

**Institutional Legacies of Authoritarian Regimes: State-sponsored Trade Unions after  
Democratic Transitions**

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## **Abstract**

New democracies inherit a variety of institutions from prior authoritarian regimes, including political parties, militaries and entrenched oligarchies. While these authoritarian legacies have generally been well-researched, one set of institutions has received little attention: formerly state-backed trade unions that lose their official sponsorship after democratic transitions. A small literature using case study comparisons has explored the fates of these ‘legacy unions’ in eastern Europe and Asia, focusing on the role of labor mobilisation during the transition. In this paper we introduce new data on labour incorporation under authoritarian regimes, labour mobilisation and the fates of legacy unions. We demonstrate that the existing small-n literature is correct to focus on the critical juncture of democratic transition to explain the fates of legacy unions; non-distributive transitions are more likely to lead to continued legacy union dominance than non-distributive transitions. We also discuss the potential for future research based on this data, and provide initial evidence that the existence of dominant legacy unions lowers the number of strikes in a country.

## **Introduction**

In the literature on democratic transition, scholars have examined the continuing influence of a variety of institutions and actors from the authoritarian era, including political parties, police forces, judiciaries, militaries, elites and oligarchies.<sup>1</sup> Comparatively little attention, however, has been paid to trade unions previously sponsored by authoritarian regimes that survive a democratic transition. During and after regime transition, these ‘legacy unions’ often face a number of challenges: they lose their official state sponsorship, contend with an image of being associated with the old authoritarian regime and face competition from newly-emerging unions. On the other hand, they also inherit several advantages from the pre-transition era, including large memberships, organizational capacity and physical and financial assets. The fates of legacy unions have been mixed: some have continued to dominate labour politics after democratization, while others have been displaced by newer unions formed during or after the transition. What accounts for this variation? Our paper seeks to answer this question.

A small number of studies have attempted to make generalisable claims about the legacies of state-backed unions and their development after democratic transitions.<sup>2</sup> These studies focus on the importance of the ‘critical juncture’ of transition from authoritarian regimes rather than the legacies of authoritarian labour incorporation. Most recently, Teri Caraway has taken an important step towards furthering our understanding of legacy unions. By analyzing two paired comparisons of unions with similar starting points but different fates—Indonesia and South Korea, and Russia and Poland—Caraway concludes that while legacy unions inherit significant advantages from the authoritarian era, competing organizations can overcome these challenges

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<sup>1</sup> Herz 1982, Casper 1995, Grzymala-Busse 2002, Hite and Cesarini 2004, Wright and Escriba-Folch 2010, Palacios Cerezales 2010, Winters 2011

<sup>2</sup> Grdesic 2008, Caraway 2008, 2012, Lee 2011

when there is mobilization of workers outside state-sponsored unions during the democratic transition.<sup>3</sup>

This paper builds on Caraway's work by taking a global view of the trajectories of post-transition labour unions. We test Caraway's theory that mobilization outside state-sponsored unions is a determining factor on the fate of legacy unions on a newly-developed dataset covering 42 cases of democratic transition. In doing so, we find that 1) the form of labour incorporation under the prior authoritarian regime does not have a strong influence on the likelihood of continued dominance of the legacy union, and 2) mobilisation during the transition period opens spaces for new unions to gain momentum and challenge legacy unions. We thus find partial support for Caraway's theory. Although we find that the likelihood of union displacement is impacted by mobilisation, we discover that what impacts the fate of legacy unions is not *worker* mobilisation, as Caraway posits, but mobilisation *in general*.

We begin this paper by reviewing recent work on labour in new democracies in general and the fates of legacy unions in particular, paying specific attention to Caraway's theory of legacy union dominance and displacement. We then introduce a newly-collected dataset on labour incorporation under authoritarian regimes and the outcomes for legacy unions after transitions. We use this new dataset to test explanations of legacy union dominance. We conclude by presenting proposing further research that can be carried out using the new data, and provide a preliminary analysis suggesting that dominant legacy unions inhibit strike activity in new democracies.

