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## **(Counter-)Narrating European integration: How trade unions came up with joint position on the Freedom of Services in the EU**

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Dr. Martin Seeliger

*Assistant Professor, University of Hamburg, Germany*

[martin.seeliger@uni-hamburg.de](mailto:martin.seeliger@uni-hamburg.de)

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### **Abstract**

In order to maintain social standards within the European Union, trade unions have to overcome national differences to form common political positions. Especially against the background of the recent enlargement rounds, the crafting of such positions has become a daunting task. In this context, the European Services Directive has posed an important challenge to trade unions: The so-called ‘country of origin principle’ implied that workers were supposed to be employed in line with the standards of the sending- and not the receiving country. After lengthy discussions between representatives from Eastern and Western Europe, the trade unionists managed to form a joint political line and forced the European Commission to remove the principle. In order to challenge the hegemonic neoliberal narrative of the common market bringing freedom and prosperity to the countries of Europe, the article will show how the counternarrative of a European Social Model served as a reference frame for this joint position.

### **Keywords**

European Trade Unionism, International Solidarity, Counternarratives

## **1 Introduction**

The integration of national economies into a common market has played a significant role in the process of European unification. From a trade union perspective, the freedom of movement and the freedom of services have been of particular importance. The task of trade unions is to organize all workers in a market for labor. Accordingly, any

extension of a market brings about additional challenges. In short, the more workers offering their labor from different countries with different economic conditions, the more difficult the process of trade union organization becomes.

As the case of the European Services Directive shows (see Gajewska, 2009), the EU-enlargement rounds of 2004 and 2007 presented a particular challenge to trade unions. The new member states not only stood out by having lower wage floors, but they also had far less developed labor standards and social policy institutions which created an incentive for businesses to hire labor away from the domestic market. A low-cost strategy pursued by an increased number of businesses was based on a shift towards the labor markets of the Central- and Eastern European (CEE) countries, with the aim of increasing wage pressure on national working classes (Bernaciak, 2012; 2014).

Initiated by the European Commission in 2004, the original proposal for a European Services Directive constituted an attempt to institutionalize downward competition of this kind into EU-legislation (della Porta & Caiani, 2008). With the so-called ‘country of origin-principle’, the original version of the directive implied that cross-border service providers could be hired according to the employment conditions of the respective home country. Surprisingly, after complicated negotiations and an international campaign, trade unions eventually managed to prevent this change to the legislative framework.

Drawing on the theoretical concept of a ‘counternarrative’ (Lueg & Lundholt, 2020), I intend in the following to shed light on the dynamics in which contested interpretations of the economic developments underlying European integration shape the political orientation of the collective actors involved. While “[N]arrative inquiry has established itself as a broad and polymorphous research orientation within the social science” (Hyvärinen, 2008, p. 447), my particular contribution lies in combining the conceptual framework with the perspective of pragmatist organization studies to a political sociology of European integration.

As a social and political order in motion, the political system of the EU is in constant search of legitimacy. While the fall of the Soviet Union was accompanied by a dominant narrative of freedom and prosperity, trade union actors took up the idea of an unleashed market economy as a threat directed at the established welfare institutions in the unions’ older member states. To mobilize Central-Eastern European sister-organizations, Western trade unions pushed the idea of a European Social Model (or ‘Social Europe’) as a counternarrative (Seeliger, 2019). Through combing elements from the political sociology of Pragmatism with a narratological perspective on counternarratives, I aspire to understand two complementary dimensions of this mobilization process – its social practices and its (symbolic) representations.

Based on an empirical investigation among organizations from Sweden, Hungary, Poland, as well as at the European level, this article reconstructs how trade unions developed a joint position. The following sections first present the consequences of freedom of services from a trade union perspective, and then introduce a theoretical framework that has been applied to collect and analyze the empirical findings set out in the subsequent section. These findings are then summarized with regards to the broader theoretical implications for a political sociology of European integration and ‘Social Europe’.

