or district level. Again, a combination of these possible options is likely.

Administrative rationality denotes the procedures designed to ensure effective management. Declining membership makes cost-cutting a central concern for union leaderships. Within cultural, political and resource constraints many options are available to reduce expenditure and to gain additional income. They can reduce the frequency of committee meetings, cut the number of employees and officers, renegotiate debts and sell property and investments. A further option might be to implement cost control and budgetary planning procedures. When reacting to adverse pressures,

the leadership will be concerned with the impact of their action on all three rationalities.

## Data Collection

This article is based on information collected between 2000 and 2004, when the author was Programme Director of each of the three unions' annual industrial relations skills training courses for branch officers, executive committee members and national officers. At each seminar, a three-hour semi-structured interview was conducted with the president, vice-presidents and executive committee members (who were also branch secretaries and shop stewards). The interviews covered the structure of the industry, changes in the unions' governance and financial systems, their affiliation to wider labour organizations, their relationships with employers and the actions of the leadership to maintain organizational viability. In addition, two-hour interviews were conducted with each of the presidents at annual meetings of UNI-Europa Graphical. In total, 30 interviews were conducted over the five-year period. The author was accompanied on each occasion by the same interpreter.

## The Hostile Environment

Since 1989 the three unions have operated in a hostile environment. First, governments in the three countries – regardless of party composition<sup>3</sup> – have given priority to privatization and liberalization. A market economy was established by privatization, ending state subsidies and price controls and exposing domestic markets to international competition (Pollert and Hradecka, 1994). The labour market was also liberalized by dismantling social safety nets and weakening statutory employment rights.

Relationships between central government and the trade union movement were thus often difficult. In Slovakia they were particularly strained under the right-wing coalition elected in 2002. Its economic, social and welfare reforms had a negative effect on standards of living, and trade union criticism culminated in organizing a petition for a referendum on holding an early parliamentary election.<sup>4</sup> The government reacted by discontinuing the national forum for tripartite social dialogue.

The Hungarian trade union movement faced difficulties under the conservative coalition of Viktor Orbán, which abandoned social dialogue, abolished the self-government of social insurance and amended the Labour Code without prior consultation with the unions. The general election of 2002 saw the formation of a socialist-liberal coalition which has proved more sympathetic on welfare issues, re-established the

Council for Interest Reconciliation and supported the establishment of sectoral social dialogue committees (see below).

Restructuring has created a more hostile economic environment. The privatization of the Czech printing industry was completed by 1995, in Hungary by 1997 and in Slovakia by 1999. Privatization transformed the industry's structure (PIRA, 1998). Before 1990, each country had a small number of large state-owned enterprises employing typically 1500 workers producing the full range of printing products under one roof. The former Czechoslovakia had 17 such printing houses and Hungary 32 (Simpson, 1992). Privatization resulted in a small number of large printing enterprises co-existing with a large number of small printing establishments specializing in niche markets (Intergraf, 2004). In Hungary there are now 4000 printing enterprises with on average eight employees; in Slovakia, 500 enterprises with on average six employees; in the Czech Republic, 2800 firms with on average five employees. This fragmented industry structure makes organizing print workers far more difficult.

Privatization has also changed ownership patterns. Small general print firms remain domestically owned. The larger firms are foreign-owned; for example, the Hungarian Révai group is now owned by the UK multinational Polestar. In the Czech Republic, German-owned companies control 80 percent of both the national and regional newspaper market, whilst in Hungary the figure is over 90 percent (UEG, 2005a).

A third challenge stems from technical change. At the start of the privatization process, the industry's technology was outdated: in each country, letterpress was the dominant printing process, though this had ceased to be the case in western Europe in the early 1960s. Privatization and foreign investment brought the advanced printing technologies of western Europe, with a significant impact on employment and skill levels (Allnut, 2003). In each country craft skills such as typesetting disappeared, as letterpress was replaced by lithographic, gravure and digital printing processes. Its impact was summed up by the President of *Typografická beseda*:

the switch from outdated techniques and the advent of new printing techniques meant a 30 to 40 percent reduction in the number of workers. The desktop revolution hit printing companies as western groups invested in the publishing industry and brought the latest technology with them. Privatization brought unemployment and re-training needs for graphical workers. (Interview, November 2002)