### **The Study of Trade Unions and Labour in New Democracies**

The study of trade unions has been rather neglected in recent cross-national political science research on labour in new democracies which has largely focused on the development of labour market regulation, labour rights and corporatist structures, and the likelihood of strikes.<sup>4</sup> This is partly driven by the availability of data. While the efforts of a number of scholars have given us reliable comparative data on strikes and labour rights, there is little comparative data on trade unions in new democracies; even basic indicators such as their membership over time are patchy.<sup>5</sup> It may also be because unions are seen as less powerful actors than they once were in an age of neoliberal globalization.<sup>6</sup>

Research in area studies has considered trade unions to a greater extent. Those writing on Eastern Europe and the former Soviet Union have argued that the legacy of Soviet-era unions has contributed to the weakness of labour in that region.<sup>7</sup> African studies literature has often put trade unions at centre stage in the process of democratisation, a result of the importance that both state-backed and new challenger unions have had in recent and ongoing transitions.<sup>8</sup> Scholarship on Latin America includes classic accounts of authoritarian labour corporatism and its legacies,

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<sup>3</sup> Caraway 2012

<sup>4</sup> For example Neumayer and de Soysa 2006, Mosley and Uno 2007, Greenhill et al 2009, Aleman 2010, Mosely 2011, Robertson and Teitelbaum 2011. See also Ost 2014 for a review of recent literature on labour politics.

<sup>5</sup> Kucera 2007, Mosley and Uno 2007 and Teitelbaum 2010 provide data on labour rights. Robertson and Teitelbaum 2011 provide data on strike activity.

<sup>6</sup> Ost 2014

<sup>7</sup> Ost and Crowley 2001, Kubicek 2004

<sup>8</sup> Kester and Sidibe 1997, Kraus 2007, Beckman et al 2010

as well as more recent work showing that pre-authoritarian labour institutions have had a long-lasting effect on the role of the state in administering collective interests.<sup>9</sup>

### **Legacy Unions: Regime-sponsored Unions after Transition**

Legacy unions differ from other unions for several reasons. For one, legacy unions depended on state sponsorship for survival during the non-democratic era. State support and protection from competition allowed the trade unions to exist even when they did not necessarily serve in the interests of their members. Workers often had no choice regarding their representation; either state-backed trade union membership was mandatory, or legal obstacles implemented by the state made it all but impossible for alternative organizations to form. Consequently, state-sponsored unions seldom experienced the need to recruit members, to adequately represent workers' interests, advocate collective action, or fret over resources. The subsequent collapse of the nondemocratic regime thus presented the unions with a number of challenges, including diminished resources, representative legitimacy, and recruitment mobilisation. Freedom of association also resulted in the rise of new competing trade unions.

Despite these challenges, many legacy unions have fared well in their new political environments. They remain the largest labour organisations in most post-transition states in all regions of the world. More perplexing, however, is that many of these legacy unions have been able to maintain their dominance without undergoing any significant reforms or transformations.<sup>10</sup> This is in stark contrast to other institutions inherited from non-democratic regimes such as successor parties in post-Communist states, which, in order to survive, have carried out far-reaching internal reforms and political rebranding.<sup>11</sup>

In other cases, legacy unions have not been successful at maintaining their dominance. A common explanation in determining the varying fates of legacy unions focuses on the type of labour incorporation during the previous regime. As Ruth Collier and David Collier demonstrated, in order to control labour movements, authoritarian states incorporated the role of unions into their governments to various degrees: by granting them monopoly status and negating the right of registration to non-state groups, by forcing universal membership, or by providing property and financial resources with which unions could provide benefits to workers.<sup>12</sup> Through different combinations of resources, authoritarian regimes used unions as an extension of their powers to diminish the capacity of worker mobilisation and revolt, which had lasting effects on labour politics into the democratic era.<sup>13</sup>

Although all legacy unions received support during the non-democratic era, the type and extent of resources received varied widely. Three labour incorporation systems are commonly referred to in the literature: *transmission belt*, *exclusionary corporatist*, and *inclusionary corporatist*. Transmission belt systems refer to state-backed unions where union membership was virtually universal, often in Communist states. Unions acted as a "transmission belt" between leadership and workers, towing the official party line.<sup>14</sup> In exclusionary systems, trade unions were also