## ***2. European integration and ‘Social Europe’***

### ***2.1. European Unification between positive and negative integration***

Since the 1980s, European integration has been progressing increasingly via the establishment of a joint economy. The four freedoms of the common market (freedom of goods, movement, capital and services) are, at least on a conceptual level, designed to intensify economic cooperation in a cross-border context. Through internationalizing production, services, finance, and trade, European integration functions as a restructuring of the nation state that is affecting all spheres of social (and, thus, also economic) life. While the European nation states of the European Union are integrated via the common market, national and macro-regional particularities persist. A structural problem of European integration derives from the fact that such “negative integration” (Scharpf, 1999) is not sufficiently complemented through measures of “positive integration” in the form of regulatory institutions at EU-level. According to Trenz (2016, p. XV), the “paradoxical effect is that the more European Union expanded its agenda for redistribution and justice, the more the national project again became attractive in the eyes of many citizens as the safe harbor for their democracy and well-being.” As will be shown in the following, the logics of collective action applying for political actors in the process of European integration is structured between those two poles – institutional nationalism and an integrationism. While the former suggests a strategy of pursuing a competitive advantage in line with a collective actors national – institutional setting, the latter frames the search for joint international positions on EU-level as the most plausible option (see Seeliger, 2018).

## **2.2. Trade union politics in the EU's multi-level system**

Under capitalism, the most important task of trade union lies in forming cartels of sellers of labor (Streeck, 2005). Only when unions manage to organize all workers within a labor market can a constantly high price for particular labor be maintained. Therefore, to secure the stability of such a cartel in a cross-border context, a common political position is necessary. In the context of European trade unionism, the development of such common positions takes place within a “multi-level-system of European labor relations” (Marginsson & Sisson, 2004) ranging from the local and national/sectoral level up to the European dimension, with the European Trade Union Confederation (ETUC) as the most comprehensive interest organization. One of the most important tasks of the ETUC lies in representing the interests of its national member organizations to the European institutions. Within this process, a number of particular preferences (i.e. ranging from individual to collective) are transformed into a manageable level of political demands. Consequently, the more parties are involved, the more complicated things become.

In the process of European integration, a central challenge derives from institutional heterogeneity between the member states (Höpner & Schäfer, 2012). “The attitude of labour toward integration”, as Ernst Haas (1958, p. 215) – one of the early and most influential observers of European integration has put it – “depends on the economic and political conditions under which the unions of the ECSC [European Coal and Steel Community; M.S.] countries live and operate” (Haas, 1958, p. 215). To establish a common position, trade unions have to cope with a situation where different actors from different backgrounds are coming from different traditions, are facing different problems, are holding different worldviews, and are, therefore, pursuing different interests and strategies. This particular heterogeneity has widened significantly in the course of the enlargement rounds of 2004 (Estonia, Latvia, Lithuania, Poland, Slovakia, Slovenia, Czech Republic, Hungary and Cyprus) and 2007 (Bulgaria, Romania).

In the process of European integration, common political positions among European trade unions have been impeded or even prevented through differences in terms of labor market institutions and welfare levels. While Western European employees might see their comparatively high levels of labor market regulation in danger, their Eastern European colleagues might interpret the absence of such standards in their home countries as a competitive advantage: In the first enlargement round of 2004, individual incomes in the new member states amounted to 45 per cent and in the second round of 2007 only to a third of the contemporary EU-average (Krings, 2015, p. 90f). Furthermore, significant differences become apparent at the organizational level of the respective trade unions. Through their emancipation from the respective communist parties, trade unions from the CEE-countries could have, in fact, developed as independent political actors (Ost, 2009; Varga, 2013). However, low membership rates have opened up only very limited capacities, and hence little political influence within the national arena. As this is also reflected in a power asymmetry at the EU-level, participation of CEE-representatives has had to be enabled through additional financial and logistical support granted by the European Commission, the European-level sectoral federations, as well as the ETUC (Henning, 2013, p. 91). Besides such economic disparities, Klemm, Kraetschand and Weyand (2011, p. 111) moreover recognize cultural differences which manifest not only in a language barrier, but also in habitual differences between the national representatives.

The overcoming of such discrepancies lies at the core of the political concept of a ‘European Social Model’ (in the following also termed as ‘Social Europe’) (see e.g. Mathers, 2007). While European integration had until the 1990s mainly been based on the creation of a common market, actors primarily from the political left perceived the European Social Model’s main purpose to be “to provide a ‘human face’ to the completion of the single market, and to turn the trade union movements of Europe from potential opponents into reliable allies” (Hyman, 2003, p. 27). The concrete political shape of these initiatives has remained rather vague. As a “sociopolitical formula for the future”, as Aust, Leitner and Lessenich (2002, p. 273) conclude, the concept comprises an “ideological construct [...] which defines European commonalities only to be realized in the future” [translation M.S.]. However, with regards to the limits and potentials of such a European Social Model, different estimations can be found within the literature on the topic. On the one hand, Seikel (2016, p. 12) states that a ‘Social Europe’ “bears a historical chance, in an age of globalization and unbound markets to diminish inter-state competition”. But on the other, Höpner and Schäfer (2008, p. 28) do not see any prospects for the political actors involved agreeing on more than minimal social standards in a ‘Social Europe’ facing institutional differences between countries as well as under the current conditions. It is this question, about the possibility of significant common positions, which the article addresses by drawing on the case of the European Services Directive.

