

**SERVING THE PUBLIC, FIGHTING AGAINST THE STATE
LABOR UNREST IN THE PUBLIC SECTOR ACROSS THE EU**

by
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Declaration

I hereby declare that this dissertation contains no materials accepted for any other degrees, in any other institutions. The dissertation contains no materials previously written and/or published by any other person, except where appropriate acknowledgement is made in the form of bibliographical reference.

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Abstract

Why has the public sector become the main source of unrest in European labor relations? Why do nurses, doctors and teachers organize protest action despite their tradition of being quiescent? Based on the analysis of eight conflict events in four countries - Hungary, Estonia, Ireland and Denmark, over the period 1999-2014 - I explain public sector labor unrest through the concepts of marketplace power, sovereign power and discursive power. First, I challenge the prevailing view in comparative political economy that associates labor militancy with a protected (sheltered) status of employees from the market. Instead, I claim that in a large part of the sector – health care – employees challenge the status quo relying on their strong position on the market. I borrow the notion of marketplace power from Beverly Silver, but refine it based on the least likely event of junior doctors’ resignation campaign in Hungary in 2011. I apply the marketplace power argument to three other conflict events in health care, which followed a similar pattern despite large differences in the institutional environment.

Marketplace power is the source of employee-initiated conflict, but sovereign power provides the most coherent explanation of employer offensives. The state uses its sovereign power as a legislator and as a policymaker to terminate institutional compromises with public sector unions, who call defensive protest in response. The least likely case of the Danish school lockout in 2013 demonstrates the sovereign capacity of the state to challenge strong unions. The sequence of labor protest and patience in the wake of austerity measures in Ireland shows how governments can use their sovereign power not only to provoke conflict but also to curb it.

While I explain the eruption of conflict with the notions of marketplace power and sovereign power, I also bring in the concept of discursive power to understand the outcomes of conflict. Discursive power denotes the ability to frame disputes in a way that convinces patients, parents and the general public that their interests are also served by employee protest. By identifying these three concepts of power and by teasing out the ways in which they lead to conflict and influence the result of conflict, I contribute to the political economy and the social movements literature. I also provide new insights to practitioners on the chances and risks of protest in a quiescent era of employment relations.

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I now move from individuals to institutions and organizations that enabled the research process leading to this dissertation in one way or another. First, I believe that Central European University still provides the best environment to study social sciences in

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Contents

- Contentsv
- 1 Introduction: unusual suspects, dangerous events.....10
- 2 Explaining conflict, explaining outcomes
 - 2.1 Employees: power from protection or power on the market?
 - 2.2 The sovereign power of the state
 - 2.3 Discursive power: common concern with service users and the public
- 3 Exit or care – The resignation campaign of junior doctors in Hungary, 2011
 - 3.1 State unilateralism meets employees with strong opportunities and deep grievances
 - 3.2 Credible representation, credible threat and common concern
 - 3.3 The shadow cases of teachers and employees in uniform.....
- 4 Easy exit for workers, difficult voice for unions - Three healthcare strikes in three quiescent countries
 - 4.1 The level of workers – the extension of the marketplace power argument
 - 4.1.1 Emigration
 - 4.1.2 Private sector poaching and government policies.....
 - 4.2 The level of unions - dilemmas of managing discontent
- 5 Playing against the referee – The sovereign power of the state during the 2013 school lockout in Denmark
 - 5.1 The policymaking power of the state – school reform and the lockout
 - 5.2 The legislative power of the state and its political enablers.....
 - 5.3 Fighting for privileges or fighting for a good school? A stalemate in framing
- 6 Down by law or down by agreement? – Bargaining conflicts in the Irish public sector after social partnership
 - 6.1 Austerity in the public interest?.....
 - 6.2 Slicing up resistance
 - 6.3 Better off alone?.....
- 7 Conclusion.....
- References
- List of interviews.....

List of Tables

Table 1.1: The analyzed conflict events	25
Table 2.1: Levels of protection and consumer demand in three public sector activities	
Table 4.1: Results of strikes in Estonian, Irish and Danish health care	
Table 4.2: Expatriation rates for doctors and nurses, selected countries and years	
Table 6.1: Initial position of public sector unions on concessionary agreements proposed by the government, Ireland 2010-2013.....	

