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**STATE-SPONSORED TRADE UNIONS AND THEIR POLITICAL INFLUENCE AFTER
DEMOCRATIC TRANSITIONS**

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Resumo do trabalho: New democracies inherit a variety of institutions from prior authoritarian regimes, including political parties, militaries and entrenched oligarchies. While these authoritarian legacies have generally been well-researched, one set of institutions has received relatively little attention: state-backed trade unions that lose official sponsorship after democratic transitions. In most new democracies, these 'legacy unions' have remained the dominant workers' organisations despite few internal reforms. Earlier literature tended to explain this in terms of the lasting effects of labour corporatism under the previous authoritarian regime, while a recent small literature using case study comparisons has suggested that legacy unions are only displaced by new challenger unions when workers mobilise during the transition. In this paper we introduce new data on labour incorporation under authoritarian regimes, labour mobilisation and the fates of legacy unions and use it to test these two explanations of legacy union dominance or displacement. We demonstrate that the recent small-n literature is correct to focus on the critical juncture of democratic transition to explain the fates of legacy unions; non-distributive transitions are more likely to lead to continued legacy union dominance than non-distributive transitions. We also discuss the potential for future research based on this data, and provide initial evidence that the existence of dominant legacy unions lowers the number of strikes in a country.

Palavras-chave: trade unions, democratisation, institutional change, labour politics.

Introduction

In the literature on democratization, scholars have examined the continuing influence of a variety of institutions and actors from the authoritarian era, including political parties, militaries, judiciaries, elites and oligarchies (CASPER, 1995; CESARINI, 2004; GRZYMALA-BUSSE, 2002; HERZ, 1982; HITE; WRIGHT; ESCRIBA-FOLCH, 2010; PALACIOS CEREZALES, 2010; PEREIRA, 2003; WINTERS, 2011). Comparatively little attention, however, has been given to formerly state-sponsored trade unions that have survived a democratic transition. These 'legacy unions' inherit several advantages from the pre-transition era, including resources and large memberships. Despite losing official state sponsorship and facing competition from newly-emerging unions, legacy unions continue to dominate labour politics in most post-transition states. In a few cases, however, newly formed trade unions have successfully displaced their legacy union counterpart by accumulating a larger share of the labour force membership. This paper seeks to understand the outcomes of legacy unions in democratised regimes, and asks: what determines the overwhelming dominance of legacy unions, and what leads these unions to, in some instances, be displaced by new competing trade organisations?

The limited literature on the topic has generally explained the fate of legacy unions in two ways. The first and more prominent explanation points to the type of labour incorporation under the pre-transition authoritarian regime as the principle factor determining the fate of legacy unions. The second explanation comes from a small number of recent studies that focus on the 'critical juncture' of transition (CARAWAY 2008, 2012; GRDESIC 2008; LEE 2011). Most recently, Teri Caraway has made a significant contribution to this body of literature. By analysing two paired comparisons of unions with similar starting points but different fates—Indonesia and South Korea, and Russia and Poland—Caraway concludes that while legacy unions inherit significant advantages from the authoritarian era (which vary depending on their labour incorporation), competing organizations can overcome these challenges when workers mobilize outside state-sponsored unions during the democratic transition (CARAWAY, 2012).

Our paper builds on this previous work by taking a global view of the trajectories of post-transition labour unions. We contribute to the literature by building a cross-national data set covering 42 cases of democratic transition to test explanations of legacy union dominance and displacement. In doing so, we find that, first, the form of authoritarian labour incorporation does not have a strong influence on the likelihood of continued legacy union dominance. Second, we find that worker mobilisation during the transition period does not, in itself, open spaces for new

unions to gain momentum and challenge legacy unions. The critical juncture of transition is, however, the key to understanding the fate of legacy unions: regimes that undergo transitions characterised by distributive conflict (which may include, but is not limited to, widespread mobilisation) more often result in the displacement of legacy unions by new challenger unions than non-distributive transitions.¹ Finally, we also find one of our control variables, level of industrialisation, to have a negative and statistically significant impact on the dominance of legacy unions in post-transition regimes. In sum, we highlight that the exiting literature is generally correct in focusing on mobilization, but note that mobilisation does not seem to impact the fate of trade unions in a clear-cut manner as previously imagined.

The paper proceeds as follows: first, we briefly outline the literature on trade unions and labour in new democracies, and discuss the scholarship on legacy unions in general. Next, we outline our three main theoretical arguments and hypotheses. The third section introduces our new dataset, and discusses the methodology used to compile it. We follow with an analysis of the results, and conclude with suggestions for further research.

I. The Study of Trade Unions and Labour in New Democracies

The study of trade unions has received little attention in recent cross-national political science research on labour in new democracies. Instead, the literature has largely focused on the development of labour market regulation, labour rights and corporatist structures, and the likelihood of strikes.² The lack of scholarly attention given to trade unions is partly a result of the paucity of data on the subject. While the efforts of a number of scholars have given us reliable comparative data on strikes and labour rights, there is little comparative data on trade unions in new democracies; even basic indicators such as their membership over time and unionisation rates are inconsistent.³ The lack of scholarly interest may also reflect the widely-held view that trade unions are less powerful actors than they once were (OST, 2014).