## **2.3. Freedom of services in the EU from a trade union perspective**

Formulated by the General Directorate of Internal Market and Services headed by Frits Bolkestein, the first version of the directive reached the Commission in January 2004. According to this early version, member states were obliged to keep service providers bound to the regulations of their respective home country. Although the service would be provided in a foreign territory, the sending country’s government was to be responsible for ensuring adherence to

employment standards. However, based on what we know, any incentive for a Hungarian government to hire inspectors to check labor standards on Finnish construction sites would be rather limited. Perceived as a “general attack on public services and social, environmental and quality standards” (Bsirske, 2007 p. 7), the proposal caused political resistance among actors from countries with high standards in these fields because of the country of origin principle (Art. 16; Menz, 2010, p. 977). Against the background of the upcoming enlargement rounds in the course of which CEE-countries with approximately 70 million inhabitants were about to join the European Union, the document developed a particularly crushing power. With a relatively high level of unemployment and wage-levels ranging between a seventh and a tenth of the EU-average (Dolvik & Visser, 2009, p. 497), these countries exhibited several push-factors facilitating migration to the older member states. Trade unions, especially from Northern and Western Europe, perceived a threat of the systematic undermining of the nation state as the territorial framework of collective bargaining. For the CEE-countries, access to the common EU-market had not only been justified on the grounds of an anti-totalitarian idea of an ‘open society’, but was also connected to a narrative of general prosperity induced through the economic strength of the ‘free market’ as the central capitalist institution. Against this background, it seems remarkable that on 19 March 2005 75,000 demonstrators took to the streets of Brussels under the slogan of “No to the Bolkestein Directive” (Kowalsky, 2007, p. 147). The dynamics which had brought about this joint position have been the subject of a number of studies (e.g. Gajewska, 2009; Mathers, 2007). According to Bernaciak (2011),

“the Polish organisations adopted a long-term perspective and advocated the upholding of social standards in the West, since the latter constituted a public good that could be enjoyed in the future by both, Western and CEE union members.” (p. 34)

While this is certainly not wrong, the notion of a ‘public good’ bears the implications of a rationalist action model, which pre-assumes that anticipation of economic utility caused the CEE-representatives to join a political strategy of their Western European counterparts. To paint a more realistic picture of how the common position actually emerged, the next section sketches out an action-theoretical model focusing on internal negotiations and sense-making within the EU-level arena of European trade unionism.

### **3 An action-theoretical approach to understanding the emergence of trade union political positions**

The European Union is a political order in constant search of legitimacy. In order to analyze how legitimacy among the central collective actors of the political system is created, I interpret processes of policy making as consisting of two dimension – practices and symbolic representations. To understand the emergence of the joint political position on the Freedom of Services Directive, it is necessary to reconstruct the process in which representatives from different countries have coordinated their particular goals within the multi-level-system of European labor relations. The framework for this is, on the one hand, provided through bilateral contacts between the national organizations, and on the other through the European sectoral federations and the ETUC (Dolvik, 1999).

In order to arrange, analyze and present the empirical findings, I combine elements borrowed from American Pragmatism (see section 3.1.) and Narratology (see section 3.2.). The combination of these two strands of literature enables us to understand the complex interplay between practices and symbolic representations. While American Pragmatism is well-suited to understand political negotiations on the organizational level, the narratology perspective can shed light on the overarching ideas and ideologies which are used as a symbolic reference frame.