List of figures

Figure 1.1: Relative involvement in labor disputes in 12 European countries, 1995-2013	16
Figure 2.1: The argument in brief.....	
Figure 2.2: Inward FDI stock in selected activities, total of developed economies.....	
Figure 2.3: Demographic trends in 12 European countries, 1995-2013.....	
Figure 3.1: Certificates issued to Hungarian health professionals to prove qualifications abroad	
Figure 4.1: Certificates issued to Estonian health professionals to prove qualifications abroad	
Figure 5.1: Legislative intervention in the Danish school lockout, 2013 April.....	

Abbreviations

ASTI- Association of Secondary Teachers of Ireland
CPSU- Civil and Public Service Union, Ireland
DLF - Danmarks Lærerforening – Danish Union of Teachers
DPER - Department for Public Expenditure and Reform, Ireland
DSR – Dansk Sygeplejeråd – *Danish Nurses Organization*
EA - Eesti Arstide Liit - Estonian Medical Association
EAKL – Eesti Ametiühingute Keskliit - Estonian Trade Union Confederation
EC – European Commission
EDDSZ – Egészségügyi Dolgozók Demokratikus Szakszervezete - Democratic Union of Health Care Workers, Hungary
ENYKK - Egészségügyi Nyilvántartási és Képzési Központ – Health Registration and Training Center, Hungary
ETK - Eesti Tervishoiutöötajate Kutseliit - Estonian Union of Health Care Workers
FAOS - Employment Relations Research Centre of the University of Copenhagen
FEMPI –Financial Emergency Measures in the Public Interest
FoA – Fag og Arbejde, (until 2005 Forbundet af Offentligt Ansatte) Danish Union of Public Employees
GRA – Garda Representative Association, Ireland
ICTU - Irish Congress of Trade Unions
ILO - International Labour Organization
IMO - Irish Medical Organisation
IMPACT – Irish Municipal, Public and Civil Trade Union
INO - Irish Nurses Organization (until 2010)
INMO - Irish Nurses and Midwives Organisation (from 2010)
INTO - Irish National Teachers’ Organisation
ISIC - International Standard Industrial Classification
ITGWU – Irish Transport and General Workers Union
KL - Kommunernes Landsforening – Local Government Denmark
MOK – Magyar Orvosi Kamara – Hungarian Medical Chamber
MOSZ – Magyar Orvosok Szövetsége – Federation of Hungarian Physicians
MRSZ- Magyar Rezidensszövetség – Hungarian Resident Physicians’ Association
NACE - Nomenclature statistique des activités économiques dans la Communauté européenne - Statistical *classification* of economic activities in the European Community
NPC-PP - National Parents’ Council Post-Primary section, Ireland
OECD – Organization for Economic Cooperation and Development
OKÉT - Országos Közszolgálati Érdekegyeztető Tanács - Public Sector Reconciliation Council, Hungary
PDSZ - Pedagógusok Demokratikus Szakszervezete – Democratic Union of Teachers, Hungary

PSZ – Pedagógusok Szakszervezete - Union of Teachers, Hungary
SIPTU - Services Industrial Professional and Technical Union, Ireland
TUI- Teachers Union of Ireland
WHO – World Health Organization

1 Introduction: unusual suspects, dangerous events

“Some of the unions are confronting [...] the sick, they are confronting the old, they are confronting the children. I am prepared to take on anyone who is confronting those and who is confronting the law of the land...”

Margaret Thatcher on the Jimmy Young show, 31 January, 1979 (as quoted in Sandbrook, 2012, pp. 763–764)

A growing share of labor protest in the developed world now comes from the unusual suspects. As noted by many scholars, the epicenter of labor unrest in Europe and North America has moved towards the public sector, where white-collar employees - with more and more women among their ranks - protest against the government as their employer (Gall, 2013, p. 201; Hyman, 1978, p. 42; Shalev, 1992, pp. 118–121; van der Velden, Dribbusch, Lyddon, & Vandaele, 2007; Vandaele, 2011). Nurses, teachers and doctors do not only take part in strike action, but organize other, non-conventional forms of protest, such as mass resignation campaigns, sick-outs, work-to-rules and recruitment boycotts (Altwickler-Hámory & Köllő, 2013; Briskin, 2011, p. 490; McCartin, 2006, p. 80; Spillane, 2015, p. 157).