Finally, in each country some print employers took advantage of the changed environment to avoid union recognition. Recognition problems were most common in foreign-owned enterprises; in general, the owners of small printing companies were happy to recognize the union and

to engage, through membership of an employers' association, in sectoral collective bargaining. Many of these owners, as in western Europe, had themselves previously been skilled print workers. This contrasts with other sectors where small and medium enterprises have been infertile recruitment grounds for trade unions (Cox and Mason, 2000). Many privatized printing company owners had, in the communist era, been directors of state-owned enterprises; but some now oppose trade unions. Some printing employers discriminate directly against trade union members by offering them smaller pay rises than non-unionists, refusing them training opportunities, overlooking them for promotion and in some cases by dismissal from employment. Trade union workplace representatives frequently experience difficulties of line managers refusing to release them from work to undertake union activities.

## Membership Levels

The hostile environment has resulted in substantial membership decline (see Table 1). The data are taken from each union's membership records. The working membership of *Typografická beseda* (Czech Republic) fell between 1990 and 2004 by 92 percent; that of SOZPP (Slovakia) by 95 percent; that of NDSz (Hungary) by 87 percent. In each country, the sharpest decline occurred between 1990 and 1995, the period of most rapid privatization. In 1990, in all three countries, union density in the printing industry exceeded 90 percent. By 2004, it had fallen to 25 percent in the Czech Republic, 10 percent in Slovakia and 30 percent in Hungary.

Membership has held up relatively better for the Hungarian union than for the other two print unions for three main reasons. First, the loss of jobs and the level of unemployment have been less: in 1996–8 the average level of unemployment for the Hungarian printing industry was five percent, compared to eight percent in the Czech Republic and 12–15 percent in Slovakia (PIRA, 1998). Second, the major foreign investor in the Hungarian printing industry, Polestar, has had a more favourable attitude to union membership than foreign investors in the Czech Republic and Slovakia. Third, the introduction in 1992 in Hungary of works councils provided NDSz with a springboard for organization that was not available to SOZPP and *Typografická beseda*.

These rates of membership decline are more severe than for other unions in these countries. Membership affiliated to the main peak organizations in the Czech Republic (ČMKOS), Slovakia (KOZSR) and Hungary (MSzOSz) fell in the same period by 62, 79 and 66 percent respectively. The largest industrial union in these countries, the Metal Workers, lost 65, 78 and 70 percent respectively. In the Czech Republic, the



**TABLE 1. Working Membership of Graphical Unions in the Czech Republic, Slovakia and Hungary**

	TB	SOZPP	NDSz
1990	20,000	11,000	15,000
1993	17,250	7380	14,400
1994	6123	5500	12,798
1995	5246	3500	10,000
1996	4781	3048	7000
1997	3500	1914	6815
1998	2500	1500	6815
1999	2221	1030	6815
2000	2121	1000	5320
2001	2000	900	4500
2002	2000	800	3000
2003	1800	600	2700
2004	1600	500	2014

Trade Union of Workers in Wood Processing, Forests and Water Supplies lost 83 percent of its membership,<sup>5</sup> while its counterpart in Slovakia (OZDLV) lost 80 percent. Though all unions have suffered serious losses, those in printing have been exceptional.

## Union Leadership Strategies

Applying the earlier distinction between ‘business’ and ‘reformist’ unionism, all three unions have adopted both business objectives with collective bargaining their core means to further members’ interests, and reformist objectives though affiliation to wider trade union bodies and support for political parties they believe best represent trade union interests.

## Bargaining Strategy and Sectoral Organization

In all three countries, the main locus of collective bargaining in the printing industry is the workplace, although all three unions are parties to sectoral agreements. Their approach to bargaining at both levels is pragmatic. All three presidents consider an adversarial bargaining strategy is unrealistic: they cannot apply effective sanctions during negotiations, for members fear that industrial action will cost them their jobs. Their bargaining strategy is to cooperate with employers and gain whatever improvements they can. On occasions at sectoral level, this has meant a bargained wage increase no more than that in the statutory minimum wage (UEG, 2003, 2004).