#### ***3.1. The political sociology of American Pragmatism***

To understand the negotiation process in which the unions developed their common position, I will apply an action-theoretical approach informed by elements of American Pragmatism. As a “philosophy of evolutionary learning” (Ansell, 2011), Pragmatism dates back to the works of scholars, such as William Thomas (1918), or John Dewey (2012), who highlighted the human capacities to deliberation and defining mutual interests and goals. Based on the assumption that social positions influence but do not determine the perceptions and interests of actors, we understand the interaction of the different parties as a sequence of practical problem solving, in the course of which actors develop an empathetic understanding for the situation of their counterpart. With Emirbayer and Mische (1998) we conclude,

“that action cannot be perceived as the pursuit of preestablished ends, abstracted from concrete situations, but rather that ends and means develop coterminously within contexts that are themselves ever changing and thus always subject to reevaluation and reconstruction on the part of the reflective intelligence.” (p. 967f)

From this pragmatist perspective, the emergence of political positions takes place through “creative adjustment” (Overdevest, 2011, p. 539) and “learning through surprise” (Overdevest & Zeitlin, 2012, p. 280) in an ongoing process

“of refining values and knowledge” (Ansell, 2011, p. 12). To analyze such socialization processes within political organizations, Fligstein (2001, p. 112) develops the concept of ‘Social Skill’: “Skilled social actors empathetically relate to the situations of other people and, in doing so, are able to provide those people with reasons to cooperate” (see also Fligstein & McAdam, 2012). From their ability to anticipate the goals and orientations of others, skilled actors can derive a strategic advantage in (power-based) interactions. To influence or even determine the course of negotiations, they try to establish particular interpretative ‘frames’ (Goffmann, 1974). This strategy is especially effective when applied at the very beginning of specific negotiations: “If a skilled actor can get others to accept what the terms of discussion are, the negotiation is half won” (Fligstein, 2001, p. 114). Such processes of agenda-setting are, according to Fligstein, often hidden (e.g. not in a committee, but over lunch-break, or – depending not least on the particular organization – in a dive bar or on a golf course). By convincing other actors that they not only share the same goal, but that this particular scenario is the most likely to take effect, they are basically conveying “that what they can get is what they want” (ibid.).

The interpretative framework at stake in the negotiations around the Services Directive is the ‘European Social Model’ (see next section). As Ansell (1997) shows with reference to the debate over a general strike among French trade unions in the 19th century, such symbolic frameworks unfold their potential for political mobilization because of the diverse ways in which they can be perceived. The concrete shape of a ‘European Social Model’ is therefore made subject to (micro-)political negotiations between different actor groups fighting over the appropriate way in which the world should be perceived. I would like to draw on Beckert’s (2016) theoretical concept of “fictional expectations” due to their genuine orientation towards the future. Because the future is generally to be perceived as open, Beckert derives the problem of overcoming uncertainty as a precondition to any political project. Such political projects do this by creatively anticipating what the future could look like. Fictional expectations, according to Beckert (ibid., p. 9), constitute “images [that] actors form as they consider future states of the world, the way they visualize causal relations, and the ways they perceive their actions influencing outcomes”. The modelling of the range and scope of different options contain a genuinely political moment, which Beckert describes as “the Politics of Expectations”.

By considering the different rationales for political action and the efforts of actors to implement them as plausible reference frames for interpretation, in the following I examine such dynamics as negotiations over narratives and counternarratives (Toolan, 2001). The following reconstruction of how a joint interpretative framework was established in the discussion over the freedom of services is to be regarded as an example of such negotiations.

### 3.2. Narratology and Counternarratives

Narratology focusses on the construction and impact of information assembled in accounts of narrative representations. With its roots in linguistics and literary theory (see e.g. Barry, 1990), general ideas did not only diffuse into other academic fields, but also served to consolidate narratology as an independent discipline. From action-theoretical perspective – which can help to inform a political sociology of the type sketched out above – narratives representations provide actors with a stock of knowledge that enables them to make sense of what they are doing and, thus, coordinating their actions with one another. In this context, one very important theoretical tool from the field of narratology is the concept of the counternarrative.

Research on counter-narratives dates back to the end of the 20<sup>th</sup> century (Lundholt & Boje 2018, p. 19). Generally speaking, the term ‘counternarrative’ refers to “the stories which people tell and live which offer resistance, either implicitly or explicitly, to dominant cultural narratives” (Andrews, 2004, p. 1).” As the prefix ‘counter’ indicates, counternarrative is a relational term that refers to the political dimension of the interplay between circulating narratives and stories (see Lundholdt, 2017).