These groups are unusual suspects for militancy. In the past, they were held back from industrial action by their own professional ethics, by prohibitive legislation or by both (Hyman, 1978, p. 43; O’Connor, 1973, p. 238). Restrictive measures were - and in many countries still are - in place to prevent the damage that work stoppages may inflict on the core functions of the state and on vulnerable service users: the children, the sick and the elderly (International Labour Office, 2006).

The spread of workplace-related protest among public service professionals is a puzzling phenomenon not only taking into account their own traditions, but also compared to the new norms of the trade union movement that surrounds them. Struggles between the state and its own employees

take place in an era of overall labor quiescence (Gall, 2013; Gumbrell-McCormick & Hyman, 2013; Shalev, 1992)¹. Let it be the result of declining employment in former strongholds of union militancy (such as mining or the steel industry), the weakness of unions in expanding private services, or the compromise between capital and labor in export industries, the new norm of industrial relations is cooperation. This general quietness provides a contrasting background for labor unrest in the public sector.

Why do employees traditionally averse of industrial action raise their voice exactly in a period when quietness is becoming the norm for the rest of the labor movement? In other words, why have public sector employees become the renegades of patient times? If they take action, when do they succeed and when do they fail, and what are the consequences of their struggles for other employee groups? The dissertation seeks to answer these questions through the analysis of contentious events in the public sectors across four small European states: Hungary, Denmark, Ireland and Estonia. In these countries, labor protest now almost exclusively comes from the public sector or has never taken place in the private sector. Moreover, within the public sector, professional groups - doctors, teachers and nurses - are the main source of contention in all four countries.

Based on evidence from the detailed study of eight protest events in these countries between 1999 and 2014, I identify two types of labor unrest in public services. In the first type, employees fight for proactive demands, taking advantage of their marketplace power, while in the second type they engage in defensive struggles against the government's sovereign power. I also argue that the outcome

¹To be more precise, the first large wave of militancy in the public sector erupted in the 1960s and 1970s, which was also the peak of labor protest in the private sector. Since then however, private sector protest has fallen to historically low levels, while public sector protest seems to be a sticky phenomenon. This dissertation does not deal with protest in (public) transportation, which seems to be one of the most stable sources of labor militancy over time – train drivers and airline pilots have always been relatively militant - probably due to their strategic location in the production process (Silver, 2003). However, the overall less vulnerable position of service users distinguishes these areas from health care or education.

of these struggles depends on how the employer and the employee side frame the conflict and which side manages to link its demands more convincingly to broader societal issues such as the quality or the cost of public services.

In all four countries, employees in a large part of the public sector – health care – rely on expanding economic opportunities to challenge the status quo. The increasing global demand for health care deepens grievances of employees but also creates opportunities for them to take collective action. From this insight comes the first main concept of this dissertation: marketplace power. I borrow the term from Beverly Silver, but based on the least likely case of the junior doctors' resignation campaign in Hungary, I extend it to be able to account for the mechanisms which lead from individual marketplace power to collective action even in an environment characterized by weak bargaining institutions and trade unions (Silver, 2003). I also use a most different systems design to generalize the claims about marketplace power to countries with stronger healthcare unions.

In the second type of labor unrest, employees take a defensive position against a government that introduces austerity measures and employment reforms in the public sector unilaterally, by the force of the law. In fact, this is a wide-spread scenario within the EU after 2008 (Glassner, 2010; Nowak & Gallas, 2014; Vaughan-Whitehead, 2013). In the dissertation I will focus on the 2013 school lockout in Denmark and anti-austerity protests in Ireland after 2009 to outline the mechanisms that lead to the defensive protest of public sector employees. I claim that it is not austerity measures or reforms per se that trigger conflict but rather the way in which they are implemented. I argue that conflict ensues when the state exploits its sovereign power to abolish institutionalized compromises with public sector unions. Sovereign power, the second main concept of the thesis denotes the state's capacity to back up its unilateral decisions with legislation that cannot be challenged at the bargaining table but only through direct protest action.

