

Voice & Loyalty of Norwegian Trade Unions

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How to turn contradictions and conflicts into constructive energy both in organizations and society



The Norwegian Working Life Cooperation Models

The main answer:

- **"THE CONFLICT PARTNERSHIP":**

The understanding of and the agreement to handle common and conflicting interests – to secure the coequal power- relation between social partners as a basic prerequisite for the country's ability to combine

Efficiency and Equality

The (Norwegian) History and Culture Characteristics



Socialization
Cap/ability

Disiplining
Ability

Controlling
Ability



Social
(individual)
biografy



Individual
Action model



Individual
Decisions



Collectiv
Decisions

Every country/nation can show such a model or structure

In Norway the main lines of communication and activity has taken place in the left area of the picture.

That has made the Trepartite Cooperation Model possible.

Let's dive into the picture: socialization is softer than disciplining and controlling – don't you agree ?

Socialization means discoursen and dialogue between equal partners.

We are constantly in search of skills and practical solutions

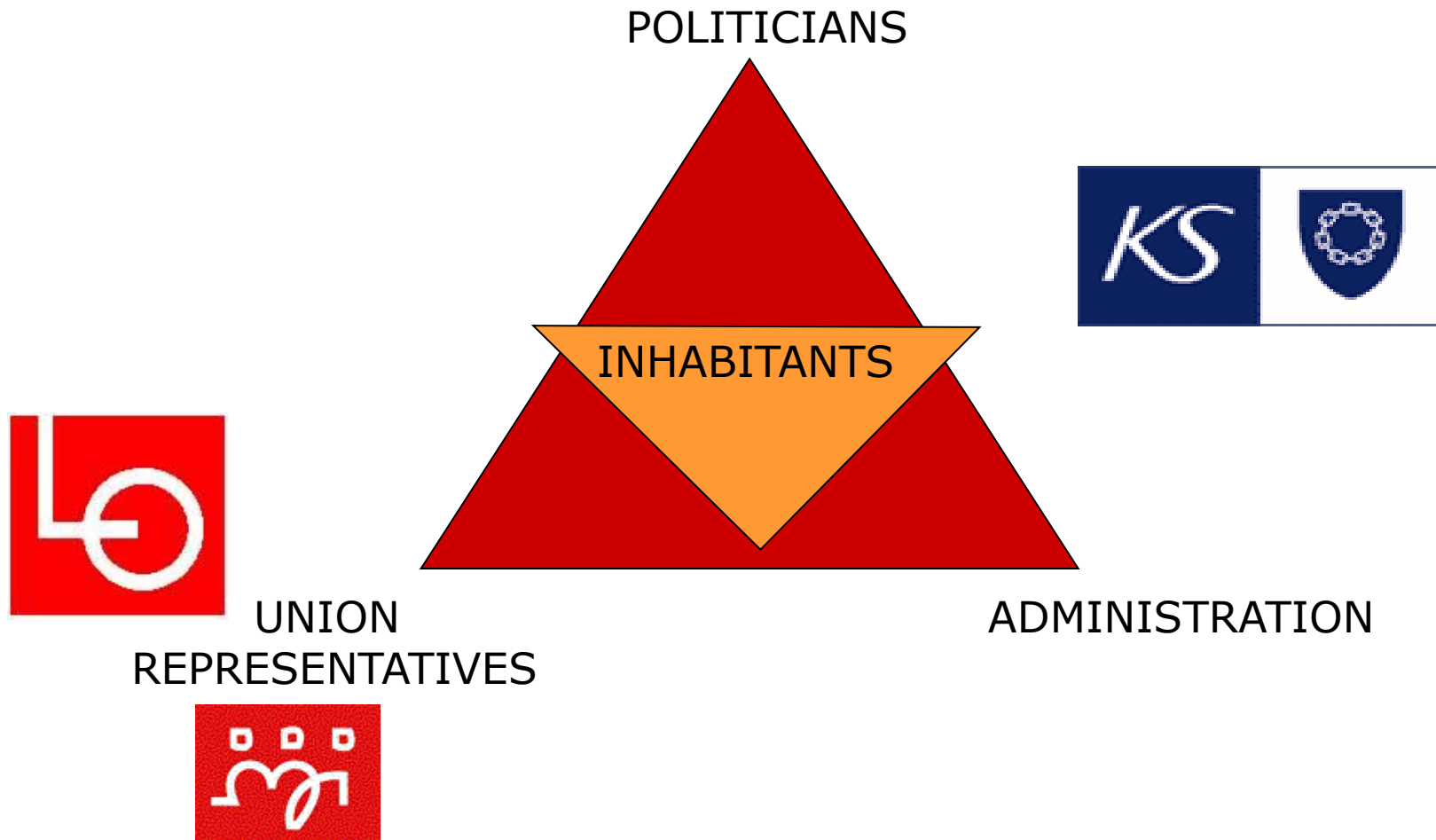
Such things can occur from the ground floor as well as from the top of the organization or company

NPM and HRM don't share this old experience. The output and efficiency is different in organizations depending on which managing culture you follow.