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<sup>9</sup> Stepan 1979, Collier and Collier 1979, 1991, Buchanan 2008

<sup>10</sup> Caraway 2008

<sup>11</sup> Grzymala-Busse 2002

<sup>12</sup> Collier and Collier 1991

<sup>13</sup> Buchanan and Nicholls 2003, Lee 2011

<sup>14</sup> Pravda and Ruble 1984, Kubicek 2002:607

subordinate to the ruling party, but their integration into the party system was minimal compared to transmission belt unions. In exclusionary systems, states viewed labor as a potential threat and therefore mobilization and unionization rates were low. Although discouraging unionization, ruling parties still granted state-backed unions monopoly or near-monopoly status.<sup>15</sup> Inclusionary corporatist systems were those in which labour had a powerful voice within the regime and where workers were generally a supportive constituency of the regime; examples include Mexico and pre-revolutionary Tunisia.<sup>16</sup>

Studies have used the notion of different labour incorporation systems to explain the experiences of legacy unions. In a comparative study of South Korea and Taiwan, Lee argues that exclusionary corporatism (as in the former) leads to greater militancy among post-authoritarian trade unions, which benefits new challenger unions.<sup>17</sup> Inclusionary corporatist systems such as that in Taiwan instead lead to cosier relations between trade unions and political parties, thus benefitting legacy unions and increasing their chances of survival. Buchanan and Nicholls agree, adding that the nature of industrial production and the state's relationship with business elites influence the form of authoritarian labour incorporation and mediate its lasting legacies.<sup>18</sup>

In sum, the mode of labour incorporation employed in pre-transition regimes has been hypothesised to have lasting effects on the fate of state-sponsored trade unions after regime change. That is because legacy unions with different histories of labour incorporation enter regime transitions with varying levels of resources, which could help or hinder them in surviving in new systems and competing with newly-formed rival trade unions.

### **The Fates of Legacy Unions: The Role of Mobilisation During Transition**

In opposition to this prevailing belief in the importance of path dependency in the legacies of forms of labour incorporation in new democracies, Teri Caraway has recently proposed that we should look more closely at the critical juncture of transition as an influence on the fates of legacy unions.<sup>19</sup> She was also the first to directly ask the question: what determines the fate of legacy unions? It is therefore worthwhile to lay out her theory and evidence in detail.

*Dominance*, the dependent variable in Caraway's model, is achieved when "the legacy union organized more workers than its next largest competitor."<sup>20</sup> If a legacy union fails to retain dominance, it is said to have been displaced by 'challenger unions,' those which emerged during or after the transition and did not receive significant state backing (beyond recognition in a pluralist labour system). The outcomes for legacy unions are thus measured as a binomial variable with the values of dominance or displacement. Union competition, partisan links, and independent worker mobilization early in the transition are theorised to be the most important independent variables in the transition context that shape the fate of legacy unions. *Worker mobilization* is defined as "mobilization of workers outside of state-sponsored unions early in the

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<sup>15</sup> Davis and Coleman 1986

<sup>16</sup> On exclusionary and inclusionary corporatism, see Stepan 1978. For a specific application to labour incorporation, see Davis and Coleman 1986.

<sup>17</sup> Lee 2011

<sup>18</sup> Buchanan and Nicholls 2003

<sup>19</sup> Caraway 2008, 2012

<sup>20</sup> Caraway 2012:284

transition.”<sup>21</sup> *Partisan links* are defined as relationships forged with powerful parties, used to defend the union’s interests in the political arena. Caraway measures partisan links comparatively: are the political links of the legacy union compared to its main competitor are similar, stronger, or weaker? Union competition, or *fragmentation* (of labour unions), comes about as a result of labour laws that encourage union fragmentation, and benefit legacy unions by “strengthening their position in workplaces and dispersing the competition across many unions.”<sup>22</sup> This is a binary variable measured as either fragmented or no/low fragmentation.