Their bargaining strategy is also constrained by insufficient resources to meet the training needs of their representatives in the basic industrial relations skills required to handle competently employee grievances, disciplinary matters, redundancies and negotiations. Such skills were unnecessary during the communist period, when collective bargaining in its western sense was unknown. Since the early 1990s the unions have received assistance from their western counterparts through the European Graphical Federation (EGF), which in 2000 became the Graphical Section of UNI-Europa (UEG). For example, the British Graphic Paper & Media Union (GPMU) 'adopted' Typografická beseda, SOZPP and NDSz, providing finance for industrial relations skills training programmes and 'training the trainer' seminars. From 2000 it provided supplementary funds from a grant received under the EU Commission PHARE Programme. Over the period 1996–2005, over 250 representatives from the three unions received regular training in industrial relations skills (UEG, 2005b).

The coverage of the sectoral agreement in all three countries is low. In the Czech Republic, the employers' organization – the Union of Graphical Entrepreneurs – has 57 member firms from a potential of 2800; only 11 are signatories to the sectoral agreement. The Slovak employers' association – the Union of Printers in Slovakia – has 64 member companies out of a potential 500, and only eight operate the sector agreement. In Hungary, the employers' national body – the Professional Association of Printers – has 200 members out of a possible 4000 but only six apply the sectoral agreement.

All three union leaderships believe it essential for their survival strategy that appropriate machinery be established at sectoral level in which meaningful consultation and bargaining can occur. However, in Slovakia and the Czech Republic there have been no attempts to create a sector committee for the graphical industry, since both the union and its employer counterpart remain too weak to establish such a body. In Hungary, the National Interest Reconciliation Council established a Sectoral Social Dialogue Centre in August 2004, financed from the state budget to support and coordinate the work of sectoral committees. To date, 32 such committees have been established but negotiations to create one for the printing industry are proceeding slowly. For the union, this would be an important step towards establishing minimum industry-wide standards which could then be enhanced by workplace bargaining; but the employers want to restrict any committee to information and consultation and to political lobbying on sector-specific issues.

### **International and National Affiliations**

International affiliations might be regarded as evidence of a 'reformist' orientation. In 1991, all three unions affiliated to the International

Graphical Federation (IGF) and the EGF. These affiliations provided access to resources for industrial relations training, for information and for political lobbying of the European Commission and the European Parliament and for influence within the European Trade Union Confederation (ETUC).<sup>6</sup>

There are differences, explained by the ideology of the leaderships, in their strategic choices of affiliation to national trade union centres and support for 'left-wing' political parties. Since 1990, SOZPP has had only one president and the NDSz two. All three individuals regarded affiliation to a national trade union centre as important for demonstrating solidarity with other groups of employees. The leadership of NDSz has been a loyal supporter of the (ex-communist) Hungarian Socialist Party (MSzP) and is regarded as a 'left-wing' union. Andreas Barsony, its President from 1989 to 2002, was heavily involved in MSzP affairs and was elected as one of its parliamentary candidates in the 1998 general election. In 2002, he resigned as the union's president on appointment to the post of Secretary of State for Foreign Affairs in the socialist-liberal coalition government. His successor has continued the union's support for the Socialist Party but gives greater priority to the general management of the union. The NDSz is a member of the largest of the rival peak union organizations, the (reformed former communist) MSzOSz (National Association of Hungarian Trade Unions), which has close links with the MSzP.

SOZPP was a prime mover in the creation in 1990 of the Czech and Slovak Confederation of Trade Unions (ČSKOS) and has been a member of the Trade Union Confederation of the Slovak Republic (KOZ SR) since the break-up of Czechoslovakia in 1993. In Slovakia, a problem for all trade unions is the absence of a political party with sympathies towards the labour movement. The unions have played an important role in organizing protests against the government's economic and social policies and, as noted above, initiated a campaign in 2004 for a referendum to trigger an early election. SOZPP members have been heavily involved in these protest actions.