While general and comparative political science has largely ignored unions, there remain pockets of research in area studies. Those writing on Eastern Europe and the former Soviet Union have argued that the legacy of Soviet-era unions has contributed to the weakness of

¹ The difference between distributive and non-distributive transitions is explored by Haggard and Kaufman (2012).

² For example: Neumayer and de Soysa (2006); Mosley and Uno (2007); Greenhill et al (2009); Aleman (2010); Mosely (2011); Robertson and Teitelbaum (2011). See also Ost (2014) for a review of recent literature on labour politics.

³ Kucera (2007), Mosley and Uno (2007) and Teitelbaum (2010) provide data on labour rights. Robertson and Teitelbaum (2011) provide data on strike activity. Visser (2003) is the only scholar to have collated (limited) data available on unions in new democracies.

labour in that region (KUBICEK, 2004; OST; CROWLEY, 2001). African studies literature has often put trade unions at centre stage in the process of democratisation, a result of the importance that both state-backed and new challenger unions have had in recent and ongoing transitions (BECKMAN et al., 2010; KESTER; SIDIBE, 1997; KRAUS, 2007). Scholarship on Latin America includes classic accounts of authoritarian labour corporatism and its legacies, as well as more recent work showing that pre-authoritarian labour institutions have had a long-lasting effect on the role of the state in administering collective interests (BUCHANAN, 2008; COLLIER; COLLIER, 1979, 1991; STEPAN 1979).

Legacy Unions: Regime-sponsored Unions after Transition

Legacy unions differ from other unions in a number of ways. For one, legacy unions depended on state sponsorship for survival during the non-democratic era. State support and protection from competition thus allows trade unions to exist in an authoritarian era even when they do not necessarily serve in the interests of their members. As Ruth Collier and David Collier demonstrated, in order to control labour movements, authoritarian states have historically incorporated the role of unions into their governing system to various degrees. They would grant official trade unions monopoly status, negate the right of registration to competing unions, force universal membership, and/or provide property and financial resources with which unions could provide benefits to workers (COLLIER; COLLIER, 1991). Using different combinations of resources, authoritarian regimes thus used unions as an extension of their powers and diminished the capacity of worker mobilisation and revolt (BUCHANAN; NICHOLLS, 2003; LEE, 2011).

Workers often had no choice regarding their representation: either state-backed trade union membership was mandatory, or legal obstacles implemented by the state made it all but impossible for alternative organizations to form; where alternatives were allowed, their activities were strictly limited. Consequently, state-sponsored unions seldom experienced the need to recruit members, to adequately represent workers' interests, advocate collective action, or fret over resources. The subsequent collapse of the nondemocratic regime thus presented the unions with a number of challenges, including diminished resources, a lack of representative legitimacy, and lack of experience in recruiting and mobilising workers. Freedom of association also resulted in the rise of new competing trade unions which, while lacking the resources of the established unions, tended to have greater legitimacy due to their lack of association with the previous regime.

Despite these challenges, legacy unions have fared well in their new political environments. They remain the largest labour organisations in most post-transition states in all regions of the world. More perplexing, however, is that many of these legacy unions have been able to maintain their dominance without undergoing any significant reforms or transformations (CARAWAY, 2008). This is in stark contrast to other institutions inherited from non-democratic regimes such as successor parties in post-Communist states, which, in order to survive have implemented far-reaching internal reforms and political rebranding (GRZYMALA-BUSSE, 2002). In a few cases, however, challenger unions have successfully displaced legacy unions to become the dominant trade union. A number of explanations have been put forward to explain why either continued legacy union dominance or displacement occurs in new democracies.

Explanation 1: Labour incorporation

Although all legacy unions received state support during the non-democratic era, the type and extent of resources received varied widely. Three labour incorporation systems are commonly referred to in the literature: *transmission belt*, *exclusionary corporatist*, and *inclusionary corporatist*. Transmission belt systems refer to state-backed unions where union membership was virtually universal, often in Communist states both in Eastern Europe and wider afield.⁴ Unions acted as a “transmission belt” between leadership and workers, towing the official party line (KUBICEK, 2002, p. 607; PRAVDA; RUBLE, 1984). In exclusionary systems, trade unions were also subordinate to the ruling party, but their integration into the party system was minimal compared to transmission belt unions. Regimes that operated this kind of corporatism viewed labour as a potential threat and therefore mobilization and unionization rates were relatively low. While discouraging unionization, ruling parties still granted state-backed unions monopoly or near-monopoly status (DAVIS; COLEMAN, 1986). Inclusionary corporatist systems were those in which labour had a powerful voice within the regime and where workers were generally a supportive constituency of the regime; examples include Mexico under the PRI and pre-revolutionary Tunisia.⁵

Studies have used the notion of different labour incorporation systems to explain the differing experiences of legacy unions. In a comparative study of South Korea and Taiwan, Lee argues that exclusionary corporatism (as in the former) leads to greater militancy among post-

⁴ For example, Mozambique’s unions under FRELIMO rule have been referred to as “a transmission belt for ruling party decisions,” (WEBSTER et al., 2006, p. 258).