In order to test this theory, Caraway conducted two paired comparisons of labour politics in cases with similar starting points but different outcomes: Indonesia-South Korea, and Russia-Poland. She found that labour activism early in the transitions in South Korea and Poland led to the creation of strong challenger unions, which eventually displaced their respective legacy unions despite the latter’s advantages of resources and memberships inherited from the pre-transition regime. In Indonesia and Russia, by contrast, the lack of labour activism led to the creation of weak and divided challengers to the legacy unions, which remained dominant in the democratic era. While the precise pathways to dominance or displacement were different in each case, the essential point highlighted by the author is that mobilization early in the transition period in South Korea and Poland allowed a single challenger union to secure a strong membership and remain united. This provided a base from which the new challenger union could effectively compete with the legacy union and eventually displace it as the largest, most important trade union. The lack of mobilisation in Russia and Indonesia, by contrast, meant that new unions were unable to secure a large membership and tended to fragment into a number of different organisations which competed with each other and consequently stood little chance of displacing the legacy union.

Caraway provides a cogent and parsimonious historical institutionalist theory of the fates of legacy unions and tests it convincingly through her case study comparisons. We find one thing missing from her analysis of legacy unions, however: the lack of consideration of worker mobilization *within* state-backed unions. In Caraway’s model, state-backed unions are seen as either supporting the authoritarian regime or at least remaining passive during the transition. There are many cases in which the regime’s own trade union turns against it. A recent example is that of the revolution in Tunisia. The UGTT union was backed heavily by the Ben Ali regime but became one of the key actors in spreading the revolution, using its premises as organizational headquarters for revolutionary activists (many of whom were UGTT members).<sup>23</sup> Many democratic transitions in sub-Saharan Africa involved regime-backed unions protesting against the regime; in Zambia the former leader of the legacy union became the first democratically-elected president.<sup>24</sup>

Leaving out the potential for legacy unions to be agents of change themselves points to a wider problem with the theoretical framework: the lack of consideration of the wider context of the democratic transition beyond worker mobilization outside the state-backed union. Recent work by Haggard and Kaufman has drawn a distinction between two main types of democratic

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<sup>21</sup> Ibid:279

<sup>22</sup> Ibid:280

<sup>23</sup> Angrist 2013

<sup>24</sup> See Rakner 1992 for a discussion of the role of trade unions in the Zambian transition.

transition: distributive and non-distributive.<sup>25</sup> The former involve the success of bottom-up protest movements motivated by economic factors and concerns about equality and redistribution, while the latter are top-down transitions often involving elite pacts. Rather than worker mobilization outside the legacy union being the main factor, we might expect that it is the experience of distributive transitions that propels workers to form challenger unions.

## Hypotheses

From the above discussion, we can deduce three hypotheses to test about the determinants of legacy union dominance or displacement in new democracies.

H1: The more incorporated the labour movement was during the authoritarian era, the more likely the legacy union is to remain dominant.

H2: If workers mobilized outside the regime-backed union during the transition, the more likely the legacy union is to be displaced by new unions in the democratic era.

H3: Legacy unions are more likely to remain dominant after non-distributive transitions than distributive transitions.

## Data and Methodology

In order to test these hypotheses about the fates of legacy unions, we developed a new dataset including 42 cases of states that went through transitions in the ‘Third Wave’ of democratisation. Our case selection was based on two criteria:

- 1) there was a democratising transition between 1980 and 2000
- 2) the authoritarian regime sponsored a trade union prior to transition.

