

**Variety in Social Partnership in Corporatist Germany:
A look at employers' associations' attitudes**

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Abstract. Following up on the debate around the concept of social partnership between industry-level employers' associations and trade unions, the contribution investigates which particular organizational properties influence German employers' perceptions of this concept. Using a quantitative analysis of 113 German employers' associations, we find that associations are indeed divided over their views on social partnership with the unions. While associational strength, conceptualized as a high membership density and sufficient personnel resources, is associated with a positive perception of social partnership, there is also clear evidence that employers' dissatisfaction with bargaining outcomes does overshadow their views on partnership. The analysis further reveals that, independent of recent bargaining outcomes, a history of collaborative relationships matters a great deal, as does the associations' political domain.

1. Introduction

From a union perspective, the concept of "social partnership" has been met with some suspicion. Although, conceptualizations do vary a great deal as do national experiences with and traditions of social partnership, many authors seem to believe that – in the long run - there is little to be gained for organized labor. Richard Hyman, for example, argues, that as long as partnership is understood as replacing negotiating pressure by consultation and consensus, it might contribute to trade union decline by way of reducing awareness for structural considerations of union power (Hyman 2005: 257). Other voices within the vibrant debate on partnership agreements in the Anglo-Saxon countries focus more on the ambiguous consequences that a consensual approach of single employers – an atypical and surprising phenomenon in an otherwise adversarial industrial relations environment dominated by employer unilateralism – might have on workers and unions (see McKersie et al. 2008, Cutcher-Gershenfeld/Kochan 2004, Kelly 2005, Guest/Peccei 2001, Bacon/Blyton 2007). In contrast to that, what is striking about the German debate is the apparent concern for defection of at least some employer associations from what might hitherto be thought of as a strongly integrated corporatist industrial relations system. This concern comes from the observation of a considerable decline of collective bargaining in Germany. While in the year 1996 70% (56%) of all employees in west (east) Germany were still covered by a multi-employer collective agreement, this share had dropped to 56% (38%) by the year 2009

(Ellguth/Kohaut 2010: 206). It is the irony of this decline, that in the current German debate organized labor fears the trouble arising from employers withdrawing from their involvement in social partnership more than its strategic potential for luring or forcing unions into asymmetric sweetheart deals.

In what follows we investigate the variety of employers' stances on social partnership and seek to identify major root causes which bring parts of the employers' camp to distancing themselves from a concept, which has been so closely associated with the "German model" (Streeck 1987, Turner 1991 and 1998, Thelen 1991, Markovitz 1986). From a theoretical perspective, the impact of a variety of "social partnership" orientations among German employer associations on the weakening of collective bargaining institutions has not been examined very often. Two diverging interpretations could be derived from the literature: On the one hand, one might interpret attitudinal variety with respect to social partnership as a sign for detachment of employers from collective bargaining as we know it, leading in the long run to "disorganization" of centralized control and coordination, for example, if tripartite arrangements have ceased to be feasible (Streeck 2009, Streeck/Visser 2006). On the other hand, one might interpret variety in social partnership orientations as a sign of heterogeneity within the camp of employers' associations which might be increasing or not, but does not necessarily tell us something about a general trend of dissolution (Jacoby/Behrens 2001, Schroeder/Weßels 2003, Behrens/Jacoby 2004). While the disorganization hypothesis would lead us to expect a general weakening of positive attitudes towards social partnership in the employers' camp, the heterogeneity view would lead us to expect – side by side – associations with a strong social partnership orientation and associations where partnership and its core institutions have lost support.

We hypothesize that employers' stance towards "social partnership" is subject to a process of pluralization in that certain traits of employers' associations contribute significantly to explain their positioning on social partnership. In contrast to previous research, which is mostly conceptualizing employers' collective action in terms of specific properties of their member firms, the following analysis will mainly focus on the associational level. Our approach, however, also takes into account that traditional versions of macro-level social partnership, e.g. tripartite arrangements at the nation-state level, neglects the intermediating role of member associations. While we see the merits of both, a company-level and a state-level analysis, for understanding collective bargaining relationships in general, we argue that there

are important lessons to be learned from looking directly at the associational level. By conceptualizing social partnership as resting on employers' associations, we seek to contribute to a new perspective which goes beyond aggregating the individual interests of member firms and adds to an understanding of the possibilities for tripartite arrangements. In this sense, pluralisation is hypothesized to occur not exclusively at the level of certain types of companies, i.e. large vs. small, companies competing on international markets vs. companies on domestic markets, but also in the level of associations. The analysis will proceed as follows: In section 2, we take our readers back into history by examining the roots of German social partnership. In section 3 – drawing on interviews with associations' representatives – we shed some light on the variety in the meaning(s) of social partnership today. In section 4, we develop hypotheses linking major considerations in association theory to employers' associations' attitudes towards social partnership. A multivariate analysis follows in section 5; and section 6 concludes.