In line with Lueg (2018), I understand counternarratives as making sense in relation to an overarching masternarrative. While the concept of a ‘masternarrative’ refers to an overall set of hegemonic ideas that structures the way certain objects are commonly being thought of and addressed, counternarratives transport an element of resistance to this common reference frame (Nelson, 2001; Bamber & Andrews, 2004). In doing so, they allow their narrators (and those, who orient in them) to position themselves in relation to the masternarratives and, thus, correspond with individual and collective identities of the groups and actors involved.

As Boje and Lundholdt (2016, p. 1) are pointing out, there is an extensive literature on the role of narratives (and counternarratives) in the study of organization and management. However, they (ibid., p. 1) argue “counternarratives and their impact on international dimensions of organizational behaviour have so far not been given any attention.” Political action inside and between organizations in a cross-border context is centered around the problem of establishing a common perspective among the actors involved. As these are coming from different local context and thus often do not share a cultural background, coordination processes can become especially difficult. In the following, I will apply the concept of the counternarrative “as a tool for understanding differing interpretations of organizational reality, including how members position themselves narratively, how tension can be made salient, and how resistance to change may become a resource rather than an obstacle” (Lundtholdt et al., 2016, p. 1).

### 3.3. Theoretical synthesis

In order to interpret the emergence of a common political position among European trade unions, I have introduced two theoretical perspectives. Both the political sociology of Pragmatism (Sabel, 2009; Seeliger, 2019), and the narratological perspective (Trenz, 2015; Tamke & Klein, 2015) have in the past been applied to the process of European integration. As a political order in search of legitimacy, the political system European Union raises the necessity of a perspective that takes into account the contested character of European integration. Through the Pragmatist lens as a “philosophy of evolutionary learning” (Ansell, 2011) with a perspective on narratives and counternarratives, I understand policy making as a social process consisting of practices and representations, where in the course of concrete negotiations, overarching representations are being proposed, challenged and updated.

The debates around European integration between delegates and representatives then appear as a constant negotiation over narratives (and counternarratives). As the master-narrative serves in the case of the service directive, the idea of market-based integration introduced in section 2.1. In relation to this idea, trade union representatives from Sweden, Hungary and Poland manage to gather around a counternarrative of a European Social Model.

## 4 Negotiating a common position on the Services Directive? Empirical findings

From a trade union perspective, the debate over the freedom of services centers around the regulation of transnational labor relations. One central objective of the Commission’s proposal here aimed to “import domestic islands of foreign legislation” (Streeck, 2000, p. 20) and caused resistance among European labor which emerged in the form of a campaign against the directive. In the following, I focus on Swedish, Polish and Hungarian trade unions, as well as organizations at the EU level to illustrate the different fractions of the debate. The data used in this article was collected as part of a four-year research project conducted at the Max Planck Institute for the Study of Societies between 2012 and 2016 (see Seeliger, 2019). A total of 88 interviews were conducted, along with participant observations, in order to learn how European trade unions establish joint political positions. The qualitative methodology corresponds with the concept of counternarratives because it aims at the reconstruction actor worldviews and strategies applied in the co-construction of social reality in the field (see section 3).

### 4.1 Profiles of the countries and organizations

As an example of the institutional spectrum of the ‘Nordic Model’ (Hilson, 2008), Swedish trade unions represent organizations from the ‘Coordinated Market Economies’ (Hall & Soskice, 2001) from Northern and Western Europe. In Sweden, a strongly institutionalized collective bargaining system and traditional relations of trust and mutual responsibility serve as a solid fundament for social partnership within the classical triangle of state, capital and labor. After the organization rate had grown from 60 per cent after World War II to almost 90 per cent in the 1990s, a financial crisis in the year of 1993 marked a turning point in the country’s economic development. Growing unemployment, a decrease in membership and a general policy change by the Swedish government manifesting itself in privatization as well as reforms of labor and tax legislation, caused an additional weakening of Swedish trade unions (Svensson, 2014). Their position towards European integration appears as somewhat contradictory. On the one hand, financial and logistical support of foreign trade unions and their particular struggles has traditionally marked an important field of engagement. Moreover, a survey among 419 Swedish unionists illustrates their active participation in the ETUC policy-making (Furaker & Bengtson, 2013). At the same time, however, Gumbrell-McCormick and Hyman (2013) describe Scandinavian trade union representatives as “reluctant Europeans”,

“suspicious of the risks of EU membership in terms both of national economic interests and the viability of their distinctive social models. In general the official trade union organizations have assessed the economic benefits of integration as outweighing the risks, but have not necessarily convinced their memberships.” (p. 173)

Especially against the background of European integration, Swedish trade unionists maintain a strong preference for their national institutional setting over the idea of maintaining employment standards via a ‘European Social Model’. Especially after in the mid-1990s, Swedish entry into the EU was used as an argument for welfare cuts by the Swedish government (Streeck, 1998, p. 404), a “belief in the superiority of the Nordic industrial relations regime” corresponds with a general “idea of the superiority of Nordic society” (Götz & Haggrén, 2009, p. 15).