The position in the Czech Republic is very different. Since 1990, Typografická beseda has had two presidents; both are anti-communist and perceive left-wing Czech parties as still communist-controlled. Since the 'velvet revolution', the union has consistently supported 'free market' economics and aligned itself with 'right-wing' political parties. Its former president was appointed advisor to the ultra-liberal Klaus government on the privatization of the Czech printing industry. Typografická beseda resigned from ČSKOS in 1996, arguing the union was too small to influence the Confederation decision-making bodies which were dominated by its four largest unions. It also alleged that the Confederation was too closely aligned to social-democratic political parties and that its president had been connected with the secret police during the communist era.

## Membership Recruitment and Retention

The leaderships of all three unions acknowledge that central to their survival strategy is the need to recruit new members and to retain existing ones. If successful, the unions will gain significant additional resources. Trade unions have adopted two broad approaches to the recruitment, organization and retention of members: the servicing and the organizing models (Bronfenbrenner et al., 1998; Conrow, 1991). The former stresses that full-time union officials, rather than workplace representatives, provide support to members when they encounter problems with the employer. Financial and legal services are used to attract and retain members. Underpinning the organizing model is that over the long term at least, workplace organization becomes self-sufficient through increased membership participation at all levels of the union. Central resources can therefore be redirected towards recruitment.

In the printing industries of the three countries, a servicing model is scarcely an option because of the decentralization of collective bargaining, the growth of small employing units and the absence of the union from many workplaces. The unions have insufficient full-time officials to service the expanding number of employing and collective bargaining units. They have attempted to implement the organizing model, for example through the provision of industrial relations skills training.

The national leaderships are however constrained in implementing an organizing model by the lack of union presence in many workplaces and by the strength of branch autonomy. Although all three unions have 80 percent density in some workplaces, membership is weak or non-existent in the vast majority. SOZPP has no members in any printing establishment in Bratislava, the Slovak capital and the largest printing centre in the country. Typografická besada has no presence in three-quarters of Czech printing plants. NDSz membership density is under 10 percent in the overwhelming majority of printing establishments. All three unions lack the resources to employ organizers.

As is traditional in printing trade unionism in most countries, the branches of all three unions have industrial and financial autonomy from the centre and retain a significant proportion of the membership fees. The national organization cannot interfere with branch decisions unless they are contrary to national union policy. In addition, it does not control the work of the branch officers who determine their own priorities. The national leadership can only advise branches to assign the highest priority to membership recruitment. A minority of branches accepted this advice but experienced little success in the face of employee apathy, employer anti-union policies, the tendency among highly skilled print workers to engage in informal collective bargaining and employee perceptions that the union cannot protect them from the arbitrary

behaviour of employers. The national organizations, starved of financial and staff resources, do not have the means to mount an effective membership and recruitment campaign.

## Mergers

Mergers between trade unions can give rise to economies of scale and to a more efficient deployment of limited resources. For example, only one research department is required instead of two. Mergers permit the concentration of resources and may thereby facilitate a membership recruitment campaign, for example. Merger as a survival strategy was initially rejected by all three union leaderships. They considered it impossible to 'sell' to their members, while to impose it from above would cause members to 'vote with their feet'. Membership opposition was based in part on experience during the communist period, when the official trade union structure was based on large industry (or multi-industry) federations within the central confederation. As a small part of an organization with a highly diverse occupational membership, printers felt they had been 'dispossessed' of their union.<sup>7</sup> Their autonomy and identity as printers had been swamped by the other, numerically larger groups with whom they felt no industrial affinity, and they were too small to influence the decision-making bodies. The leaderships of the three unions understood that their members feared that merger with another union would merely replicate these past problems. Having just regained their status as an autonomous printing trade union there was little stomach for merger.

Today, the print unions in the Czech Republic and Slovakia remain as strongly opposed to merger. SOZPP has rejected overtures from the Trade Union of Workers in Wood Processing, Forest and Water Management in Slovakia (28,136 members), even though that union offers to establish a separate print section and to make its head a vice-president of the union. It also reacted negatively to enquiries from the journalists and the metal-workers about a possible merger. The anti-merger policy was reconfirmed at its 2003 congress. The 2004 Congress of Typografická beseda took the same decision. Its position was summarized by their President:

Typografická beseda has no plans for merger. Experience of being part of a larger trade union under the former regime was not pleasant for printers. We had no influence, our democratic traditions were disliked and we felt isolated. Enough is enough. The members will not support a merger. If one took place they would vote with their feet.