2. Class and History: the Virtues and Horrors of Social Partnership

How people perceive social partnership is strongly associated with the specific system within which social partnership is embedded in. While in the Anglo-Saxon context partnership is mostly associated with company-level partnership agreements, in the German context the term refers to a system of employment relations, which is still characterized by multi-employer collective bargaining between unions and employers associations as well as codetermination by establishment-level works council. This dual system has been frequently described as the basis for rather trustful collaboration between business and labor (Turner 1991, Markovits 1986). However, looking from within the German system of employment relations, "social partnership" is viewed from a variety of different perspectives which are strongly related to issues of class and history.

For decades, unions had good reasons to be suspicious about social partnership. While during the Weimar republic, collective agreements between unions had been widely understood as short ceasefires within an ongoing class struggle, leaving only marginal room for considerations of partnership, during the Nazi-years enforced partnership between business and labor via "Betriebsgemeinschaft" and "Arbeitsfront" was based on blatantly unilateral management rule. After the end of the war, when the memory of the horrors of enforced partnership was still fresh in the minds of many trade unionists, the term was rejected for a

long time. Instead, unions favoured the idea of "co-determination" of companies and "Wirtschaftsdemokratie" in the whole economy as a guiding line for their approach to labor-management-relations. For employers, the idea of partnership has always been more appealing, however, usually restricted to what they have seen as "their employees" within the firm and not extended to include also unions. Only after the second world war, and under the threat of the Soviet Bloc, German employers started to embrace notions of partnership as benefiting "social peace" and "collaboration" (e.g. BDA 1952).

Given the long periods of ideological distrust vis-a-vis the notion of "social partnership", it is not surprising that there are only very few older contributions on German industrial relations in which partnership figures a prominent role. One of the more influential definitions comes from a normative contribution by Oswald v. Nell-Breuning. Nell-Breuning was probably Germany's most well known advocate of Catholic Social Teaching, which is a body of doctrine (Social Encyclicals) developed by the Catholic Church on matters of class relations, poverty, wealth, economics and social organization (for a critical review from a union perspective see Horn 1955). According to Nell-Breuning, social partnership is rooted within the mutual interdependence of capital and labor, whereby, and despite conflicts of interests, both groups cannot exist without each other. In this conceptualization, 'social partnership' goes beyond the single firm and should be pursued – as a moral persuasion – by employers' associations and labour unions instead of class struggle. However, Nell-Breuning – writing almost two decades after the end of the war – still saw support for social partnership as unequally distributed among business and labor. For Nell-Breuning, the ambiguous positioning of unions towards social partnership stems from the fear that their membership could more easily be alienated from the union organization because workers could feel trapped in a system of dual loyalty, i.e. company loyalty due to their dependence on a regular income and union loyalty for representing their common interests beyond the single workplace. Employers, in contrast, more easily and openly commit themselves to the term "social partnership" (Nell-Breuning 1962: 221). Whether this strong attachment of employers still holds today, is the question we are now turning to.

3. Employer associations and social partnership today

When industry-wide collective bargaining is considered to be one of the core institutions associated with German industrial relations since WWII, employer associations' and unions'

capacity to extend collective agreements to the wider population of firms might justifiably be said to represent the strongest pillar of industry-wide bargaining. In particular during the 1960s and 1970s employer associations (and unions) respecting the rules of the institutionalized game to settle wage conflicts have become the backbone of "social partnership"-bargaining relations (Streeck/Hassel 2003). In contrast to that, the period since German re-unification is marked by a weakening of this sort of social partnership. Shrinking coverage of industry-wide collective agreements, firms' exit from multi-employer bargaining, and membership decline of many employers' associations all contribute to this weakening (Ellguth/Kohaut 2010, Helfen 2006, Eitl/Heikenroth 1996, Schroeder/Ruppert 1996). Additionally, employers' associations seem to have re-defined their strategy concerning the integration of member firms in industry-wide bargaining. For example, starting in the late 1990s, employer associations in the metal industry allowed their member companies to convert their membership status into a "no agreement" category, i.e. members not covered by an industry-wide collective agreement (Völkl 2002, Haipeter/Schilling 2006). Taken together, employer associations' support for social partnership arrangements seems to be in decline.