While the Polish and the Hungarian trade union movements come from a similarly meaningful tradition, they have, since their beginnings in the early 19th century, stood out through their internal fragmentation (Gardawski, Mrozowicki, & Czarzasty, 2012). After the unions had been closely affiliated to the communist regime until the early 1990s, government change went along with a far-reaching de-politicization of their representative work which is now mainly centered around company-specific issues. With a total of 1.9 million members in the three main federations,

Polish trade union membership in 2014 amounted to only twelve per cent. With approximately 450,000 to 550,000 organized members, membership in Hungary has been estimated at between 10 and 16 per cent (a lack of transparency makes statistical precision impossible in both cases). Compared to their Swedish colleagues, the political influence of Hungarian and Polish unions within their national systems is rather limited. Therefore, and again different from the Swedes, unions from both latter countries aim to strengthen the European regulatory arena to eventually increase their domestic social standards. Against this background, a general openness towards EU-level policy making can be found among the CEE-representatives. However, they are restrained from having major influence within the EU-level arena because of their limited financial capacities and the often poor language abilities as well as internal fragmentation among the different national federations.

To establish joint positions within the EU (i.e. initially in negotiations with the EU institutions), cross-border coordination of political interests between the national trade unions is traditionally managed within the ETUC. Founded in 1973 by federations from 15 countries, the ETUC has increased its size in subsequent decades to 85 federations from 36 countries as well as 10 European sectoral federations. Hence, integrating and mediating different and often contradictory interests can be regarded as the core business of the ETUC. While ideally aspiring to a consensual mode, in practice a majority of two thirds is needed to implement collective decisions. Accordingly, such decisions are often processed through lengthy and complex decisions (Mittag, 2010, p. 43).

#### **4.2 *Counternarratives in political action: Negotiating a common position on the Services Directive***

The debate over the European Services Directive dates back until shortly after the turn of the millennium. In the course of the Lisbon Strategy and backed by the General Directorate Internal Market and Services, economic consequences were to amount to a 30% increase of turnover and 2.3 million new jobs in the service sector (Skarpelis-Sperk, 2009). While the (then social democratic) ruling parties in Poland and Hungary supported the proposal of the Commission (Crespy & Gajewska, 2010, p. 194), the interviewees shared objections on the possibility of national social standards being circumvented. This position, however, could not be taken for granted and took shape only in the course of negotiations around the directive. Just before Christmas 2003, a representative from the Swedish TCO received a first draft of the proposal via informal channels to the Commission. Anticipating the text's potential for conflict, the Swedish trade unionists notified their colleagues at the EU-level:

“And then we had a lot of work during the winter and spring. Because we saw that if some unions, eastern unions would say that this is a very good idea, we would be very weak. It was extremely important that ETUC could say, we have all our 60 members, and even the members from the Eastern Europe stand together.”

As a representative of the European Federation of Building and Woodworkers (EFBWW) describes, this critical position was not shared by trade unionists from the CEE-countries:

“Back then, it was difficult, because the Polish colleagues were the most and had the biggest interest in loose regulations. They said, ‘for us it is important that our people are getting jobs. And when they can find jobs in Holland, Germany, Belgium, we think that’s fine when they don’t get the same wage as workers from Western Europe’ “.

According to another representative from the same organization, it was especially one Polish ETUC-secretary who strongly spoke for the country-of-origin-principle.

“In the beginning, when the draft was on the table, there were difficulties within ETUC. Because the secretary at the time said in internal meeting that this was not a problem. Europe is based on the Freedom of Capital and Goods and so on and this is only the next step. So, where’s the problem?”

This position, he goes on, was not accepted by the representatives of the Western European countries:

“And then we had to put him under pressure, to tell him that this is a problem. And we showed him that such a position won’t work and that this is not so easy.”