⁵ On exclusionary and inclusionary corporatism, see Stepan (1978). For a specific application to labour incorporation, see Davis and Coleman (1986).

authoritarian trade unions, which benefits new challenger unions (LEE, 2001). Inclusionary corporatist systems such as that in Taiwan instead lead to cosier relations between trade unions and political parties, thus benefitting legacy unions and increasing their chances of survival. Buchanan and Nicholls agree, adding that the nature of industrial production and the state's relationship with business elites influence the form of authoritarian labour incorporation and mediate its lasting legacies (BUCHANAN; NICHOLLS, 2003).

In sum, the mode of labour incorporation employed in pre-transition regimes has been hypothesised to have lasting effects on the fate of state-sponsored trade unions after regime change. That is because legacy unions with different histories of labour incorporation enter regime transitions with varying levels of resources, which could help or hinder them in surviving in new systems and competing with newly-formed rival trade unions. In general, we might expect that greater levels of corporatism under the previous authoritarian regime, the greater the possibility for the trade union to remain dominant. Thus, we have our first hypothesis to test:

H1: Legacy unions borne under more corporatist labour structures have a greater chance of remaining dominant in the democratic era.

Explanation 2: Mobilisation

A second explanation to the fate of legacy unions was recently posed by Teri Caraway, who argues that we should look more closely at the critical juncture of democratic transitions as an influence on the fates of legacy unions (CARAWAY, 2008, 2012). More specifically, Caraway finds that worker mobilization, which she defines as "mobilization of workers outside of state-sponsored unions early in the transition" is the most important predictor of the fate of legacy unions (CARAWAY, 2012, p. 279).

To reach this conclusion, Caraway conducted two paired comparisons of labour politics in cases she views as having similar starting points but different outcomes: Indonesia-South Korea, and Russia-Poland. She found that labour activism early in the transitions in South Korea and Poland led to the creation of strong challenger unions, which eventually displaced their respective legacy unions despite the latter's advantages of resources and memberships inherited from the pre-transition regime. In Indonesia and Russia, by contrast, the lack of labour activism led to the creation of weak and divided challengers to the legacy unions, which remained dominant in the democratic era. While the precise pathways to dominance or displacement were different in each case, the essential point is that worker mobilization early in

the transition period in South Korea and Poland allowed a single challenger union to secure a strong membership and remain united. This provided a base from which the new challenger union could effectively compete with the legacy union and eventually displace it as the largest, most important trade union. The lack of mobilisation in Russia and Indonesia, by contrast, meant that new unions were unable to secure a large membership and tended to fragment into a number of different organisations, which competed with each other and consequently stood little chance of displacing the legacy union.

Caraway makes a compelling argument, successfully integrating parsimony in her ultimate explanation of legacy union dominance/displacement with nuance in the variety of causal pathways. Using a global sample, we can test her general hypothesis:

H2: Legacy unions are more likely to be dominant when there was little or no independent worker mobilisation during the democratic transition.

II. Theoretical Framework

The literature reviewed above provides cogent and parsimonious historical institutionalist theories of the fates of legacy unions. Previous work also introduces a number of control variables relevant to the theory, including the presence of legal competing unions before transition and the level of trade union fragmentation after democratic transitions. A number of potentially important aspects, however, are left out of previous analysis.

In Caraway's model, for example, state-backed unions are seen as either supporting the authoritarian regime or at least remaining passive during the transition. As such, mobilisation derived from within state-backed unions is not considered. There are cases, however, in which the regime's own trade union turns against it. A recent example is that of the revolution in Tunisia. The UGTT union was backed heavily by the Ben Ali regime but became one of the key actors in spreading the revolution, using its premises as organizational headquarters for revolutionary activists (many of whom were UGTT members). The backing of the UGTT for the revolution is seen by some scholars as one of the key reasons for its success in toppling the regime (ANGRIST, 2013). Many democratic transitions in sub-Saharan Africa during the 1990s also involved regime-backed unions protesting against the regime; in Zambia the former leader of the legacy union became the first democratically-elected president.⁶

⁶ See Rakner (1992) for a discussion of the role of trade unions in the Zambian transition.

Explanation 3: Mobilization beyond workers.

Ignoring the potential for legacy unions to be agents of change themselves points to a wider problem with the theoretical framework: the lack of consideration of the wider context of the democratic transition beyond worker mobilization outside the state-backed union. Recent work by Haggard and Kaufman has drawn a distinction between two main types of democratic transition: distributive and non-distributive (HAGGARD; KAUFMAN, 2012). The former involve the success of bottom-up protest movements motivated by economic factors and concerns about equality and redistribution, while the latter are top-down transitions often involving elite pacts.