To identify democratic transitions, we used Haggard et al’s *Distributive Conflict and Regime Change* qualitative dataset which includes 65 cases of states that underwent transition.<sup>26</sup> In 18 of these cases, the authoritarian regime did not back a single trade union but either repressed all union activity or allowed independent unions to exist without interference that favoured one particular union. In two cases, Uganda and Sudan, the current (less than democratic) regime backs a single legal trade union system. In three cases (Guinea-Bissau, Mali and the Seychelles), not enough information was available to code reliably. This left 42 cases in our dataset that matched the case selection and for which enough information existed for comparative analysis. Legacy unions, those unions which inherited the membership and resources of regime-backed trade unions, continue to exist in 41 of the cases.<sup>27</sup>

In order to code the cases, we used publications from the International Trade Union Confederation, the International Labour Organisation, individual trade unions, research centres including Ulandssekretariatet, the International Centre for Trade Union Rights, Eurofound and Friedrich Ebert Stiftung and secondary academic literature. We began by coding whether legacy unions had been dominant or displaced. In this, we followed Caraway in using the simplest

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<sup>25</sup> Haggard and Kaufman 2012

<sup>26</sup> Haggard, Kaufman and Teo 2012

<sup>27</sup> The Nepal Labour Organisation is the sole regime-backed union in our dataset to no longer exist in any form.

measure of membership; if the legacy union had the largest number of members in 2012 (or the most recent figures available), we coded it as dominant. Remarkably, in none of our cases did the legacy union have a plurality of the unionised workforce as members so we did not need to differentiate between majority and plurality legacy unions.

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

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

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

Finally, we coded a number of control variables. Firstly, we included a dummy variable measuring whether the regime allowed legal competing unions. While not backed by the regime and often significantly repressed, these unions would have an obvious advantage in terms of organisational development than challenger unions established during the transition, so may have a better chance at displacing the regime-backed union. Six cases were coded as having legal challenger unions. Secondly, we added a variable for conflict during the transition, coding this 1 if there were battle deaths recorded in the year of, before or after the transition year in the PRIO battle deaths dataset. We also included the percentage of GDP taken by industry in the year preceding transition, taken from the World Bank's World Development Indicators. Trade unions tend to be easier to organise in industrial rather than agriculture or service-dominated economies,



and industrialization is a good proxy for organization capacity.<sup>28</sup> The democratic levels for the five years before and the five years after the year of transition (taking the mean of the Polity2 score from the Polity IV dataset) was included to capture whether relative political openness under the authoritarian or post-transition regimes affected the development of new trade unions and their ability to challenge legacy unions.

As our dependent variable is binomial, we use a logit model to predict whether a legacy union remains dominant or is displaced by a challenger union(s).<sup>29</sup>

### Data Analysis

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

The main question that this paper seeks to answer regards the determinants of legacy union outcomes. Besides our main independent variables, those capturing mobilization during transitions, we also consider a number of different factors pre-transition that are thought to impact the outcome of legacy unions post-transition. These include: levels of democracy, civil liberties, characteristics of transition, types of autocratic regimes, industrialization, whether state-backed unions had a legal monopoly preceding transitions, as well as different aspects of labour incorporation structures. When we assess correlations between these variables and the outcomes of legacy unions, however, we only find support for three variables:

Table 1: Significant Correlates of Legacy Union Outcomes

	Correlations
<i>Distributive Conflict</i>	-0.28* (0.07)
<i>Industrialization</i>	0.34** (0.03)
<i>Representation in Government</i>	-0.39** (0.01)

Standard errors in brackets. \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

At this stage of the analysis, the only variables that yield statistically significant correlation coefficients are distributive conflict, industrialization and representation in government. Although neither of the two more direct measures of mobilization yield a statistically significant coefficient, the significance of distributive conflict suggests that the role of transition type (distributive vs non-distributive) deserves further analysis. The negative correlation coefficient suggests that the higher the level of mobilization during a transition, the lower the chances that

<sup>28</sup> Robertson and Teitelbaum 2011

<sup>29</sup> To ensure that our results were not an outcome of model choice, we re-estimated our results using probit. This led to no major changes in statistical or substantive significance.

legacy unions have to remain dominant - or the higher the likelihood that legacy unions will be displaced by other unions.

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

Before moving on to more comprehensive analyses, we further explore the relationships between these three independent variables, and the fates of legacy unions post regime transitions. To do this, we first specify independent logit models for each of the variables. When this is done, all coefficients maintain their original signs and remain statistically significant. Nonetheless, when we predict a model that includes these three variables, two measures maintain coefficient signs but lose significance, and only industrialisation remains significant.