Therefore, we examine to what extent social partnership is still perceived as a meaningful concept by leading individuals of employer association today. We have conducted interviews with representatives from traditional manufacturing industries such as the metal-engineering industry, the chemical industry, and construction, but also with executive managers of such associations in the banking sector and agency work. In this list, temporary work might be regarded as an example for those new service industries in which the whole idea of social partnership – at least when compared with traditional manufacturing – is a fairly new one. Based on these in-depth interviews, we come to the conclusion that the notion of social partnership is still alive among leading representatives of major German employer associations. Nevertheless, in most cases, it seems to be more adequate to speak of "conflict partnership" (Müller-Jentsch 1998:8), because – according to all leading officials of associations – conflict and cooperation co-exist in their bargaining relations with unions. However, and this is more important for our further analysis of the plurality thesis, we see considerable evidence for the variation of social partnership between different employers' associations. For example, in the chemical industry social partnership in terms of substantive content as well as with respect to the quality of the relationship may even go beyond Nell-Breuning's (1962) ideal type, whereas in temporary work a partnership-like relationship is still far from becoming an uncontested reality.

Among the leading officials we interviewed there is a consensus on that multi-employer collective bargaining at the industry-level based on mutual recognition and respect constitutes the substantive core of social partnership. Although many of our interviewees somewhat hesitate to subscribe to the phrase "Sozialpartnerschaft" in their public statements, the essence of what constitutes social partnership is largely shared, at least at the top of associations. Be it called "collaborative company culture" – a phrase Gesamtmetall's president Kannegießer has occasionally used to avoid the term Sozialpartnerschaft (quoted in interview January 2010) – or collective bargaining partnership (Tarifpartnerschaft) as the president of Metall NRW, one of Gesamtmetall's largest regional affiliates has called it (Address of president Maier-Hunke 3.12.2003) the core which constitutes this concept is multi-employer collective bargaining. When reconsidering the very successful transition of most metal companies through the world financial crisis Metall-NRW president Maier-Hunke argues: "It's not by chance that it was us here in North Rhine-Westfalia who figured out a way to reconcile the issues of stabilizing employment and keeping staffing expenditures within limits. Over the years we – as the collective bargaining partners – have developed a certain culture of how to deal with each other. It is a culture whereby partners listen to each other and are considering the arguments of the other party. We do not immediately dismiss the proposal of the opposite camp without thoroughly testing it (...)" (Maier-Huke, public address to the Unternehmertag, 6.10.2010). Going beyond this core of social partnership, there are joint institutions or lobbying initiatives, however differing in degree and scope depending on the industry one looks at. For example, in the chemical industry one finds joint initiatives for ageing workforces, qualification and apprenticeship policies, and environmental policy, including even a joint body for supporting these initiatives (www.chemie-sozialpartner.de). In construction, there are negotiated welfare programs like jointly managed funds to pay idle times due to bad weather conditions, additional retirement bonuses and coverage of apprenticeship training expenses.

However, there are considerable differences in the degree and scope of social partnership between associations. One indication for social partnership's variety is the diverging perceptions of union-employer relationships. For employer associations' representatives, one encounters a considerable variety in perceptions of conflict and cooperation. For example, the construction employer association is well aware of the fact that raising the degree of conflict above a certain threshold would put cooperation with the union in danger. Similarly, in

banking, mutual trust and repeated interactions are highlighted as taking the escalating edge off wage conflicts. Following Müller-Jentsch, we interpret this as indicating conflict partnership, i.e. a relationship in which partnership removes the "dramatic potential" (Entdramatisierung) from industrial disputes, but does not eliminate conflict altogether. In contrast to these mature industries, however, the bargaining relationship in temporary work is still much more adversarial. Here, social partnership is still a contested concept, largely because there is competition within each camp among opponents and proponents of "social partnership" undermining wage-setting by regular collective agreements. However, in the chemical industry, "Chemiesozialpartnerschaft" (meaning social partnership within the chemical industry) even goes beyond conflict partnership since the union and the employer association have jointly agreed on characterizing their mutual relationship as a collaborative affair (IG BCE/BAVC 2009: 65). Another indication for the variety of social partnership is the range of joint initiatives. Joint initiatives are far-reaching and institutionalized in the chemical industry or in construction; in other industries like banking or temporary work, joint initiatives are a rather marginal affair.