By contrast, however, the leadership and membership of NDSz changed their attitude to merger. By 2002, they had concluded that the fragmentation of trade unions in Hungary which occurred after 1990 was a major source of weakness. In contrast to the Czech Republic and Slovakia, where

only one central union confederation exists, there are six competing 'main' Hungarian confederations. The movement consists of a multitude of small and medium-sized unions lacking resources and with haemorrhaging membership, unable to act as an effective countervailing force to employers and national governments.

The NDSz began in late 2002 to take the possibility of merger seriously and to think about possible partners (interview, November 2004). In October 2004 it signed a Declaration committing eight unions to merge. The unions, all affiliated to MSzOSz, organize workers in paper-making, printing, energy, metalworking, clothing, leather, chemicals and coal mining. The intention is to create a union with eight autonomous sectors each retaining their existing identity, systems of government and collective agreements. Across this vertical structure the central union will collect all the membership fees, from which appropriate funds will be allocated to each sector. It will also provide common services to sectors, such as membership recruitment campaigns, research facilities and political lobbying. The Declaration was approved at the union's 2004 Congress and merger talks are continuing.

### **Democratic Rationality**

In responding to declining membership, the three unions rejected attempts to reduce the number of branches by merger or to remove any layers of government. Their governmental system of branch, national executive, congress and elected full-time officers remained as agreed at their 1990 reconstitution conferences. The autonomy of the branches remained as strong as in 1990. But two of the unions attempted to revise their democratic procedures by changing their financial governance to provide more resources for the national organization. Initially, members of *Typografická beseda* had paid a monthly contribution of two percent of net pay, all of which went to the national union which then distributed funds to branches in accordance to their needs. Its 1994 congress then agreed that in the future the two percent be paid to the branch, which would then forward 30 Kč (about €1) per month per member to the national organization. This change in financial governance threatened the national organization of *Typografická beseda* with collapse. However, the leadership failed to persuade the union's 1998 and 2002 congresses to increase the contribution to the national organization to 60 Kč.

In NDSz the membership subscription is one percent of gross monthly pay, of which the national organization receives 40 percent. In the face of increasing financial problems, the national executive proposed unsuccessfully to the 1998 congress that the subscription rate be raised to 1.5 percent with the additional income allocated to strengthening the national organization. The 2003 congress, however, agreed, for one year only, that the

proportion of the contribution retained by the branch be reduced and the resources released be allocated to the national organization as a one-off solution to its financial problems.

In SOZPP, the leadership strategy was to resist attempts by the branches to retain a higher percentage of the membership contribution. The 1990 congress had agreed that the membership fee be split 50/50 between the branch and the national organization; but some branches wanted a 70/30 split in their favour. The resulting tensions split the union. In 1992, one branch with 500 members disaffiliated from the national union over the issue. In the following year, two branches were expelled when they stopped paying the 50 percent of the contribution fee to the national union; the national leadership had little option but to expel the branches even though this action would reduce by over 1000 an already sharply declining membership, since otherwise more branches would have opted not to forward the 50 percent.

The national union leaderships saw their strategy of strengthening the national organization by receiving a higher proportion of the monthly subscriptions resisted by the branches, which wished to preserve the existing decentralized government system in which they determine their own industrial priorities and decide how their funds can best be spent in the interests of their members. The branches wished to maintain a relatively weak national organization offering basic services which the branches could decide whether or not to use. The branches feared that strengthening the national organization would enhance its control over them and be a threat to their jealously guarded autonomy. They also feared that a strong central organization would repeat the experience of the communism era, when the national leaders of the trade unions were viewed as corrupt and immune from democratic control. This distrust of a central organization has still not disappeared.