Haggard's and Kaufman's findings are congruent with a larger literature that argues that types of transitions impact political and economic institutions in new democracies.⁷ Analysing the legacy of military institutions in South America, Agüero concludes, similarly to Haggard and Kaufman, that top-down transitions were more successful in securing the survival and strength of military institutions than bottom-up transitions (AGÜERO, 1998, p. 398). Agüero, however, also notes that the presence of legal foundations put in place by transition governments is important in shaping institutions in post-transition regimes. This further strengthens the notion that top-down transition processes could lead to a higher likelihood of legacy union dominance, if unions that pre-date democracies abide to post-democratic legal establishments. This is because top-down transitional processes are also associated with top-down institutional reforms, which may only come to result in significant institutional change overtime (OTTAWAY, 2006).

Distributive conflict transitions are ones in which the 'mobilization of redistributive grievances on the part of economically disadvantaged groups or representatives of such groups (parties, unions, NGOs) posed a threat to the incumbency of ruling elites' and 'the rising costs of repressing these demands motivated elites to political compromise or exit in favour of democratic challengers, typically indicated by a clear temporal sequence (mass mobilization followed by authoritarian withdrawal)'. Non-distributive conflict transitions on the other hand are cases in which mass mobilization did not occur at all, or mobilization was present but 'was not aimed at distributive grievances and/or did not appear to be a significant factor in the decision of authoritarian elites to withdraw' (HAGGARD; KAUFMAN, 2012, p. 8).

⁷This includes the works of: O'Donnell and Schmitter (1986); Stepan (1986); Mainwaring (1992); and Linz and Stepan (1996).

Rather than worker mobilization outside the legacy union being the main factor, we might expect that it is the experience of distributive transitions that propels workers to form challenger unions. This is for two reasons. Firstly, the experience of mobilisation against the authoritarian regime might inspire workers to mobilise *as workers* after the transition and make them more likely to form and support more militant challenger unions. Secondly, distributive transitions are associated with the discrediting of the old elite to a greater extent than non-distributive transitions. The legacy union is likely to be associated with the old elite and so newly-formed challenger unions can claim greater legitimacy through their representation of the new democratic era. Among the legacy union displacement cases in our dataset, eight out of ten have undergone transitions characterised by distributive conflict.⁸

H3: Legacy unions are more likely to be displaced by challenger unions after distributive transitions than non-distributive transitions.

III. Data and Methodology

In order to test these hypotheses about the fates of legacy unions, we developed a new dataset including 42 cases of states that went through transitions in the 'Third Wave' of democratisation. Our case selection was based on two criteria: 1) there was a democratising transition between 1980 and 2000; and, 2) the authoritarian regime sponsored a trade union prior to transition.

To identify democratic transitions, we used Haggard et al.'s *Distributive Conflict and Regime Change* qualitative dataset which includes 65 cases of states that underwent transition (HAGGARD; KAUFMAN; TEO, 2012). In 18 of these cases, the authoritarian regime did not back a single trade union but either repressed all union activity or allowed independent unions to exist without interference that favoured one particular union. In two cases, Uganda and Sudan, the current (less than democratic) regimes continue to support a single legal trade union system. In three cases (Guinea-Bissau, Mali and the Seychelles), not enough information was available to code reliably. This left 42 cases in our dataset that matched the case selection and for which enough information existed for comparative analysis. Legacy unions, those unions which inherited the membership and resources of regime-backed trade unions, continue to exist in all but all but one of the cases.⁹

In order to code the cases, we used publications from the International Trade Union Confederation, the International Labour Organisation, individual trade unions, research centres

⁸These are: Benin, Burundi, Congo, Estonia, Nepal, Niger, Poland, and Romania.

⁹The Nepal Labour Organisation is the sole regime-backed union in our dataset to no longer exist in any form.

including Ulandssekretariatet, the International Centre for Trade Union Rights, Eurofound and Friedrich Ebert Stiftung and the secondary academic literature. We began by coding whether legacy unions had been dominant or displaced. For this, we followed Caraway in using the simplest measure of membership; if the legacy union had the largest number of members in 2012 (or the most recent figures available), we coded it as dominant.¹⁰ Remarkably, in none of our cases did the legacy union have a plurality of the unionised workforce as members so we did not need to differentiate between majority and plurality legacy unions.

With our dependent variable coded, we then added our explanatory variables. The operationalization of types of labour incorporation, used to test H1, proved challenging. Labour incorporation systems vary widely between regions, making it difficult to label all of our cases on the trichotomy of transmission-belt, inclusionary corporatist and exclusionary corporatist. Instead we code individual factors related to incorporation that are more obviously comparable between cases and regions and for which data is available. These were 1) whether the trade union was formally linked to the ruling party/state apparatus 2) whether there were trade union representatives in the executive or legislature under the authoritarian regime 3) whether the authoritarian regime ratified the ILO governance conventions 4) whether the regime provided significant material backing for the trade union 5) whether institutionalised tripartite bargaining structures existed. Each of these was coded on a 0/1 basis, apart from the ILO ratifications, which were coded 0 if none were ratified, 0.5 if one was ratified and 1 if both were ratified. We combined the scores of these five measures to create a Labour Incorporation Index and used both this index and the individual components in our analyses.