TRIPARTITE COLLABORATION

Equality and Dialogue

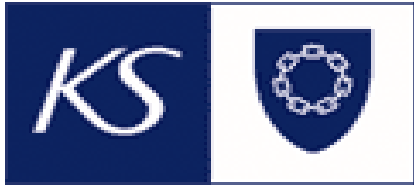
Lines of decision-making are NOT changed



Success criterias



- Building of a common culture over a long periode
- Sentral Values: Humanity – Human Worth – Human Rights
- Long term thinking and perspective
- Managing eternal values
- Our Constitution: 1814- 2014 (200 aniversary)
- Municipal Goverment Act 1837 (177 years)
- Implementing legislation

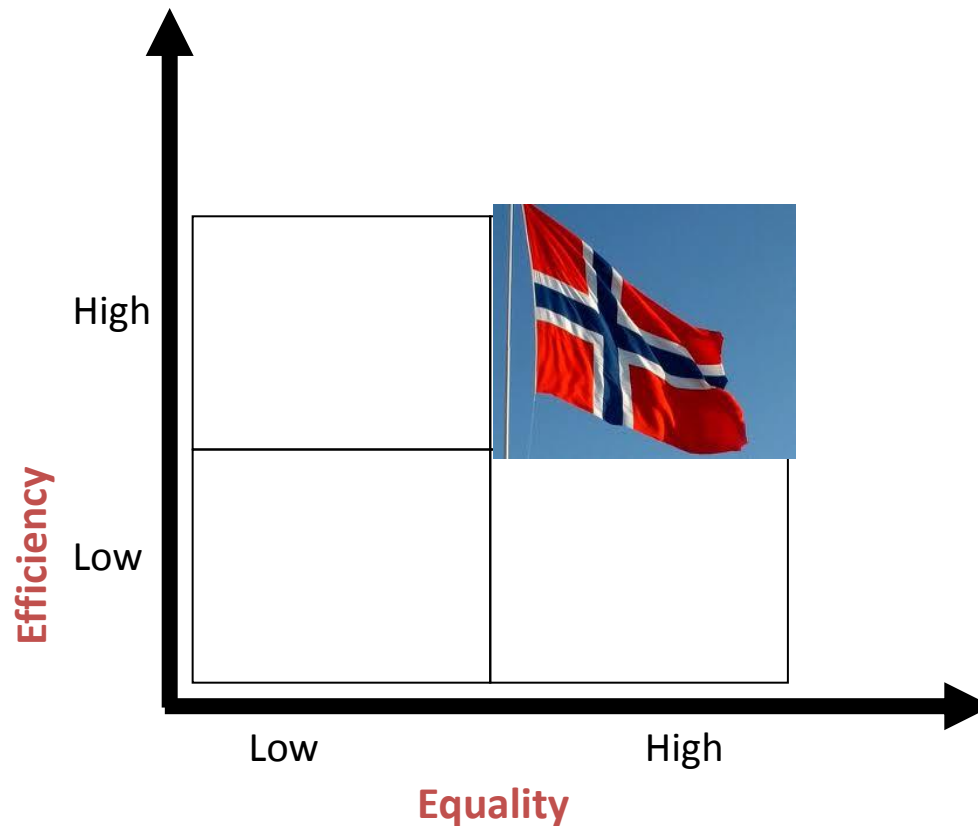


Voice & Loyalty...



- The Norwegian Farmers and fishermen brought their inherited values and instincts with them into the Parliament, The Community and Regional councils
- When the strong industrialization of Norway started up – those people brought the same values with them into the plants and workshops which were build up in remote places along the coastline, along the deep fjords and the valleys of Norway
- The same ideas and values were implemented in all kind and level of education
- Intellectual farmers and workers - now as academics - brought a new dimension into decision-making, polity, policy and politics
- One country – one people –One Policy !