### **Administrative Rationality**

When the attempt to persuade their members to change the financial governance of their unions failed, the leaderships gave even greater priority to controlling and reducing administrative costs. Under the communist era, the unions owned substantial assets such as holiday homes, hotels, health spas as well as office buildings. After the regime change, the three print unions were allocated shares in these properties by the national trade union centre, in proportion to their membership. The presidents of Typografická beseda and SOZPP sold the shares in hotels and holiday homes to overseas investors. The NDSz leadership sold their resort centre in Budapest, and rented empty office space in their headquarters to commercial organizations. The income was invested and the ensuing interest used to fund national expenditure.



All three unions implemented various cost-cutting measures. The size of the national executive committee of each union was progressively reduced: in *Typografická beseda*, from 17 in 1990 to 14 in 1995 and 11 in 2004. The corresponding figures for the Slovak union were 27, 10 and eight; and for the NDSz 18, 12 and nine. Although the national executive committees became smaller, there was continuity of membership: in all three unions, 60 percent of the individuals serving on the executive committee in 2004 had been members in 1990.

Cost cutting also involved reducing the number, and changing the employment status, of paid officials and employees. In 1998, *Typografická beseda* made its two vice-presidents part-time. The 2003 congress of NDSz voted to replace its resigning full-time president by a part-time successor. In 1998, the union had a full-time staff of 14 people; today, it employs only five. *Typografická beseda* has reduced its national employees from 10 to two, whilst the SOZPP now only has one full-time employee – its president – who has no administrative or secretarial support. Five years ago it employed six people.

As the financial position of the three unions deteriorated, they experienced difficulties in paying their affiliation fees to their international organizations. There was a serious risk of expulsion, which would have been a threat to their survival, for affiliation brought access to financial resources. In 2002 the leaders of the three unions negotiated with UNI a rescheduling of the payment of unpaid affiliation fees: all were permitted for the foreseeable future to continue in membership in return for the payment of an affiliation fee based on a ‘notional’ level of membership.<sup>8</sup> The NDSz experienced similar difficulties at national level: in 2002 to avoid expulsion from MSzOSz it had to persuade the confederation to write off half of its unpaid affiliation fees.

## Conclusions

Since 1990, the pressures for change affecting the printing unions in the Czech Republic, Slovakia and Hungary have come from financial difficulties resulting from a dramatic decline in their membership. This, in turn, stemmed from the hostile environment of privatization, company mergers, technological change and anti-trade union policies on the part of some printing employers. The strategic response of the leaders to secure the survival of their unions has been contingent on these factors and has been analysed in this article with reference to political, democratic and administrative rationalities. Their responses were constrained by internal considerations such as each union’s decision-making structures, its culture, the lack of organizational resources and the ideologies (political bias) of the leaders.



Over the past 15 years, the political rationality of the three unions remained unchanged. On their reconstitution in 1990 they adopted elements of both business and reformist trade unionism. The former is seen in the importance they assign to collective bargaining as the main vehicle for the protection and improvement of their members' employment conditions. The latter is seen in their affiliation to wider trade union bodies and support for political parties they regard as best able to advance their members' interests while having the potential of getting into government. There has been no movement in any of the three unions to abandon these elements of business and reformist unionism. At the sectoral level in their collective bargaining relationship with employers the leaders of the three unions have adopted a pragmatic and opportunist approach, preferring cooperation to adversarialism. This approach is explained by their recognition that the relative balance of bargaining power favoured the print employers and was unlikely to change in the near future.

The leaderships of all three unions acknowledge the importance of an effective membership recruitment and retention strategy if their unions are to survive and grow in industrial influence. They have sought, where possible, to implement the organizing model of membership recruitment, for example by providing industrial relations skills training programmes. They are, however, constrained by the extent of branch autonomy. Branches retain the bulk of the members' subscriptions, determine their own industrial priorities and resist any interference in their affairs by the national leadership. Union leaders have no powers to oblige branches to give priority to the recruitment and retention of members.

The means used to achieve the union's political strategies differed in important respects depending on the leadership ideologies. The leaders of SOZPP and the NDSz see affiliation to a national trade union centre as an expression of solidarity with the interests of other workers as well as their own. They are also supportive of the left-wing political parties. The leadership of Typografická beseda, on the other hand, supports right-wing parties and views their 'left-wing' rivals as still tainted by communism. In 1996, they disaffiliated from ČMKOS on the grounds, *inter alia*, that it was too closely aligned with the political left.