Systems of labour incorporation are obviously not static. Authoritarian regimes may change their strategies for incorporating and/or repressing labour movements over time.¹¹ In our coding, we focused on the system that had lasted the longest time during the authoritarian regime that preceded transition (as measured by the Geddes et al. *Autocratic Regimes Dataset*). If a regime changed its method of labour incorporation in its dying days, we coded the longer-lasting system. Very few cases included significant change over time, however, and those that did were associated by change in the authoritarian regime itself; for example the Suharto regime in Indonesia inaugurated a new labour incorporation system when it gained power in 1967 to overhaul the system established by Sukarno.

¹⁰ Data on membership of trade unions affiliated with the International Trade Union Confederation in 2012 is available from ITUC (2012).

¹¹ See: Collier and Collier (1979) for examples of this in Latin America.

In order to test for H2, the explanatory power of mobilisation, we included two variables. Our first variable measured 'worker mobilisation outside the state-backed union' as a binary. Eleven cases were coded as positive for this. We also coded those cases where there was 'worker mobilization inside the state-backed union;' there were eight in total, all but two in sub-Saharan Africa. Only one case had mobilisation both inside and outside the regime-backed trade union: independent unions including Kilusang Mayo Uno were important in leading protests against the Marcos regime while the state-backed Trade Union Congress of the Philippines also turned its back on the regime and provided election observers to pressure the regime into allowing free and fair voting.

Finally, we coded our control variables. First, we included variables used in the existing literature. We also included a dummy measure of whether the regime allowed legal competing unions. While not backed by the regime and often significantly repressed, these unions would have an obvious advantage in terms of organisational development than challenger unions established during the transition, so may have a better chance at displacing the regime-backed union. Six cases were coded as having legal challenger unions. To assess whether the economic context influences the role of legacy unions in post-transition regimes, we included a variable of the percentage of GDP taken by industry in the year preceding transition, taken from the World Bank's World Development Indicators to capture industrialisation. To assess the role of political context, we also used a proxy for civil liberties, which is based on a measure of democratic levels for the five years before and the five years after the year of transition (taking the mean of the Polity2 score from the Polity IV dataset). We expect this to capture whether relative political openness under the authoritarian or post-transition regimes affected the development of new trade unions and their ability to challenge legacy unions. Finally, given that other types of institutional change (or lack of change) have also been associated with regional diffusion, we also test alternative models that include binary regional controls.¹²

IV. Data Analysis

Among the 42 cases in our dataset, only ten have legacy unions that have been displaced, while the vast majority, 32 legacy unions, remain dominant after regime transitions. This suggests that unions that are backed by autocratic regimes have a high likelihood of remaining relevant political institutions despite their previous associations with autocratic governments. This provides further empirical justification for the importance of conducting research on legacy

¹² See: Carothers (2002); Elkins and Simmons (2005). We do not use these as our main models, however, as our n is low, and we seek to save degrees of freedom. These are only used for robustness checks.

unions. This section is divided into two parts: firstly, it treats the outcome of legacy unions as the dependent variable, as a means of highlighting factors that have the potential of impacting the outcome of trade unions in post-transition regimes; secondly, it treats the outcome of legacy unions as an independent variable to engage in a brief analysis of the potential implications of the current work to understanding worker strikes.

Determinants of Legacy Union Outcomes

The main question that this paper seeks to answer regards the determinants of legacy union outcomes. Besides our main independent variables, those capturing type of labour incorporation and mobilization during transitions, we also consider a number of different factors pre-transition that are thought to impact the outcome of legacy unions post-transition. These include: fragmentation of the trade union system, laws to regulate trade union competition, and levels of industrialisation, and civil liberties. When we assess correlations between these variables and the outcomes of legacy unions, however, we only find support for four variables:

Table 1: Significant Correlates of Legacy Union Outcomes

	Correlations
<i>Distributive Conflict</i>	-0.284* (0.069)
<i>Fragmentation of Union System</i>	-0.279* (0.074)
<i>Representation in Government</i>	-0.390** (0.011)
<i>Industrialisation</i>	0.344** (0.028)

Note: Correlation coefficients in regards to legacy union status (1 = dominant, 0 = displaced). Standard errors in brackets. Constant estimated but not reported. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

At this stage of the analysis, the only variables that yield statistically significant correlation coefficients are distributive conflict, fragmentation, representation in government, and industrialization. Although neither of the two more direct measures of mobilization yields a statistically significant coefficient, the significance of distributive conflict suggests that the role of transition type (distributive vs non-distributive) deserves further analysis. The negative correlation coefficient suggests that the higher the level of mobilization during a transition, the lower the chances that legacy unions have to remain dominant - or the higher the likelihood that legacy unions will be displaced by other unions.