4. Plurality of social partnership

Building on this qualitative indications of the diversity in social partnership, we proceed by investigating the pluralisation hypothesis quantitatively. For this analysis, we derive four hypotheses about what attributes of employers' associations might influence the degree of social partnership orientation. Our first consideration suggests that associations relative strength in interaction with the unions does have an impact on how they evaluate social partnership. This consideration gives rise to two hypotheses: The first one links adherence to social partnership to an association's membership strength as measured by its membership density; the second one, directly reflects on the influence of recent bargaining interactions on social partnership orientations. Regarding the first hypothesis, we postulate that employers associations see social partnership more positively when they consider themselves to be relatively strong in membership. Employers' associations with a high membership density are able to positively relate to social partnership with the unions because they do not have to be afraid that unions would be capable of dominating the terms of collective agreements. Conversely, associations with a low membership density simply lack the strength to organize support for social partnership. Regarding the second hypothesis, we directly relate the adherence to social partnership to positive feedback-loops of recent settlements at the

bargaining table. If employer associations consider these to have been favourable to them, they entertain a positive attitude on social partnership. The reversed situation should be also true: unfavourable settlements are negatively associated with adherence to social partnership.

Whereas the second hypothesis maintains that employers' attitude towards social partnership is shaped by the immediate experiences in the interaction with the unions, hypothesis 3 refers to a deeply rooted culture of negotiation that goes beyond short-term effects. This hypothesis reflects on the fact that social partnership is also the result of a longstanding culture of negotiations emerging from a whole series of positive interaction experiences. As illustrated above, such a culture of social partnership is probably most developed within the chemical industry ("Chemiesozialpartnerschaft"). The historical-normative component of this bargaining culture might also be explained by the historical defeat of the chemical workers' union (at this time, IG Chemie) in the early 1970s, after which both social partners were successful in establishing strong collaborative relations within their industry (Kädtler 2006).

Finally, we hypothesize that social partnership is a preferred attitude on the employers' side, if it enables alliances to influence third parties; and thus, to externalize the costs of social partnership. For example, employers' association might see social partnership with unions as favourable when it allows for support of the product market interests of the entire industry in interactions with the state or other societal actors. One example for such joint lobbying initiatives are the attempt of the chemical industry's association (VCI, Verband der Chemischen Industrie) and the chemical workers union (IG BCE) to change laws on biological engineering (Gentechnikgesetz), which were put forward in 1992 (Kädtler/Hertle 1997). Another example was the failed attempt by IG BAU and ZDB, the social partners in the construction industry, to fight against abolishing federal subsidies in support of domestic housing (ZDB 2004). Other examples refer to the most recent economic crisis, in which the business association for the automobile industry (VDA, Verband der Automobilindustrie) and the metalworkers union, IG Metall, joined forces in support of a subsidy for the replacement of old vehicles by new cars (IG Metall 2008, VDA 2009).

5. Data and Estimates

The following analysis of employers' perceptions of social partnership is based on a mail survey of executive managers and chairpersons of German business associations. The sample

is based on a database which includes the addresses of a total of 1,054 associations. This collection of associations was generated by assembling data from various secondary sources listing business associations (e.g. directories on German institutions and organizations such as Hoppenstedt, Oeckl) and the internet, since no public registry of German employer associations exists. The cross-sectional data were obtained through a standardized questionnaire sent out in 2005/2006. In total, 244 executives of various German business associations participated in the survey. In studying business associations, the survey goes beyond earlier efforts (Schmölders 1965, Waarden 1991, 1992) by providing data to test at least some of the theories put forward to explain outcomes of the aggregation of collective business interests at the level of associations directly organizing firms. Hitherto, most analyses focused on the macro-level of peak-level associations. The survey includes questions about organizational characteristics (e.g. associational domains, size, structure); information on members (e.g. membership levels, change in membership levels, membership structure in terms of age and size); evaluations of the political accomplishments of the associations on various issues and provision of club goods (general political ambitions, collective bargaining, offered services); and demographic characteristics of the management executives (e.g. job descriptions, professional background, job duration).