Differences also exist with regard to merger with other unions. The leaderships of the Czech and Slovak print union remain ideologically opposed to mergers. Their attitude reflects experience of being part of an occupationally heterogeneous union during the communist period, when they felt isolated and unable to influence decision-making. For a decade the leadership of NDSz held similar attitudes, but in 2002 they concluded that the fragmentation of the Hungarian trade union movement was a cause of their declining influence with employees, employers and national governments.

The leadership has thus changed its strategy for survival and growth to support for merger.

The democratic rationality of the three unions remained unchanged. No layers of government have been removed. The industrial and financial autonomy of the branches remains; the national leaderships have failed to persuade their members of the benefits of a well-resourced national organization. For all three unions, the dominant need from the mid-1990s was to address their financial difficulties. As a result, the national leaderships gave administrative rationality the highest priority. They have attempted to cut the expenditure of the national organization, for example by reducing the size and the frequency of the meetings of the national executive. The administrative adjustments made by each union have tended to be made as and when the need arises, rather than on the basis of an integrated strategic approach.

What of future prospects? Is it a matter of continuing to manage decline, or can resources be found to enable decline to be reversed and revival begin? To continue managing membership decline is not a longer-term option for any of the three unions. Further loss of membership, the ensuing increased financial deficits and the continuing reluctance of the members to pay increased subscriptions means the three unions will continue to lack the resources to be effective interest representation organizations. Eventually, the point will be reached when the only choice will be either dissolution or amalgamation with another union, but with no ability to shape the terms upon which this takes place.

The revival of the three print unions as effective representative organizations requires an increase in their membership. This, in turn, necessitates investing in a membership reorganization, recruitment and retention campaign. Finding additional resources for this activity is paramount. Graphical unions in western Europe are also faced by declining membership. In most countries the response has been to merge with a large non-print union within which they nevertheless retain their occupational identity. Through such a merger they hope to achieve economies of scale, a more efficient deployment of limited resources, providing better services to members and a solid foundation for membership growth. Amalgamations along these lines have been concluded in the past four years by the print unions in Germany, Ireland, the Netherlands, Norway and the UK. In Sweden and Finland the print union has also decided to go down this path. It is too early to say whether this consolidation will prove successful in realizing the resources necessary to run a successful recruitment campaign and hence reverse membership decline. What, however, is more certain is that without such mergers the possibility of doing so would be slim. For the same reasons as print unions in western Europe, those of the Czech Republic, Slovakia and Hungary need to consider following the same route. The alternative is likely to be a slow and painful death.

## NOTES

- 1 However, it is claimed the union continued to operate 'underground' through after-work meetings in beer parlours (interview with Vladimir Petrus, President of Typographická beseda 1990–94, 11 November 2002). Lipset et al. (1956: 71) report in a footnote of their classic study that printers in Leipzig similarly maintained their 'union' underground in the Nazi period.
- 2 It is likewise claimed that Hungarian print workers maintained their original organization underground (interviews with former and present presidents, March 1996 and October 2002).
- 3 Each country has had four general elections since 1989. The governing coalitions have tended to alternate between (centre) right and (centre) left.
- 4 The President of the country agreed to hold a referendum, which took place in May 2004. Almost 90 percent of those voting were in favour of early elections, but because the turnout was under 50 percent the result was invalid.
- 5 This union, like its Slovak counterpart, organizes workers employed in paper-making and furniture manufacture. In 2000 the paper-making section broke away, but its membership has been included in this calculation.
- 6 The Hungarian Graphical Workers' Union had been present at the foundation meeting of the International Printers' Secretariat in Paris in 1889, and subsequently played an active part in its affairs (Otto, 1991).
- 7 This feeling of dispossession was noted in the communist period by Lowit (1982). It was an important factor in the fragmentation (especially amongst skilled manual workers) of trade unionism in central and eastern Europe soon after the fall of communism.
- 8 Such an arrangement is commonly adopted by international trade union organizations when affiliates are in serious financial difficulties.

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