

Whither Greek Trade Unionism?

Dr Horen Voskeritsian - Centre for Employment Studies Research (CESR),
University of the West of England, Bristol



Horen.Voskeritsian@uwe.ac.uk

Last May, the Eurogroup praised the progress made by the Greek government in implementing the fiscal and structural reforms outlined in the three Memoranda of Understanding between Greece and its creditors (Eurogroup 2013). The rate of recession for the first quarter of 2013 was -5.3%, an improvement from the -6.5% of the first quarter of 2012, and Fitch, the global rating agency, upgraded Greek bonds from the CCC category to B- (still, however, characterising them as 'junk assets'). The Greek government was quick to present these developments as proof of the success of, and a further justification for, the austerity programme implemented in the country over the past three years. However, even if, and this is a big 'if', growth is on an upward trajectory, any manifestations in the real economy appear some way off.

In the meantime, Greece's social reality paints a much bleaker picture than the one communicated by the Greek government or its creditors. Unemployment has reached historically high levels, making Greece the country with the highest unemployment rate in the Eurozone. In the last quarter of 2012, people without a job constituted 26% of the working population, with women and young workers disproportionately hit by the crisis. The welfare state is utterly destroyed, leaving many people without access to medical care or medication, and suicide rates have soared. The number of people living below the poverty line, or in absolute poverty, unable to provide for the most basic needs such as food and heating, is increasing daily. Moreover, far right extremism penetrates every aspect of social life and Greece – for the first time in its history – has elected members of a fascist party to parliament.

The welfare state is utterly destroyed, leaving many people without access to medical care or medication, and suicide rates have soared. The number of people living below the poverty line, or in absolute poverty, unable to provide for the most basic needs such as food and heating, is increasing daily

The Greek crisis and the new institutional reality

The economic and social catastrophe experienced by Greece in the past three years, unprecedented for any European country during peacetime, has so altered the social sphere that even if an economic solution is eventually found, the socio-political context in which it will be implemented is indeterminate. Anyone cognisant with European history will identify in Greece's current political climate many familiar signs and patterns. Economic depression,

combined with a weak political system and civil society, paves the way to autarchic behaviours and undemocratic sentiments, and provides ample opportunities for populist far-right wing parties to take advantage of the political gap left by the deteriorating bourgeois political mechanism. When Greece eventually surfaces from the crisis it will be – socially and politically – a completely new country, with changed institutions and new power equilibria. Nowhere will this be more evident than in the sphere of industrial relations.

When Greece eventually surfaces from the crisis it will be – socially and politically – a completely new country, with changed institutions and new power equilibria. Nowhere will this be more evident than in the sphere of industrial relations

The first memorandum signed by Greece in 2010 aimed to influence two distinct economic policy pillars: fiscal consolidation and the improvement of competitiveness (Voskeritsian and Kornelakis 2011). To this end, the then government agreed to implement a series of austerity measures aiming to cut public expenditure and increase public revenues, primarily through the downsizing of the public sector, the restructuring of taxation and the curtailing of tax evasion. At the same time, to help create an attractive environment for foreign investment, the government was bound to reduce labour costs in the private sector, minimise public sector bureaucracy and tackle the black market economy. In the years following 2010 a series of laws radically changed core industrial relations institutions; collective bargaining, mediation and arbitration, the national minimum wage, and the dismissals framework, leading to extreme decentralisation, the curtailing of the trade unions' negotiating power, the elimination of any remnants of social dialogue and the strengthening of employers' ability to unilaterally control and manipulate the employment relationship.

Yet the measures taken do not appear to be yielding anticipated results, despite reassurances from the Eurogroup and the government. The fall in consumption and increased taxation have landed a definite blow on small and medium enterprises leading to many closures and, subsequently, to a further rise in unemployment. At the same time, progressive measures such as the curtailing of tax evasion and of the black economy in general, and the upgrading and strengthening of control mechanisms, such as the Labour Inspectorate, are still to be implemented.