Table 2: Determinants of Legacy Union Outcomes

	(1)	(2)	(3)	(4)
Distributive Conflict	-0.86* (0.47)			-0.92 (0.58)
Industrialisation		0.04** (0.02)		0.04* (0.03)
Union Representation in Government			-1.57** (0.72)	-0.62 (0.84)
Observations	42	41 <sup>a</sup>	42	41 <sup>a</sup>

Logit models. Dependent variable is legacy union status (1 = dominant, 0 = displaced). Standard errors in brackets. Constant estimated but not reported. <sup>a</sup>Taiwan dropped (industrialization data not available). \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

Preliminary analyses provide only partial support for our main hypothesis that mobilisation increases the likelihood of legacy union displacement. We test two different specific measures of

union mobilisation (thus considering mobilisation from inside state-backed unions, and mobilisation prompted by other competing unions) and neither finds support.

Table 3: Testing the Effects of Mobilisation

	(5)	(6)
Mobilisation inside State-Union	-0.05 (0.54)	
Mobilisation outside State-Union		0.26 (0.503)
Observations	42	42

Logit models. Dependent variable is legacy union status (1 = dominant, 0 = displaced). Standard errors in brackets. Constant estimated but not reported. \*\*\*  $p < 0.01$ , \*\*  $p < 0.05$ , \*  $p < 0.1$

The earlier preliminary analyses, however, suggest that more generalized mobilization, not necessarily led by unions, may have a significant impact on influencing the fate of legacy unions. This is as yet inconclusive, however. Further tests will also be conducted as a means of exploring the relationship between types of labour incorporation and the outcomes of legacy unions post-transition.

Table 4 reports the results of a number of specifications of logit models estimating the effect of a number of explanatory and control variables on the status of legacy unions in 2012 in our 41 cases. One case, Taiwan, was included in the dataset but not in the analysis because data on industrial output prior to the transition was not available (because it is not a member of the World Bank). Further models were estimated and will be available in supplementary material; in these the main variables of interest retain similar levels of statistical and substantive significance.

To test H2 that worker mobilisation outside the state-backed trade union during the transition is the key factor in determining the fates of legacy unions, we included the variable in models 1, 2 and 4. In none of these models (nor the supplementary models) was this variable significant. We also tested whether worker mobilisation within the state-backed union was important in affecting the fate of legacy unions but none of the models reject the null hypothesis of no relationship.

Distributive transitions, on the other hand, are both statistically and substantively significant predictors of legacy union displacement or dominance. Taking the baseline model (1), if we hold the dichotomous variables at their modes (no worker mobilisation or conflict) and the other variables at their means, a legacy union is 33.5% less likely to be dominant after a distributive transition than a non-distributive transition. This supports our argument that it is the nature of the transition in general rather than mobilisation of workers as workers that successful challenger unions are more likely to emerge. During bottom-up distributive transitions, the experience of mobilisation in general inspires the creation of new trade unions to challenge the incumbent state-backed unions.

Table 4: Logit Models of Legacy Union Outcomes

Variable	(7)	(8)	(9)	(10)	(11)
Worker mobilization within state-backed union	1.11 (0.44)	1.89 (1.52)	1.15 (0.39)		
Worker mobilization outside state-backed union	0.55 (0.62)	1.06 (1.55)		0.26 (0.32)	
Distributive conflict transition	0.07** (0.08)	0.05*** (0.06)			0.06** (0.07)
Industrialisation	1.11*** (0.04)	1.08*** (0.03)	1.08 (0.05)	1.10*** (0.04)	1.10** (0.05)
Violence during transition	0.27 (0.30)	0.38*** (0.06)	0.54 (0.85)	0.41 (0.69)	0.29 (0.32)
Civil liberties under authoritarian regime	0.68 (0.31)	0.58** (0.13)	0.99 (0.29)	1.01 (0.35)	0.65 (0.28)
Legal competing unions	2.14 (5.18)	0.53 (0.96)	3.25 (5.04)	6.04 (13.58)	1.55 (2.94)
Trade union formally linked with party/state		0.25 (0.74)			
Union representatives in government		0.41* (0.20)			
ILO governance conventions ratified		1.31 (1.79)			
Material backing for state-backed union		4.36 (9.77)			
ILO tripartite structures convention ratified		14.81 (69.42)			
Labour Incorporation Index	1.08 (0.13)		0.90 (0.30)	0.86 (0.21)	1.11 (0.22)
Observations	41	41	41	41	41