Explaining the eruption of conflict is however not the same as explaining its outcomes (Hamann, Johnston, & Kelly, 2013a). Either showing the marketplace power of employees or the sovereign power of the state, conflict means that the other side has the capacity to resist. At the moment of its eruption, conflict represent power ambiguity: the proactive agent has the power to challenge the status quo but is unable to get what it wants through the established institutions.

To resolve this dilemma and account for the outcome of struggles, I introduce discursive power as the third main concept of the dissertation. I develop the concept based on an engagement with the trade union renewal and the social movement unionism literature (Greer, 2008; Gumbrell-McCormick & Hyman, 2013, p. 31; Tattersall, 2013). Discursive power entails the capacity to gain public support during a conflict. As one of my interview partners from Denmark succinctly put it: “public sector strikes have to be won in the public” (Interview 18). The outcome of a public sector conflict is a matter of discourse and actors can maximize their discursive power through linking their own claims to issues of common concern with service users (pupils, parents and patients), or the public at large. I borrow the concept of framing around common concern from the social movements and the coalition unionism literature (Tarrow, 1998; Tattersall, 2013, p. 26). However, based on the Danish and the Irish case studies I also argue that this strategy is not a reserved domain of the employee side. Governments can use it as well, framing the conflict as a fight against privileged groups of workers and unions representing special interests (Cawley, 2012; Culpepper & Regan, 2014; Walsh, 2014).

Taking into account the often dominant government narrative and the vulnerability of service users, winning over the public is not a trivial task for the organizers of public sector labor protest. The findings of the dissertation suggest that in order to succeed, protest organizers as a first step have to reach a balance between being disruptive enough - or at least credibly threaten with disruption – to attract public attention, but not so disruptive as to threaten essential services and lives of citizens.

Moreover, once they have public attention, they have to deliver a clear message that turns Margaret Thatcher's sentences – quoted at the beginning of this chapter - on their head: public sector workers have to prove that by taking collective action, they might confront the law of the land, but they do so in order to make life better not only for themselves but also for the sick, for the old and for children.

By exploring the economic as well as the political causes of conflict between the state and its own employees, and by highlighting the framing strategies that can lead to the success or failure of either side, the dissertation contributes to the comparative political economy and the social movements literature. It details the steps through which economic opportunities and marketplace power experienced at the individual level translate into collective action. It also identifies the means through which the state is able to change power relations in its own favor and against trade unions—in a short period of time. It also treats framing and discourse as concepts that have decisive short-term effects in determining conflict outcomes. This introductory chapter continues by presenting secondary evidence and primary data on the shift of labor conflict from the private to the public sector. Then it discusses the significance of public sector work stoppages in terms of the perceived or real threat that they pose to citizens, as well as to governments and to the economic competitiveness of a country. It moves on to identify the gaps in the literature with regard to the explanation of these conflict. Finally, it presents the main argument and the research design of the dissertation.

The significance of labor protest in public services

There is broad consensus in the literature that the 1960s and 1970s saw the peak of labor unrest in Europe. Among the factors producing heightened tension in those years were the first large-scale strikes in the public sector (Birke, 2007; Crouch & Pizzorno, 1978; Haggrén, 2012; Sandbrook, 2012). Overall trends show a decline of labor unrest in Europe since then –this is again a consensual claim shared by many authors from different scientific traditions (Gall, 2013; Shalev, 1992; Vandaele,

2011). The same accounts however also nuance the picture of decline by highlighting the prevalence of national and sectoral differences and the diverging trends in the types of strikes. One favored theme is the increasing importance of general (or political) strikes that are targeted against government policy proposals (Hamann et al., 2013a; Hamann, Johnston, & Kelly, 2013b; Lindvall, 2013; Nowak & Gallas, 2014).

Authors also point to a shift of labor disputes from the private to the public sector, as a process that started around the 1970s-1980s and is still ongoing (Gall, 2013; Gumbrell-McCormick & Hyman, 2013; Hyman, 1978, p. 42; Shalev, 1992, pp. 118–121; Vandaele, 2011). This trend overlaps with the shift of protest from manufacturing to services, but as private services are usually sparsely organized and mired with precariousness, the larger share of service protest comes from the public sector (Gall, 2013, p. 683). Working on a sample of nine EU countries, Gregor Gall estimated that 29 % of all significant strikes reported in the European Industrial Relations Review and the European Industrial Relations Observatory between 1986 and 2008 took place in the public sector (Gall, 2013, p. 676).