The presence of union representation in government (in the form of legislative or cabinet seats) also seems to be negatively associated with the likelihood of legacy union dominance. From a

theoretical perspective, this makes sense if representation in government is understood as one of the most visible links between autocratic regimes and state-backed unions. This could be the case given that the average worker may not be aware of aspects of labour incorporation that are mostly discussed between closed-doors, such as the amount of resources the state provides to unions, or whether governance or tripartite bargaining structures are in place, but could know that a prominent leader of a given union is also a member of the autocratic government. If representation in government is the most obvious signal of labour incorporation, then the data suggests that the more connected to the government a union is perceived to be, the less likely it is to remain dominant after regime transitions. It should be noted that neither the Labour Incorporation Index nor any of the other components of the Index yielded significant correlations with legacy union outcomes, so the impact of incorporation requires further analysis. The other two variables that yield statistically significant correlation coefficients are the control variables for fragmentation and industrialization.

As our dependent variable is binomial, we use probit models to predict whether a legacy union remains dominant or is displaced by a challenger union(s). Table 3 reports the results of a number of specifications of probit models estimating the effect of a number of explanatory and control variables on the status of legacy unions in 2012 in our 41 cases.¹³

To test H2 that worker mobilisation outside the state-backed trade union during the transition is the key factor in determining the fates of legacy unions, we included different proxies of the concept in models 4, 5 and 6. Nonetheless, only the measure for type of transition, distributive conflict, is found to be statistically significant across all models.

Distributive transitions, on the other hand, are both statistically and substantively significant predictors of legacy union displacement or dominance. If we consider model 4 and hold the dichotomous variables at their modes and the other variables at their means, a legacy union is 43.64% less likely to be dominant after a distributive transition than a non-distributive transition. This supports our argument that it is the nature of the transition in general rather than mobilisation of individuals as workers that successful challenger unions are more likely to emerge. During bottom-up distributive transitions, the experience of mobilisation in general inspires the creation of new trade unions to challenge the incumbent state-backed unions.

¹³ Taiwan was included in the dataset but not in the analysis because data on industrial output prior to the transition was not available (because it is not a member of the World Bank).

Other variables suggested by the literature, namely, fragmentation of the trade union system, the presence of legal competing unions, and the type of labour incorporation¹⁴ have no significant impact on the chances of legacy unions remaining dominant. We can therefore confidently reject H1 and H2, but not H3.

Table 3: Determinants of Legacy Union Dominance

	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
<i>Mobilisation from within State Unions</i>	-0.040 (0.557)	0.111 (0.682)			0.242 (0.749)	0.818 (1.157)
<i>Mobilisation from Other Unions</i>			-0.140 (0.673)		0.357 (0.790)	0.684 (0.910)
<i>Distributive Conflict</i>				-1.427* (0.729)	-1.530** (0.768)	-2.001* (1.180)
<i>Fragmentation of Union System</i>	-0.216 (0.147)	-0.267 (0.235)	-0.245 (0.216)	-0.329 (0.295)	-0.418 (0.352)	-0.964 (0.600)
<i>Presence of Legal Competing Unions</i>	0.364 (0.680)	0.659 (0.783)	0.661 (0.762)	0.159 (0.850)	0.141 (0.891)	0.528 (1.269)
<i>Index of Labour Incorporation</i>	-0.004 (0.295)	-0.0545 (0.355)	-0.079 (0.321)	0.119 (0.364)	0.210 (0.427)	0.347 (0.594)
<i>Industrialisation</i>		0.044** (0.022)	0.046* (0.025)	0.053** (0.026)	0.051* (0.029)	0.033 (0.039)
<i>Civil Liberties</i>		-0.063 (0.188)	-0.073 (0.174)	-0.248 (0.219)	-0.228 (0.230)	-0.183 (0.271)
<i>Asia</i>						6.190 (302.4)
<i>Eastern Europe</i>						1.136 (1.413)
<i>Latin America</i>						-0.800 (1.216)
Constant	1.280 (0.893)	0.199 (1.539)	0.247 (1.353)	1.358 (1.485)	1.263 (1.757)	2.093 (2.016)
Observations	42	41	41	41	41	41
Pseudo R-squared	0.069	0.190	0.190	0.296	0.301	0.425

Note: Probit models. Dependent variable is legacy union status (1 = dominant, 0 = displaced). Standard errors in brackets. *** p<0.01, ** p<0.05, * p<0.1.

One of our control variables was also found to yield statistical significance. While our measure for civil liberties does not produce significant coefficients for any of the models, our measure of industrialisation turned out to be a significant predictor of legacy union dominance in all of the models except model 6, in which region fixed effects are applied. If we consider model 5 and hold the dichotomous variables at their modes and the other variables at their means, we find that a one-unit increase in the measure of industrialisation is associated with a 1% increase in

¹⁴ Although we only report models with that use our index as the measure of labour incorporation, in the supplementary materials we also test models that replace the index by its constituent parts and find that none have significance at the 5% level, with little change in the substantive or statistical significance of the other variables.

the likelihood of a legacy union to be dominant after transition. As illustrated by figure 1, higher levels of industrialisation do seem to have a substantively significant impact on the outcome of legacy unions. Furthermore, this impact seems to be independent of whether distributive conflict takes place or not (confidence intervals overlap), although the impact of industrialisation is steeper for transitions in which distributive conflict is present. We can thus speculate that state-backed unions in more industrialised states have an advantage in the percentage of the population belonging to a union, as union membership tends to be highest in industrial sections rather than agricultural or service sectors. While in this paper we focus on types of mobilisation, fragmentation of union system, and labour incorporation, the impact of industrialisation is worthy of further investigation.