Logit regression with standard errors clustered by region. Dependent variable is legacy union status (1 = dominant, 0 = displaced). Odds ratios reported with standard errors in brackets. Constant estimated but not reported.

\*\*\*p<0.01 \*\*p<0.05 \*p<0.1

Labour incorporation has no significant impact on the chances of legacy unions remaining dominant. In model 1, we find that the index has no significant effect. In model 2, we open the index to its constituent parts and find that none have significance at the 5% level, with little change in the substantive or statistical significance of the other variables. For the rest of the models we used the index. In the supplementary materials we test each constituent of the index in a variety of models and find none to be consistently significant. We can therefore reject both H1 and H3 but accept H2.

The other variables controlled for were violence during the transition, civil liberties under the previous authoritarian regime, legal competing unions and industrialisation at the transition. Industrialisation turned out to be a significant predictor of legacy union dominance in most of the models. We can speculate that state-backed unions in more industrialised states have an advantage in the percentage of the population belonging to a union, as union membership tends to be highest in industrial sections rather than agricultural or service sectors. While in this paper we focus on the nature of the transition and labour incorporation, the impact of industrialisation is worthy of further investigation.

How successful is our model at predicting actually observed outcomes? If we assume that a predicted probability of greater than 0.5 predicts dominance and lower than 0.5 predicts displacement, our baseline model successfully predicts 85% of the observed cases. This is significantly better than predicting the modal value for all cases (76%) and predicting using Caraway's theory of worker mobilisation outside the union causing displacement (59% of cases).

Indeed, Caraway's theory does not match the data we have collected on the cases she used to test it. In her analysis, Russia and Indonesia are coded as having dominant legacy unions while Poland and South Korea have legacy unions displaced by challengers. In our dataset, however, South Korea is coded as having a dominant legacy union. Caraway codes this on the basis of figures in a 2007 report by the Korea International Labour Foundation (KILF), which did indeed show that the challenger KCTU has more members than the legacy FKTU.<sup>30</sup> One of the changes to an updated version of the report by KILF published the next year, however, was to change the membership numbers, showing that the FKTU was the largest union in Korea by membership.<sup>31</sup> A new report published by KILF in 2013 suggests that the FKTU is gaining members (18,953 between 2007 and 2011) while the KCTU is losing them (97,690 between 2007 and 2011).<sup>32</sup> Furthermore, the labour movement is fragmenting; the biggest rise in union membership has been amongst unions not affiliated to a national federation and Korean Labour Unions Confederation established in 2011 is gaining in its share of unionised workers. This goes against Caraway's theoretical framework which predicts that the united challenger union will gradually increase its share of the unionised workforce.

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

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<sup>30</sup> 780,000 members of the FKTU against 800,000 members of the KCTU. KILF 2007:49-51

<sup>31</sup> 750,000 members of the FKTU against 660,000 members of the KCTU. KILF 2008:57-60

<sup>32</sup> KILF 2013:55

## The Effects of Legacy Unions and Further Research

Does it matter whether legacy unions remain dominant or are displaced in new democracies? Some scholars of the former Soviet Union have argued that legacy unions have contributed to the weakness of labour in that region.<sup>33</sup> We test this hypothesis on our global dataset of legacy union outcomes in new democracies expanded to include 28 cases in which the previous authoritarian regime did not sponsor a single trade union.