Meanwhile, the harsh economic climate and new institutional reality have further reinforced the structural deficiencies of the labour market. Along with unemployment, temporary, flexible and part-time employment has become the new norm. Nowhere is this better represented than in the working realities of the *symvassioūchi* (temps), those under temporary employment contracts of a fixed duration ranging from one to nine or ten months.

Along with unemployment, temporary, flexible and part-time employment has become the new norm. Nowhere is this better represented than in the working realities of the *symvassioūchi* (temps), those under temporary employment contracts of a fixed duration ranging from one to nine or ten months

Working in a permanent state of insecurity, they occupy a legal 'no man's land' on the fringes of labour law and are the most vulnerable recipients of managerial prerogative, which does not even attempt to hide behind the 'progressive' mask of HRM. Things are kept quite simple: succumb or get gone, take it or leave it; for if you do not accept what is on offer, there are plenty who will.

Even this new proletariat, however, is lucky compared to the increasing number of undeclared employees with no employment rights, defenceless against managerial impunity. The recent incident in the strawberry fields of Nea Manolada in south-west Greece, when more than thirty migrant workers were shot at when they demanded their overdue wages¹, is telling. This may be an extreme manifestation of the new working reality, but it is symptomatic of a general trend which sees employees as expendable 'goods'. The commodification of the employee and the imposition of unitarist or, in many cases, autarchic policies on the shop-floor are not only evident in the case of precarious workers. Increasing numbers of employers, even those who do not face actual viability problems, make use of their new legislative powers to unilaterally alter their full time staff's terms and conditions of employment.

Much of the current situation in the labour market is reminiscent of Greece's past. For one must not forget that reactionary practices, such as the policing of union meetings, the penetration of the security services in the function of trade unions, the exile of trade unionists, adversarial managerial behaviours and the establishment of yellow unions, were common up until the late 1970s (see, for example, Koukoules 1995; Liakos 1993; Livieratos 2006; Sepheriades 2005). The democratisation of industrial relations and the establishment of institutions that helped initiate a dialogue free from the fear of reprisal was a relatively recent addition to Greece's labour history. Yet it is important to note that despite their institutional disempowerment, trade unions are still regarded as legitimate social partners. The important question at this stage is for how long the trade unions will continue to enjoy this institutional legitimacy – the time may not be far off when Thatcherite type de-recognition policies may be voted in by the Greek parliament

What role for the unions?

In such unpromising conditions what future is there for workers and the trade unions? To answer this question, one needs to seriously consider the new realities of Greek industrial relations. First, the employers enjoy new power to unilaterally manage the employment relationship; the excess supply of labour and the new legal framework allows them to over-rule the industry-level collective agreements, and enables them to reduce wages to the level of the national minimum wage (currently standing at €586 per month for those over 25, and €511 per month for those below the age of 25) if they so wish. Second, the security net that was provided by the arbitration system has now been altered in favour of the employers and the unions can no longer hope that an arbitrator may settle a collective grievance in their favour. Third, the change in the dismissals framework has made it easier and less costly for an employer to dispose of unwanted staff – be it for financial or other reasons. Fourth, the fear of losing one's job is as strong a motivational factor as any, especially among the most vulnerable members of the labour force (temporary, young and female workers). Fifth, a large number of employees in the private sector remain un-unionised, either because they were never approached by a union, or because it is very difficult to organise them, or because they do not want to be unionised. This last point is perhaps the greatest challenge trade unions face today: their disassociation with their rank-and-file and their lost appeal to large segments of the working population.

A large number of employees in the private sector remain un-unionised... This is, perhaps the greatest challenge trade unions face today: their disassociation with their rank-and-file and their lost appeal to large segments of the working population

¹ See http://www.ekathimerini.com/4dcgi/w_articles_wsite1_1_18/04/2013_494423

The way forward for the unions is neither easy nor necessarily clear. However, if they want to play a central role in the new industrial relations scene, they need to reinvent both their role and their strategies and to actively engage with civil society. The unions' external environment has changed so dramatically that it can no longer be expected that their influence in the corridors of power will be sufficient to protect and secure the rights of a worker in any enterprise. Not that it ever completely was; but certainly the ability of unions to politically influence the structure of the institutional framework was much stronger in the past than it is nowadays.