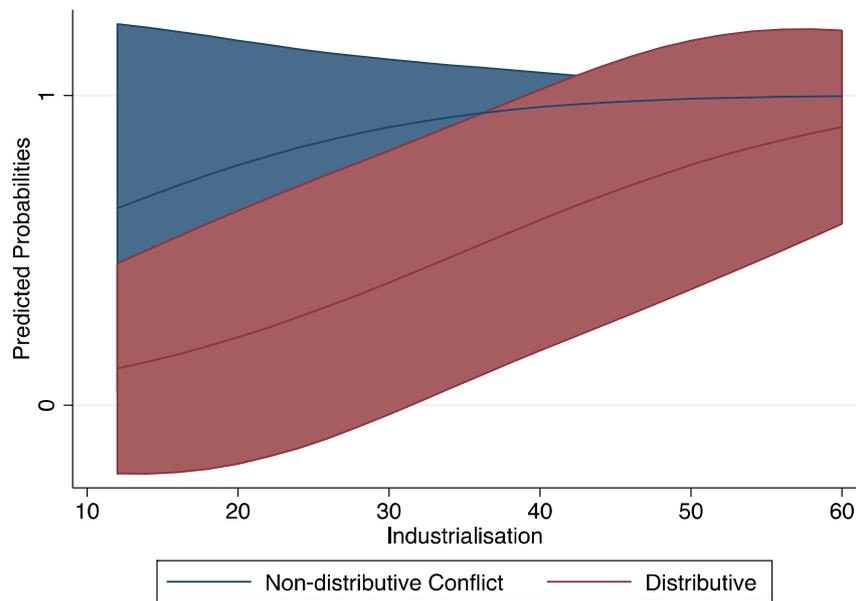
How successful is our model at predicting actually observed outcomes? If we assume that a predicted probability of greater than 0.5 predicts dominance and lower than 0.5 predicts displacement, our model 5 successfully predicts 85.4% of the observed cases. This is significantly better than predicting using Caraway's theory of worker mobilisation outside the union, model 1, which successfully predicts 78% of cases.

Indeed, Caraway's theory does not match the data we have collected on the cases she used to test it. In her analysis, Russia and Indonesia are coded as having dominant legacy unions while Poland and South Korea have legacy unions displaced by challengers. In our dataset, however, South Korea is coded as having a dominant legacy union. Caraway codes this on the basis of figures in a 2007 report by the Korea International Labour Foundation (KILF), which did indeed show that the challenger KCTU has more members than the legacy FKTU.¹⁵ One of the changes to an updated version of the report by KILF published the next year, however, was to change the membership numbers, showing that the FKTU was the largest union in Korea by membership.¹⁶ A new report published by KILF in 2013 suggests that the FKTU is gaining members (18,953 between 2007 and 2011) while the KCTU is losing them—97,690 between 2007 and 2011, (KILF, 2013, p. 55). Furthermore, the labour movement is fragmenting; the biggest rise in union membership has been amongst unions not affiliated to a national federation and Korean Labour Unions Confederation established in 2011 is gaining in its share of unionised workers. This goes against Caraway's theoretical framework, which predicts that the united challenger union will gradually increase its share of the unionised workforce.

¹⁵ 780,000 members of the FKTU against 800,000 members of the KCTU (KILF, 2007, p. 49-51).

¹⁶ 750,000 members of the FKTU against 660,000 members of the KCTU (KILF, 2008, p. 57-60).

Figure 1: Industrialisation as a Determinant of Legacy Unions Outcome



By analysing a larger dataset of the trajectories of labour politics after democratic transitions, we can usefully refine our theories and see more clearly the puzzles to investigate. Small-n comparisons have thus added significantly to our understanding of labour politics in new democracies, and this paper aimed to take it further. Nevertheless, our analysis does confirm two of Caraway's key ideas: 1) the form of labour incorporation under the prior authoritarian regime does not have a strong influence on the likelihood of continued dominance of the legacy union and 2) bottom-up mobilisation during the transition from an authoritarian regime does seem to open spaces for new challenger unions to gain momentum to challenge legacy unions, but only in the broader context of distributive conflict here analysed. It is thus on the specific nature of this mobilisation that we add an important addition to existing theories: it does not matter if workers mobilise *as workers* during the transition, but that they mobilise *in general*. In sum, type of transition is what matters in this context, and not workers' movements.