Even though the cited studies are based on extensive data collection, they are not explicit about their definition of the public sector, do not control for the changes in relative size (employment share within the economy), and only cover trends before the outbreak of the global financial crisis in 2008. To address these shortcomings, I created my own dataset of public sector strikes between 1995 and 2013, from the ILO's collection of strike statistics and national statistical offices, available for this period from twelve European countries (Denmark, Estonia, Finland, Germany, Hungary, Netherlands, Ireland, Poland, Norway, Slovakia, Spain and the United Kingdom). I used a definition of the public sector that covers the economic activities public administration and defense, compulsory social

security, education, as well as human health and social work². The remaining activities I grouped as the private sector.

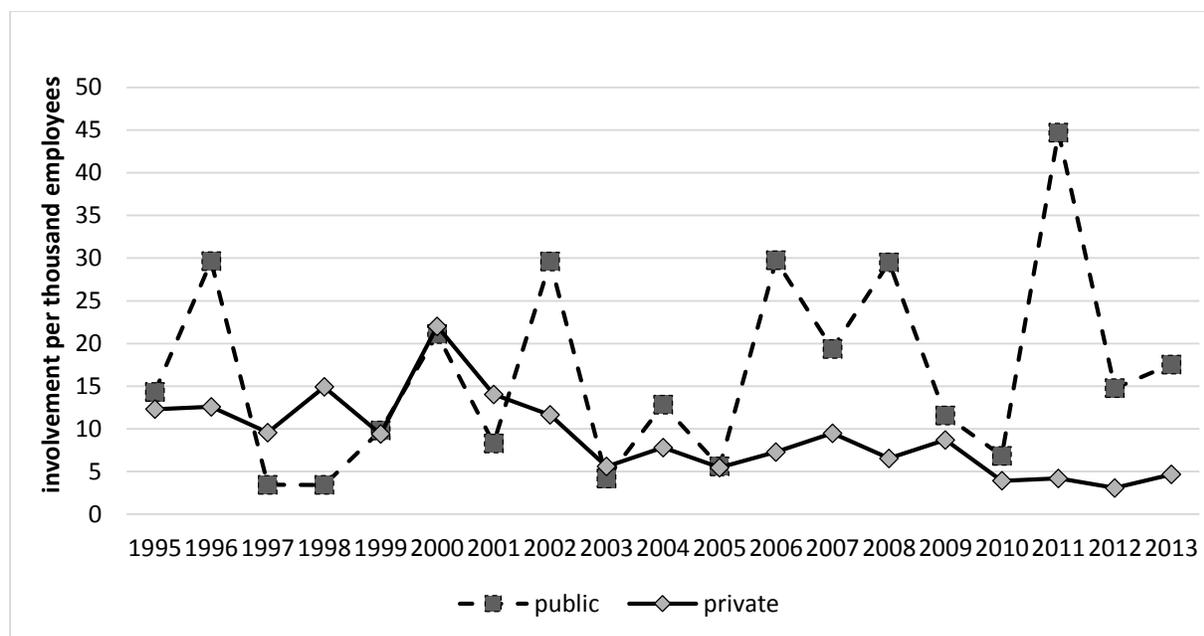


Figure 1.1: Relative involvement in labor disputes in 12 European countries, 1995-2013

Source: Own calculations based on data from ILOstat and national statistical agencies

Figure 1.1 presents trends of relative involvement in labor disputes across the public and the private sector, based on a pooled sample of 12 countries between 1995 and 2013. Relative involvement measures the number of participants in strikes and lockouts per 1000 workers. From every 1000 public

²Taking the sum of certain activities as the proxy of the public sector was necessitated by the absence of strike data based on legal status, ownership or the main source of financing of the economic entity from where the strike was reported. However, at the aggregate level a case can be made that these three activity groups are good proxies for the public sector because they are primarily financed – if not always provided – by governments. Among these three groups, public administration, defense and compulsory social security is the almost exclusive domain of the state. Regarding the other two activity groups, in the EU, governments are responsible for 88% of total expenditure on education (as of 2011, data from Eurostat) and for 77% on health care (as of 2011, data from WHO’s Global Health Expenditure Database and the World Bank’s World Development Indicators). All the rest of ISIC/NACE activities have a much more limited presence of the state.