In contrast to Bernaciak (2011, p. 39), who claims that “positions of Polish and Western European unionists were congruent from the very outset during the anti-Directive campaign”, these findings indicate an initial cleavage between unions from the old and new member states. To understand the debate, it is important to consider the way representative work was organized at a European level. Here, the trade union interests of the CEE-countries were mainly represented by Hungarian MSZOZS and Polish Solidarnosc. In the interviews, all trade unionists confirmed a significant imbalance of power between representatives from old and new member states. This asymmetry is also (ironically) highlighted by a consultant from the ETUC:

“I can say that 15 of the 27 countries have not been raising their voice to many of the issues. In this case, Western unionists are doing the job [i.e. voting] for those poor and weak trade unions.”

He went on to say that a combination of the factors outlined above, therefore, leads to a constellation where, “in sum, a group of better organized countries is setting the agenda and formulating positions.” A representative from the European Transport Federation describes the particular urgency of a joint position directed at the protection of Western European collective bargaining systems: “And you also have unions in the East, which are ready to sign agreements, as long as their members get a job.” In the discourse on a European Social Model, such employment practices are frequently termed as ‘Social Dumping’. As a (diffuse) counter-concept of a ‘Social Europe’, the term gained its meaning in the course of a debate over international downward competition in the wake of Eastern enlargement. The following two comments taken from interviews with Polish trade unionists illustrate how widespread the concept was even among CEE-representatives:

“We can only say that politically, Solidarnosc are of course against social dumping. We want Polish workers to be covered by collective agreements in the countries where they work. We want them to be trade union members in the respective countries. We want the people from Poland to enjoy the free labor movement.”

“And the main message of our positions was that we will have services of high quality. But we cannot do it via social dumping because of lower prices, because of salaries, because of lower security guarantees and so on and so on. And I remember the discussion in the ETUC and the biggest worries are still the questions of social dumping and control. If the standards are enough let’s say.”

From this perspective, two political undertakings constitute the core of the European Social Model: maintenance of cross-border employment in the common market, as well as gradual adaptation of social standards in the old and new member states. Being asked why Polish workers would not just underbid their colleagues from Western Europe, a different representative of Solidarnosc explains the long time-orientation of their strategy:

“But that’s a very, very short perspective. It is destroying the European Social Model in the west countries. And we want that. It is not like we have some sort of social model which we export into the western countries. We have nothing.”

From this perspective, the idea of a ‘Social Europe’ does not only appear as a long-term project. To the trade unions from the new member states, it is delivered as a future promise. Keeping in mind the conflict at the beginning of the debate, it seems remarkable how consistently Polish and Hungarian interview partners avowed themselves to the idea of common social standards. Beyond such explicit statements, the narrative presented by Polish and Hungarian interview partners shows, however, numerous contradictions. The CEE-unionists’ willingness to cooperate is traced back to two political motives by a German ETUC-representative: a material component and the goal to maintain a cooperative relationship:

“We told them that it’s important to show solidarity on the issue with the Directive. Not in a moral tone, but to prevent our drifting apart. And so we sat down to talk it over. And when it’s about important stuff, about collective bargaining, there is unity. The closer we get to the core business, the more it is possible to get everyone into one boat.”

Already the first sentence raises the suspicion that negotiations have not been taking place at eye-level. A general discontent with the basic assumptions of the debate is expressed by a trade unionist from the Hungarian MSZOSZ with regards to the concept of ‘Social Dumping’:

“It’s been a term for 10 years or so. And it has been used quite frequently during the negotiations over enlargement and afterwards, when the transition period was introduced. ‘From the East comes the cheap labor and it will damage everything here, in Austria and Germany.’ And that was, I believe, often a term that had been misused politically, mainly in the Western European countries. And that’s why we always perceived a negative connotation.”

While Western European trade unionists established a discourse to scandalize downward competition, their colleagues from the CEE-countries perceived the critique as insulting. This discrepancy was summarized in the following formulation by a Polish representative of the ETUC: According to him, ‘Social Europe’ was “pretty much a western idea”. “In fact,” he goes on, “the whole integration process was like that. You have never had this kind of negotiation on an equal footing. It was a matter of joining the block with some rules.”



A similar description was given by a former representative of the EFBWW:

“Well, I believe that the so-called ‘Social Europe’ which actually does not even exist, was nothing more than a model. It is a model of Western European countries and the Eastern Europeans did not participate.”