Since we are interested in employers' attitudes towards social partnership, we selected from the 244 responses only those associations that reported to be involved in collective bargaining and have individual firms as direct members. Hence, issue-specific organizations, associations of the self employed, pure trade associations, umbrella and peak bodies of associations have been excluded. Of the 142 remaining associations, 67 percent are employer associations and 23 percent are mixed trade and employer associations and 10 percent are guilds (Innungen). The lion's share (90 percent) of those associations is operating at the state (Länder)-level, in some cases associations are representing their members at the federal level. Of those, 113 employers' associations enter into the following analysis due to single drop-outs.

Variables and Estimates

In the following models the dependent variable is employer associations' adherence to social partnership. As an indicator, we use respondents' answers to the following statement:

"German social partnership is an advantage in international competition". About a quarter (27

percent) of responding executive managers have agreed ("very much" or "agree") to this statement; another 44 percent "disagree" and the remaining 29 percent are undecided. As this indicator is based on the perception of individual respondents, most of them executive managers of their associations, it is possible that those perceptions are different from those of the associations' member firms. However, as executive managers are probably the most relevant individuals if it comes to the daily practices of an employer association in interaction with leading union representatives, it can be assumed that they represent "key informants" on behalf of the entire association (see Behrens/Helfen 2009).

As hypothesized in section 4, employers' perception of social partnership is positively associated with associations' relative strength and bargaining interactions with the union (Hypotheses 1 and 2). We measure associational strength by membership density, a variable relating total membership to the number of companies which are eligible for membership in an employers' association. In the first estimation, we include employers' density as a linear term; in the second one acknowledges we includes four different sub-groups, i.e. a density of 25 percent ('low density' group), a 'low to mid density' group ranging from 25 to 50 percent, a 'mid to high density' group (50 to 75 percent), and finally a density of more than 75 percent ('high-density' group) which serves as the reference category in the estimation. The idea behind this grouping is that the effects of associational density might be more clearly observed for peculiar ranges of membership density.

Our second hypothesis considers the immediate experiences of the responding executive manager at the bargaining table. We assume that more negative experiences in previous collective bargaining rounds negatively affects respondents' attitude on social partnership. Bargaining experiences with the unions are measured by respondents' answers to the following item: "How successful or unsuccessful do you perceive your associations' performance in negotiations with the unions?" More than a third (36.2 percent) of our respondents report that they perceive negotiations with unions to be unsuccessful while the remaining 63.8 percent see the results of negotiation as successful or are at least undecided on this issue.

Our third hypothesis on the impact of long-term bargaining cultures will be represented by including a dummy variable taking the value of "1" if respondents indicate that they do operate within the jurisdiction of the chemical workers' union IG BCE. As social partner

relations within the chemical industry have been widely considered to be based on intensive collaboration in the German literature on industrial relations, and in addition, have been stable for almost 40 years, we consider this variable to be a good indicator to study the effects of a collaborative bargaining culture.

Finally, our fourth hypothesis postulates a positive association between social partnership and employers' (as well as unions') ability to influence third parties. As a variable to account for the ability to influence third parties we include the representational domain in the regression model. The rationale behind this is that those employers' associations which have a comparatively encompassing political domain are supposed to be more active in political lobbying the state as well as influencing other societal actors as those associations which have a comparatively narrow representational domain. Our sample includes two different types of associations in this regard. First, there are "pure" employers' associations, which represent only labor-market related interests, i.e. have a rather narrow political domain. Second there are so called "mixed associations" with a comparatively broad or encompassing political domain, because they represent the labor-market related interests as well as the full range of product-market related interests of their constituency (e.g. taxation, supply with raw materials, trade issues). In our model the variable "political domain" takes the value "1" when an association is a mixed association and the value of "0" when it identifies as a pure employers' association.

The model also includes a number of control variables. To account for the still ongoing problems arising from German unification we have included a dummy variable for east Germany, with the value of "1" indicating that a particular associations' headquarters is located in east Germany. In addition, the model controls the influence large companies have within an association. The variable "large corporation as the most important membership group" identifies those associations (taking the value of "1") reporting companies with more than 500 employees as their "most important" membership group. Following a dominant stream within the literature on German employers interest representation (see Streeck 2009: 43, Traxler et al. 2007, Thelen 2000) one would expect large corporations to be supportive of social partnership. Additionally, the estimations also include the number of an association's paid staff as a control variable. Here, we assume that a higher number of staff indicates a larger amount of resources available to an employer's association. Table 1 summarizes mean values and shares of all variables included in the regression models (Table 1).