sector employee, on average 17 were involved in strikes and lockouts in this period and the same number for the private sector is only 9. Moreover, during these 19 years, private sector involvement declined, while public sector protest intensity was growing. Until 2003, developments in the two sectors mirror each other, but afterwards there is not a single year in which relative involvement in the private sector would be higher than in the public sector. I have to add that the magnitude of the disputes in terms of working days lost can be very low compared to the multi-sectoral militancy of the 1960s and 1970s – public sector strikes are short, often one-day events. Figure 1.1 also shows that public sector protest trends are volatile: years of very high involvement are followed by years with little protest activity.

Labor unrest in the public sector however has a significance that goes beyond statistical aggregates, as each specific conflict event involves a threat of damage to service users, governments and the rest of the economy on a scale that is much larger than in the private sector. In other words, public sector labor conflicts have a disruptive potential that is larger than in the private sector. The term disruptive potential was coined by Luca Perrone, who contemplated the politically dangerous nature of strikes in public services, but in his empirical research only dealt with the private economy (Perrone, 1983).

The disruption that a public sector strike can cause has two dimensions. The first dimension is immediate in timing and political in nature, and it affects consumers of public services and governments. The disruption is immediate because the product is the interaction between producers (teachers, nurses) and consumers (pupils, patients), which – unlike material products - cannot be stockpiled or transported. A strike in the garment or in the computer industry will not affect “ordinary citizens” as long as there are stocks of these products available. A strike in health care and education is a different matter, as consumers feel the effects at the moment when doctors or teachers refuse to take up work. Lessons and medical consultations have to be canceled right away.

If it was only about the speed at which the effects of the work stoppage reach consumers, a strike by teachers would not be so much different from a strike by waiters, who – to use the terminology of Daniel Oesch - also work according to an interpersonal service logic (Oesch, 2008). There is however an enormous difference in the political significance of these two events which, I argue, results from the vulnerable position of the consumers of public services.

Citizens consume public services usually when they are in a vulnerable position: in childhood, during sickness or old age. Less often, people have to rely on state services as victims of a crime. The vulnerability of consumers also implies that the effects of public sector strikes extend beyond the people who directly rely on the services: they affect not only children but also their parents, not only patients but their relatives too. As a rule, core activities of the state are safeguarded by essential service requirements, meaning either that the state prohibits industrial action in these areas altogether or that the parties in a dispute have to agree on certain minimum provisions before industrial action can be launched (International Labour Office, 2006). However, legal requirements are often ignored by employees and employers alike, and there are a few empirical examples of worst-case scenarios of service disruption becoming a reality.

In the opening quote of the chapter, Margaret Thatcher described the reality of public sector strikes that had swept across Britain in the winter of 1979 and paralyzed hospitals, schools and even cemeteries (Sandbrook, 2012, pp. 746–764). In Slovakia – a country with an otherwise quiescent labor movement compared to 1970s Britain- a walkout of doctors in 2011 led to the shutdown of entire hospital wards, forced the government to declare a state of emergency and call in substitute doctors from neighboring countries (Czírja, 2012). These cases are not the direct subject of the dissertation and no way typical of a larger sample of public sector strikes, but they stand here as a reminder of the disruptive capacity of public sector strikes.

Due to their disruptive potential, public sector industrial conflicts are visible events and often become salient issues in political debates. From this follows that they can be politically very costly for the incumbent government. Going back to the British example, the defeat of governing Labour and the historical victory of the conservatives led by Thatcher in the 1979 election can at least partly be explained by the upheaval in the wake of the public sector strikes (Sandbrook, 2012, pp. 746–764). While criticizing them fiercely, in electoral terms Thatcher benefited from these strikes.