While the strength of labour is a difficult concept to measure, we can proxy for it with a measure of strikes. Table 5 below reports a simple ttest of the differences in the number of general strikes reported in the Banks dataset between 2001-2006 between countries with a dominant legacy union and those without.<sup>34</sup> It demonstrates that there is a statistically significant difference (at the 95% level) between the two. There also appears to be a substantively significant difference: on average there were 0.53 general strikes in countries without a dominant legacy union, but only 0.07 in countries with a dominant legacy union.

Table 5: The Effect of Legacy Unions on Strike Activity

Group	Countries	No. General Strikes 2001-2006	Standard Error	Standard Deviation	95% Confidence Interval	
No dominant legacy union	30	0.53	0.22	1.2	0.09	0.98
Dominant legacy union	42	0.07	0.05	0.34	-0.04	0.18
Combined	72	0.26	0.1	0.84	0.07	0.46
Difference		0.46	0.19		0.07	0.85

t = 2.38  
Degrees of freedom = 70  
P-value = 0.02

This indicates that dominant legacy unions may inhibit the ability of the labour movement to mount a general strike. In order to test this hypothesis we use data from Robertson and Teitelbaum's recent study of the determinants of strikes.<sup>35</sup> We run a simple OLS regression explaining the number of strikes in a country between 2001 and 2006 as a function of whether there is a dominant legacy union, controlling for democracy (measured by the Polity IV index), FDI, trade openness (measured as the sum of imports and exports divided by GDP), GDP per capita, GDP growth, inflation and urbanization (a proxy for organizational capacity). This replicates the explanatory and control variables used in Robertson and Teitelbaum's panel study in a cross-sectional context.

<sup>33</sup> Ost and Crowley 2001, Kubicek 2004

<sup>34</sup> Banks 2013

<sup>35</sup> Robertson and Teitelbaum 2011

Table 6: Legacy Unions, Labour Incorporation and Strikes

	(1) Legacy union	(2) Labour incorporation
Dominant legacy union	-0.51** (0.22)	
Index of Labour Incorporation		-0.09 (0.16)
FDI (log)	-0.19 (0.13)	-0.05 (0.17)
Democracy	0.00 (0.02)	-0.05 (0.04)
Trade openness	-0.00 (0.00)	0.00 (0.00)
GDP per capita	0.19 (0.23)	0.09 (0.33)
GDP growth	0.02 (0.03)	-0.01 (0.04)
Inflation	-0.01 (0.01)	-0.02 (0.02)
Urbanisation	0.01 (0.01)	-0.01 (0.01)
Population (log)	0.32* (0.17)	0.14 (0.12)
Observations	67	35

OLS regression with robust standard errors in brackets. Dependent variable is total number of general strikes 2001-2006. All control variables are 2001-2006 averages. Constant estimated but not reported. \*\*\*p<0.01 \*\*p<0.05 \*p<0.1

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

We hope that our data can be used to bring trade unions back in to studies of labour politics in new democracies. Recent studies have explored the development of labour market regulation,

labour rights and corporatist structures, in addition to the likelihood of strikes.<sup>36</sup> Trade unions and legacies of authoritarian regimes have been largely absent from this literature, but these data can be used to test for an effect of these legacies.

### **Conclusion**

In this paper, we have introduced newly-gathered data on the fates of legacy unions and forms of labour incorporation under authoritarian regimes to test theories of the determinants of continued legacy union dominance or displacement. We have confirmed findings from recent small-n studies that mobilization during the critical juncture of transition is more important than the form of labour incorporation under the prior authoritarian regime in determining the fates of legacy unions. We add an update to existing theories, however: it is not worker mobilization outside regime-backed unions that is the crucial factor, but mobilization in general during the transition that opens a space for new trade unions to challenge the formerly state-backed incumbents. We also suggested that pre-democratic labour incorporation and the dominance of legacy unions may be important variables to consider in studies of labour politics in new democracies, and provided initial evidence that legacy unions are associated with lower numbers of general strikes in new democracies.

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<sup>36</sup> Kucera 2002, Neumayer and de Soysa 2006, Mosley and Uno 2007, Greenhill et al 2009, Aleman 2010, Mosely 2011, Robertson and Teitelbaum 2011.



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