Efficiency & Equality



Other explanatory factors

- Nationwide collective agreements (1906)
- In politics and decisions: negotiations vs revolution
- Voting- rights for women 1913
- Looking to England in 1946 : National Health Care
- The Norwegian Working Act: 1892- 1936 - 1977
- Building a strong, integrated and legitimated Working Class: with voluntary organizations (NGOs) such as The Sports Movement, the Temperance Movement, Housebuilding organisations, Voluntary Welfare Organizations, Local trade unions and clubs
- Strong Organizational- and Assembly- freedom



The (Historical) Pillars of The Platform I

- A modified issue of Plan Economy constitutes the rules of the game - Consumption Economy has traditionally been subordinated
- Tradition for a large voluntary sector
- Secularization and depolitisation of the church
- The state has an **Active grip on added values created in private sector**
- Plan economy sets limits for consumption economy :
- Ensuring maximum quality in all production
VS. agreement on maximum / limited lifetime for various products
- **Agreement that the public sector should take care of the surrounding infrastructure to the private sector**
- **Public sector should be shielded from market**

The Pillares of The Platform II

- Emphasis on practical skills more than diplomas and formal qualifications
- Training in enterprises - interaction with public education- policy
- Build a common national understanding about the interplay between Law and Agreements
- Built up a common understanding of
 - the collective/concerted wage- settlements
 - the importance of political and managerial stabilization
 - the balance between different interest groups, regions, classes and professions
- Wages, working hour provisions, social security and pensions were seen in one context
- **The reforms took all aim to ensure both value- creation and distribution**
Stabilizing power-relations between: capital and trade union movement - politics and parties - urban and rural - rich and poor

The Pillars of The Platform III

- **Common attention** at the competitiveness of the country
- **The Front-professions/skills** (PetroMaritime Industry) sets limits for the other wage areas
- We have set strong limits to ourselves - even in good times
- **Small wage- dispersion between - unskilled – skilled – Specialists –academics**
- Provides overall relatively cheap labor that leads to:
Strengthened competitiveness in a high-cost country with a large welfare sector
- **A historical governmental guarantee to secure a fine-meshed safety-net:**
 - maintaining 67- 70% of ones purchasing power in case of unemployment, illness, retirement
- When such safety nets are impaired or threatened ;
- It will also weakened the foundation of the great - historic consensus about Voice & Loyalty – Efficiency and Equality.

The Norwegian Model

- The Norwegian Model has three constituents:
 - **An Economic Model**
 - **A Working Life Model**
 - **A Welfare Model**
- These building blocks interact very closely and over time they have developed acceptable welfare for the entire population – regardless of gender, social status, level of income, state of health, ethnical origin, geography, place of residence etc.



The three constituents of the Norwegian Model are closely interrelated. Meddling with one of them will affect the others.

Efficiency & Equality

- In an international perspective, The Norwegian legislation- and agreements- regime has done well over the last 25 years - through different international crisis.
- Success criteria:
 - renewal of the concerted wage formation
 - tripartite cooperation on welfare and labor market reforms
- The social partners had strengthened their position and legitimacy at the beginning of the 2000s

The Norwegian Model under great pressure

- Through the last decade –
the combination of structural and
institutional changes
together with the expansion of the open labor
market - **failing organization** and
the effects of both the financial- and
the euro- crisis has set The Norwegian Model
under great pressure

Now What ?

- If time:
- Challenges
- External & Internal Threats

The European Transnational Labor Market

- Increased mobility
- Increased job-competition between operators from countries with large differences in wages, working conditions and regulations
- This has led to fundamental changes that is threatening to the Norwegian Working Life Model

EU - rules that limit **our** scope of action

The External conditions and prerequisites

that can lead to fundamental changes in The Norwegian Working Life Model:

- EU's Four Freedoms: people, capital, products and services
- Limitations of national regulations of employment within foreign companies
- Global economy
- Increasing competition regime at the workplaces (union busting, ideology discourses: individual vs collective aims and solutions)
- Increased tensions between national and European employment regulation

Changes that put great pressure to The Norwegian Model

- **The Internal Threats:**
- The central Confederations of Trade Unions are weakened due to falling/declining support and increased exit-opportunities
- The internal power-balance between employers and employees has undergone serious changes
- **The Mantra: Efficiency & Equality is weakened**
- Set back: The old conflict between labour and management is about to flare up again ?!
- Workingmigration; **new cultures**, different laws and regulations, rules of the game .. aso

Exit, Voice or Loyalty !?

- Uncertainty in the labor movement about whether employers and the bourgeois parties are about to turn their backs to one of the main pillars in the Nordic model for working life issues
- It is not certain that this development is rooted in a purposeful and deliberate strategy
- **Trust-based collaboration systems takes a long time to build - and shortly to tear down**

Equality & Efficiency....?

- Several reforms which claims to strengthen vulnerable groups in the labour market has weakened the trade union movement and upset the balance of power in favor of employers
- Votes counts – but recourse decides!
- Both Voice & Loyalty are weakening.....