Finally, disruptive public sector strikes also affect private sector unions and the entire labor movement. Public sector labor unrest can provoke an equally violent backlash from the government that does not stop at the boundaries of the sector. The Reagan administration's showdown with the PATCO union after the unpopular strike of publicly employed air traffic controllers set the stage for a full-blown anti-labor offensive (McCartin, 2011). Similarly, the Winter of Discontent public service strikes contributed to the deterioration of the image of the British trade union movement and provided munitions for Thatcherism not only in terms of electoral victory but later onslaught on the movement.

The second dimension of the threat resulting from public sector bargaining disputes is long-term in timing and economic in nature. Instead of consumers and governments, the main victim in this scenario is the international competitiveness of a given economy. This dimension has been highlighted by scholars of international and comparative political economy, most recently in the context of the Eurozone crisis (Garrett & Way, 1999; A. Johnston, 2011, 2012; A. Johnston & Hancké, 2009; A. Johnston, Hancké, & Pant, 2013b; Traxler & Brandl, 2010). In short, they claim that public sector workers have the potential to drag down the competitiveness of an economy through achieving higher wages than their productivity against the private sector would allow.

While the short-term disruptive effects of public sector strikes on services are easy to notice, establishing a relationship between public sector strikes and international competitiveness requires a

long causal chain. The main point of departure for this argument - to be discussed at length in the theoretical chapter of this dissertation – is that public sector workers are more militant and have higher wage demands than private sector employees due to their protected (sheltered) position on international markets (Garrett & Way, 1999, pp. 416–417; A. Johnston, Hancké, & Pant, 2014a, p. 1781; Swenson, 1991). An important caveat here is that these arguments do not deal with actual eruptions of workplace-level conflicts, but with above-productivity wage demands in general, which can be obtained with or without direct protest action.

In these models, the containment of excessive wage demands coming from the public sector is a task to be fulfilled by bargaining institutions, but weak institutions – such as those in peripheral Eurozone countries - allowed the public sector to lead national wage developments in the noughties (A. Johnston, Hancké, & Pant, 2013a, p. 27). The resulting wage inflation sent peripheral EU countries down a spiral in which their export industries were priced out from the EU market, and increasing consumer demand was fulfilled by imports from the Eurozone core (Germany and Nordic countries). The resulting trade deficits were balanced by imported capital, which core country financial institutions provided. Due to these imbalances, when the crisis struck, the market attached a premium to the government bonds of these countries, which finally led to sovereign defaults or near-default situations (A. Johnston et al., 2013a, p. 10). The foregoing summary is built on a very simplistic interpretation of a rather complex argument that furthermore has its internal varieties. Its goal was to highlight the worst case scenario of the literature on how public sector militancy may lead to an erosion of economic competitiveness.

Understanding labor unrest in public services

Despite their apparent short-term and long-term consequences, the literature is at odds with exploring the causes of these events. As I presented above, macrosociological studies acknowledge

the shift of conflict from the private to the public sector but provide little systematic explanation of why it took place (Gall, 2013; Hyman, 1978; Shalev, 1992; van der Velden et al., 2007; Vandaele, 2011). The increasing attention that comparative political scientists pay to political strikes and anti-austerity protest also stops at the boundaries of the public sector. One of the main reasons for this is that public sector strikes are difficult to categorize. They defy the separation between the political and the economic domain that is at the foundation of most contemporary research on labor protest (Hamann et al., 2013a, 2013b; Lindvall, 2013; Pizzorno, 1978). They are political conflicts because they target the government as the center of political authority and they necessarily touch upon macro-level redistributive issues – for the simple reason that public sector pay is financed from taxes. On the other hand, they are also economic strikes, because they target the government in its capacity as an employer in specific economic activities.

Recent studies on political (general) strikes exclude public sector strikes from their sample, because they – as Johannes Lindvall put it “*only* involved the national government in its capacity of employer” (Lindvall, 2013, p. 548, emphasis added). Kerstin Hamann and co-authors omit public sector strikes from their analysis on the same grounds (Hamann et al., 2013a, p. 24). I argue that this exclusion is not justified on the basis of the very definition that the authors use – even conflicts within a single public sector activity have implications for the government not only as an employer but also as a provider of tax-financed services.

The exclusion of government employees’ strikes from the universe of political strikes is also questionable because public sector employees are overrepresented as participants in political strikes and in anti-austerity protest in general (Bermeo & Bartels, 2014; Hamann et al., 2013b, p. 1036; Kriesi, 2014). The question of why public sector employees have a higher propensity to protest might yield similar answers to the question of why they are more ready to join general. Therefore, the analysis of the causes of public sector labor unrest may shed more light on the logic of general strikes as well.