Table 1: Descriptive statistics

Variable	Value	proportion/ sample mean (n=113)
Social partnership (groups)	"In Germany social partnership is an competitive advantage when competing in international markets" (1= "not true at all" 2= "rather not true" 3="undecided", 4= "rather true & absolutely true (joint categories)")	0.22 0.22 0.29 0.27
Density	Ratio of actual to potential members (percent)	54.82
Density (groups)	1= < 25 percent 2= 25 to less than 50 percent 3= 50 to less than 75 percent 4= ≥ 75 percent (reference)	0.15 0.20 0.39 0.26
Success in collective bargaining	"In your own view, how successful is your association in negotiations with the unions?" (0= "other", 1= "not successful")	0.33
Culture of negotiations	Jurisdiction of Mining, Chemicals and Energy Union (IG BCE) (Dummy)	0.14
Political domain	Associations political domain (0=employers' association only, 1=industry- and employers' association, Dummy)	0.37
East Germany	Association operates in East Germany (Dummy)	0.13
Large corporations most important membership group	Most important member group according to number of companies' employees (1=most important group represented by companies with 500+ employees, 0=other, Dummy)	0.12
Associations' staff (number)	Number of staff in the association's office (2005)	9.77

Source: Wirtschaftsverbände in Deutschland 2005/06

Results

Table 2 summarizes the results of the regression estimates. In a first estimate, we have included the associations' density as a linear term; the second estimation includes four different density groups instead with the highest density group (75 percent and more) as the reference category. In all estimations we have employed ordered logit regressions due to the ordinal nature of the dependent variable. In the first estimation (s. Table 2, second column)

we find a positive and significant (5 percent-level) association between adherence to social partnership and an association's membership density. Thus, a comparatively higher density is associated with a more positive perception of social partnership. Examination of the second estimation (s. Table 2, column 3) reveals that it is mostly those associations with a density below 25 percent that have rather negative perception about social partnership when compared with the reference group of high-density associations (membership density of 75 percent and more). Thus, respondents' perception of social partnership is more positive when an association has a high membership density as hypothesis 1 postulates.

Table 2: Factors influencing associations' social partnership orientation

Dependent Variable: social partnership A)	Ordered Logit		Ordered Logit (model with density groups)	
	Coefficient	z-value	Coefficient	z-value
Density	0.016** (0.008)	2.06	-	-
Density (<25) B)	-	-	-1.326** (0.288)	-2.17
Density (<50) B)	-	-	-0.529 (0.665)	-0.79
Density (<75) B)	-	-	-0.709 (0.529)	-1.34
Low success in collective bargaining	-0.882** (0.416)	-2.12	-0.823** (0.423)	-1.95
Culture of negotiations (IG BCE)	1.069* (0.573)	1.86	1.214** (0.560)	2.02
Political domain (industry- and employers' association)	0.839** (0.371)	2.26	1.013*** (0.370)	2.74
East Germany	-0.179 (0.460)	-0.39	-0.255 (0.479)	-0.47
Large corporations most important membership group	-1.618** (0.724)	-2.23	-1.647** (0.770)	-2.14
Associations' staff (number)	0.028** (0.013)	2.17	0.028** (0.013)	2.20
Model summary				
Cases (n)	113		113	
McFadden R ²	0.09		0.09	
Wald Chi2(df)	24.99***		25.89***	
df	7		9	

Source: Own calculations based on "Wirtschaftsverbände in Deutschland 2005/06"

* Statistically significant at the .10 level; ** .05 level; *** at the .01 level. A) robust standard errors B) reference group: Associations with density > 75 percent.

For hypothesis 2, we also find confirmation as less successful collective bargaining is negatively associated with association's adherence to social partnership. This results holds in

both estimations on the 5 percent-level significance level. As such, we conclude that negative short term experiences with the bargaining counterpart also negatively affect social partnership orientations of associations. Similarly, we find support for hypothesis 3, however on a weaker significance level (10 percent). Associations operating within the jurisdiction of the chemical workers union IG BCE report more positive attitudes on social partnership than all other associations. We regard this finding as revealing a positive relationship between an industry's bargaining culture and current attitudes on social partnership. In both estimations, there is a positive association between a broad political domain of associations, i.e. representing labor-market as well product-market interests, and the support for social partnership (significant at the 5 percent- in the first and at the 1 percent-level in the second model). This supports the fourth hypothesis whereby the responding executive managers of mixed associations are more inclined to be in favour of social partnership when compared with their colleagues from pure employers' associations. As we have suggested, this might be due to the fact that these associations can rely on their union counterpart in joint lobbying initiatives.