The Effects of Legacy Unions

Does it matter whether legacy unions remain dominant or are displaced in new democracies? Some scholars of the former Soviet Union have argued that legacy unions have contributed to the weakness of labour in that region (KUBICEK, 2004; OST; CROWLEY 2001). We test this hypothesis on our global dataset of legacy union outcomes in new democracies expanded to

include 28 cases in which the previous authoritarian regime did not sponsor a single trade union.

Table 4: The Effect of Legacy Unions on Strike Activity

Group	Countries	Strikes (2001-2006)	Std Error	Std Deviation	95% CI	
<i>Displaced legacy union</i>	30	0.53	0.22	1.2	0.09	0.98
<i>Dominant legacy union</i>	42	0.07	0.05	0.34	-0.04	0.18
<i>Combined</i>	72	0.26	0.1	0.84	0.07	0.46
<i>Difference</i>		0.46	0.19		0.07	0.85

Note: T =2.38, Degrees of freedom = 70, P-value = 0.02

While the strength of labour is a difficult concept to measure, we can proxy for it with a measure of strikes. Table 5 reports a simple T-test of the differences in the number of general strikes reported in the Banks dataset between 2001-2006 between countries with a dominant legacy union and those without (BANKS, 2013). It demonstrates that there is a statistically significant difference (at the 95% level) between the two. There also appears to be a substantively significant difference: on average there were 0.53 general strikes in countries without a dominant legacy union, but only 0.07 in countries with a dominant legacy union.

This indicates that dominant legacy unions may inhibit the ability of the labour movement to mount a general strike. In order to test this hypothesis we use data from Robertson and Teitelbaum's recent study of the determinants of strikes, (ROBERTSON; TEITELBAUM, 2011). We run a simple OLS regression explaining the number of strikes in a country between 2001 and 2006 as a function of whether there is a dominant legacy union, controlling for democracy (measured by the Polity IV index), FDI, trade openness (measured as the sum of imports and exports divided by GDP), GDP per capita, GDP growth, inflation and urbanization (a proxy for organizational capacity). This replicates the explanatory and control variables used in Robertson and Teitelbaum's panel study in a cross-sectional context.

Table 5 reports the results of the regression. We find that dominant legacy unions are statistically and substantively correlated with lower numbers of general strikes. We also test for an effect of labour incorporation under the former authoritarian regime on strikes, but do not find a significant effect. These results should be taken as indicative and a basis for further research, however; in future we hope to construct a panel data study of strikes including data on the relative size of legacy and challenger unions. The data on labour incorporation in states which did not have state-sponsored trade unions are also yet to be coded, leading to the low number of observations for the second model.

Table 5: Legacy Unions, Labour Incorporation and Strikes

	Model 1	Model 2
<i>Dominant legacy union</i>	-0.51** (0.22)	
<i>Index of Labour Incorporation</i>		-0.09 (0.16)
<i>FDI (log)</i>	-0.19 (0.13)	-0.05 (0.17)
<i>Democracy</i>	0.00 (0.02)	-0.05* (0.04)
<i>Trade openness</i>	-0.00 (0.00)	0.00 (0.00)
<i>GDP per capita</i>	0.19 (0.23)	0.09 (0.33)
<i>GDP growth</i>	0.02 (0.03)	-0.01 (0.04)
<i>Inflation</i>	-0.01 (0.01)	-0.02 (0.02)
<i>Urbanisation</i>	0.01 (0.01)	-0.01 (0.01)
<i>Population (log)</i>	0.32** (0.17)	0.14 (0.12)
Constant	-5.34** (2.61)	-1.68 (2.77)
Observations	67	35
R-squared	0.25	0.29

Note: OLS regression with robust standard errors in brackets. Dependent variable is total number of general strikes 2001-2006. All control variables are 2001-2006 averages. ***p<0.01 **p<0.05 *p<0.1

V. Conclusion

In this paper, we have introduced newly-gathered data on the fates of legacy unions and forms of labour incorporation under authoritarian regimes to test theories of the determinants of continued legacy union dominance or displacement. We have partly confirmed findings from recent small-n studies that mobilization, within the context of types of transition, is more important than the form of labour incorporation, mobilisation from competing unions, or other aspects of the prior authoritarian regime or economic and political aspects of new democratic systems in determining the fates of legacy unions.

Furthermore, we also find industrialisation to be positively associated with legacy union dominance. Although the significance of this variable vanishes when controlled for region, we suggest this finding should be further investigated: if legacy unions are more likely to remain dominant in industrialised nations, their dominance may be rendered *de facto* irrelevant, if their impact in these economies is low or null.

Finally, we hope that our data can be used to bring trade unions back in to studies of labour politics in new democracies. Recent studies have explored the development of labour market regulation, labour rights and corporatist structures, in addition to the likelihood of strikes.¹⁷ Trade unions and legacies of authoritarian regimes have been largely absent from this literature, but these data can be used to test for an effect of these legacies.

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¹⁷ Kucera 2002, Neumayer and de Soysa 2006, Mosley and Uno 2007, Greenhill et al. 2009, Aleman 2010, Mosely 2011, Robertson and Teitelbaum 2011.

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