A similar constellation is also described by a trade unionists from Hungarian MSZOSZ:

“Very often, we had the feeling that ETUC is mainly concerned with questions of the Western Europeans. That is not balanced at all. We are newbies. Although, when you’ve been around for 20 years you are not a newbie any more. But on our side, we see that we are weak. We are generally weak and have rarely real resources to be active in all policy fields and enter the discussions.”

Power asymmetry, which serves as a fundament for establishing a common position in the case of the Services Directive, was still in place ten years after the debate.

## 5 The concept of counternarratives in the political sociology of labor and European integration

Subsequent to the fall of the Soviet Union, Eastern enlargement has in public discourse largely been justified through the promise of freedom and prosperity deriving from the institutional framework of a market economy. Against this background, and following Fritz Scharpf (1999), we have identified the structural problem of European integration in the fact that “negative integration” has not been complemented through measures of “positive integration”. A particular challenge, therefore, follows from the institutional heterogeneity among the EU member states, which impedes or even prevents the emergence of common regulatory standards (or even initiatives aiming in this direction). Under these circumstances, institutional nationalism often becomes the strategy of choice, not only for immediate labor representatives but also for social democratic parties and other affiliated organizations (see Höpner & Schäfer, 2012).

The fact that the trade unions from the three countries could agree on the removal of the country-of-origin-principle from the Services Directive cannot be explained alone by the rationalist perspective on the prospects of a European Social Model. By combining theoretical elements from the political sociology of Pragmatism with a perspective on the emergence of counternarratives, I have shown how trade unionists managed to develop a joint position in this critical case. The contentious dynamics within and around the ETUC show how trade unionists from the three countries finally managed to gather around the counternarrative of a European social model that could be established in opposition to the meta-narrative of market-based integration. However, with reference to Beckert’s concept of fictional expectations as well as the abovementioned theories of frame mobilization, it is possible to paint a more realistic picture of the power-based negotiations which finally led to a joint political goal.

The shared interpretative framework of a European Social Model can serve to bridge a gap, which the former secretary of the Canadian Automobile Workers Union Sam Gindin (2015, p. 107) termed “the ‘short-terminism’ of labor politics”. By relating to a ‘Social Europe’, trade unions created a common platform for political coordination. In this context, it was above all the prospect of equal social and employment standards which convinced the CEE-representatives to agree on the removal of the country-of-origin-principle. With reference to della Porta (2015, p. 165), who sees democratic coordination as a “precarious equilibrium” between deliberation and representation, the case examined here bears a normative problem: if institutional framework conditions bring about discrepancies in terms of resources and language abilities which again translate into power discrepancies between the various national representatives, a discussion at eye-level is unlikely to take place. Especially against the background of the upcoming enlargement rounds (e.g. of the Balkan-countries), the question of how to maintain social standards in the EU under conditions of institutional heterogeneity arises with new urgency.

In how far asymmetries in international cooperation allow for a solid political fundament of European trade unionism remains an open and critical question. As we can see against the backgrounds of the findings in this article, the ability of the Western representatives to induce their particular interpretation to the narrative of freedom and prosperity, closely corresponds with their superiority in terms of resources, as well as their traditionally superior status within the Brussels based arena of international trade union politics.

What becomes apparent against this background is the fact that developments of European integration are far from linear – not only as trajectories of institutional change, but also in terms of their perception. “There are”, as Trenz (2016, p. XV) explicates, “a plurality of ways of interpreting them, making collective sense of them, and translating them into ‘stories’ or ‘tales’ of the social.” The narrative construction of the European social model does, in the framework of the European Unions political system, take place within and between the interest organizations of different political cleavage groups. By combining elements of pragmatist organization studies with the conceptual approach of counternarratives borrowed from narratology, I have attempted to apply a framework capable of grasping the complex dynamics at work here.

While the pragmatist approach does place its emphasis on the interactive dynamics between people who are making sense of their situation, the theoretical instrumentarium of narratology can help to develop an understanding of the political dynamics at work. Further research, therefore, could aim at examining how such asymmetries influence the dynamics in which such counternarratives are set into place. Which factors shape or even determine such asymmetric relations? Are there even cases in which (seemingly) weaker actors manage to implement their particular interpretation as a counternarrative? And under which circumstances can master narratives and counternarratives also merge into third narratives, which contain aspects of both or even new elements?

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