While the control variable for east Germany turned out to be not significant (in both models), the number of an association's staff is positively correlated with social partnership in both models as expected. Surprisingly, there is a strong and negative association of our large company variable and the associations' adherence to social partnership ($p < 5$ percent in both models). This finding is surprising, because many authors have assumed that it is large companies which hold on to the institutions of multi-employer bargaining and social partnership. Many authors have argued that mostly small companies openly criticize traditional collective bargaining structures. Additionally, small companies rather than large ones have been said to leave employers' associations because they regard collectively agreed on wages and working hours as unfavourable for their business models (Völkl 2002: 39ff, Schroeder 2002: 72, Streeck 2009, Traxler et al. 2007). As our results indicate, however, the large-firm sector might entertain more ambivalent attitudes towards social partnership than is usually assumed. One reason might be that large firms feel the heat of international competition much stronger than small firms what makes them more inclined to reconsider their attitude on social partnership. A second reason might be the diffusion of shareholder value concepts which might lead the management of large firms to devalue social partnership. While it is beyond the scope of the dataset at hand to investigate further the relationship between member companies and their employers' association, there is some evidence that

changes within the camp of large companies have at least begun to enter the world of collective interest representation in dealings with the unions.

6. Summary and conclusions

The findings of our analysis reveal a surprising variety within the employers' camp when it comes to the evaluation of social partnership. Historically, this diversity may have its deep roots in events and conflicts of the formative period of collective bargaining relationships in the first half of the twentieth century. Asking today's key representatives of associations about their attitudes on social partnership, however, one also encounters a considerable qualitative variety depending on the substantive achievements and the quality of current relationships in the respective industry domain. As such we would argue that there are sub-forms of social partnership of which the most important one might be said to be conflict partnership in collective bargaining (e.g. construction) located within a range of approaches between collaborative partnership (e.g. chemical industry) and contested partnership (e.g. temporary work). In addition, our multivariate analysis reveals how association's characteristics influence associations' adherence to social partnership. A positive perception of social partnership is associated with a high membership density of employers' associations. This finding indicates that social partnership is not a sign of employers' weakness; on the contrary, it is the strong associations which are more inclined to adhere to social partnership. Furthermore, a positive evaluation of social partnership is more likely when employers report positive experiences with collective bargaining rounds. In addition, a long-established culture of collaboration and peaceful negotiations also contributes to a positive assessment of social partnership. Above all, it is striking that associations dealing with the chemical workers union IG BCE evaluate social partnership positively, although positive employer experiences with previous bargaining rounds have already been accounted for in statistical terms. Last but not least, our analysis reveals that social partnership is positively associated with a rather broad political domain. In cases such as the German construction industry, where associations represent both the labour and product-market interests of their constituency, employers tend to be in favour of social partnership.

Based on these findings, we conclude that there is little reason to assume an across the board disorganization of German multi-employer bargaining. While it is beyond the scope of our present study to examine changes in collective bargaining policies over a long period of time

in detail, our cross-section analysis reveals certain associational characteristics which tend to stabilize social-partnership orientations: institutions jointly administered by unions and employers, a broad political domain, and sufficient organizational resources. But, while some employer association certainly hold on to social partnership for pragmatic reasons, thereby stabilizing cooperative multi-employer bargaining, the analysis also reveals areas where employers take a more distanced view on social partnership. A clear sign of trouble for social partnership is the significant share of associations' executive managers that consider social partnership to be more of a burden than a virtue. While it would be up to another survey, investigating the key characteristics of the associations' member firms to find out what motivates businesses to turn their backs on social partnership (for a useful account from this perspective see Ellguth/Kohaut 2010b), our study reveals that poor organizational resources, bad experiences with previous bargaining rounds and a comparative low membership density do provide, at least, for a partial and preliminary explanation for this negative assessment. In addition to that, the surprising result that large companies might have changed their positive attitude on social partnership could justify additional concern. In sum, we conclude from these mixed results that – at least so far - there is no apparent universal trend in the development of social partnership: neither "disorganization" nor "stability" captures what we were able to find; rather pluralization and variety seems to be an appropriate characterization of the status quo.

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