Strategic reorientation implies, first and foremost, a return to the roots. If the unions are to regain any power, they must re-engage with the rank-and-file and vice versa. In a context of fear, insecurity, autarchic management and declining trade union appeal, this may not be as easy as it sounds. But it is not impossible, as international experience from the trade union movement in the USA and the UK, two countries with similar, if not worse, institutional environments, have demonstrated (Heery *et al.* 2003; Hurd *et al.* 2003). Only if the rank-and-file actively participate in the union movement, and a democratisation of its functions begins from the base, can the problems of the shop-floor be addressed. The process of change, as all the unionists in advanced capitalist economies know well, is neither easy nor straightforward. The development of shop-floor activism, however, is the only viable solution to the continuous degradation of working life. In developing a new identity, unions must confront their past self,

The development of shop-floor activism, however, is the only viable solution to the continuous degradation of working life... The battle for the shop-floor is not a simple battle for wages or for better working conditions. It is, first and foremost, a battle to regain one's lost dignity in the workplace

re-evaluate their worn-out strategies, and place proper organising and membership inclusiveness at the top of their agendas. If the unions are to claim a central role in the management of industrial relations, then their activities must reflect the reality of the shop-floor. The battle for the shop-floor is not a simple battle for wages or for better working conditions. It is, first and foremost, a battle to regain one's lost dignity in the workplace.

Still, regaining the shop-floor cannot and should not constitute the sole target of the union movement. The disengagement with trade unionism, and the appeal that unions seem to have lost in large segments of Greek society, are not merely a result of weak industrial practices, but disillusionment with bureaucratic trade unionism. That is not to say that people are indifferent to social causes, as the various examples of solidarity networks in urban neighbourhoods, or the rising interest in voluntary work reveal. These civil society activities, however, usually occur independently of, or even in conflict with, the official trade union movement. The bitter experience of trade unionists, who were not allowed in the squat during the 2011 occupation of Syntagma Square by the Greek *indignados*, shows the gap that the trade unions need to address if they wish to re-claim their role in the management of industrial relations and in society in general. Engaging with civil society and collaborating with other progressive forces should be a top priority for the movement. In the final analysis, the unions need to redefine their role in the industrial relations arena: are they economic, civil society, or class actors (Hyman 2001) – and where are the fine lines between these categories drawn?

References

- Eurogroup (2013) Eurogroup Statement on Greece, issued 13 May 2013, accessed 16 May 2013: http://www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/en/ecofin/137092.pdf
- Heery, E., Kelly, J. and Waddington, J. (2003) 'Union Revitalization in Britain', *European Journal of Industrial Relations*, 9: 79-97.
- Hurd, R., Milkman, R. and Turner, L. (2003) 'Reviving the American Labour Movement: Institutions and Mobilization', *European Journal of Industrial Relations*, 9: 99-117.
- Hyman, R. (2001) *Understanding European Trade Unionism: Between Market, Class and Society*, London: Sage.
- Koukoules, G. (1995) *Ελληνικό Συνδικαλιστικό Κίνημα και οι Ξένες Επεμβάσεις (1944-1948)* (The Greek Trade Union Movement and Foreign Interventions (1944-1948)). Athens: Odysseus.
- Liakos, A. (1993) *Εργασία και Πολιτική στην Ελλάδα του Μεσοπολέμου: Το Διεθνές Γραφείο Εργασίας και η Ανάδυση των Κοινωνικών Θεσμών* (Labour and Politics in Interwar Greece: the International Labour Organisation and the Emergence of Social Institutions). Athens: Commercial Bank of Greece.
- Livieratos, D. (2006) *Μεγάλες Ώρες της Εργατικής Τάξης* (Great Moments of the Working Class). Athens: Proskinio.
- Sepheriades, S. (2005) 'The Coercive Impulse: Policing Labour in Interwar Greece', *Journal of Contemporary History*, 40: 55-78.
- Voskeritsian, H. and Kornelakis, A. (2011) *Institutional Change in Greek Industrial Relations in an Era of Fiscal Crisis*. Hellenic Observatory, GreeSE Papers Series, London: London School of Economics.