As I noted earlier, the international political economy literature pays more attention to industrial relations developments in the public sector, in specific to the economic implications of sectoral differences in labor militancy. Seminal works in that tradition highlight structural reasons for the relatively high degree of militancy in the public sector (Garrett & Way, 1999; Iversen, 1996; A. Johnston, Hancké, & Pant, 2014b; Swenson, 1991). They claim that public sector workers are more inclined to take on employers because they are protected from international markets (Garrett & Way, 1999, p. 417; Iversen, 1996, p. 408). However, these authors focus on the long-term consequences of militancy for economic competitiveness, while the actual protest events and their immediate results fall outside the scope of their analysis.

I build up my theses from an engagement with these shortcomings of the comparative politics and the international political economy literature with regard to the explanation of public sector labor conflicts. The international political economy literature hastily assumes that protection is the main cause of public sector militancy and quickly moves on to explore its far-reaching consequences. The comparative politics literature either outright excludes these conflicts from the analysis by labelling them economic strikes or assumes them to be the backbone of general anti-austerity protest without saying much about their reasons – apart from the fact that public sector employees are amongst the main targets of austerity.

I spot the main economic reason for protest among formerly quiescent employees not in their shelteredness from markets, but rather in their strong position on markets. The new subjects of contention are not the employees who work in the most protected segments of the economy (in public administration and defense), but those who face increasing demand and an opening up of international labor markets: doctors, nurses, elderly care workers. I will also point out - in line with the propositions of (Hamann et al., 2013b)- that defensive action by public sector employees is not only a sign of their material grievances but rather happens in response to the exclusion of their

representatives from decision making procedures by the government. I sketch the links between exclusion and protest by looking at how the state relies on its sovereign power to force through its will as an employer in the public sector. Finally, I argue that after conflict had erupted it becomes a matter of discursive power which side ends up with more favorable results.

The dissertation relies on a comparative case study research design, where the cases are workplace-related contentious events in the public sector. I selected eight protest events from four European countries, Denmark, Estonia, Hungary and Ireland. All four countries represent the broader tendency of a shift of bargaining disputes from the private to the public sector. I focus on the positive cases in this process, meaning that I am more interested in the eruption of conflict in the public sector than in its absence from the private sector.

The types of events I am looking at are nation-wide, workplace-related episodes of contention that involved governments and public sector employees. These events have all brought conflict to the workplace: actors voiced their claims not only through demonstrations or lobbying but through direct action that caused disruption or at least credibly threatened with the disruption of services. Workplace-related action goes with higher costs and risks for the involved actors, therefore it is justified to treat them separately from lower-risk protest events such as street demonstrations.

The definition of workplace-related protest however extends beyond conventional strike action. I derive the core argument on marketplace power and sovereign power from the analysis of two unconventional conflict events: the resignation campaign of junior doctors in Hungary in 2011 and the school lockout in Denmark in 2013. I build up the rest of the argument from conventional strike actions: the first strike of Irish nurses in 1999, a prolonged public service strike (in health care, elderly care and childcare) in Denmark in 2008, the first health care strike in Estonia in 2012, a general public sector strike in Ireland in 2009, and strike in health care and education in the same country in 2013 and 2014.

This list already suggests that the default level for collective worker mobilization is not the overall public sector but rather the level of specific activities and occupations. Public sector general strikes rarely happen – the anti-austerity strike of 2009 in Ireland is the only instance across the four countries between 1999 and 2013. Trade unions and professional associations organize their members based on specific economic activities and occupations, and in consequence they each have their specific grievances against the state. This variation allows me to explore why different occupations have different attitudes towards protest despite all being employed by the state.

The selection of these events was not motivated by their magnitude - even though some of them were long and large events in terms of number of participants and working days lost. Instead, as a first step, I selected least likely cases from the four countries to build up both the marketplace power and the sovereign power argument (Flyvbjerg, 2006; Gerring, 2007). The least likely case for the marketplace power argument was the Hungarian junior doctors' threat of collective resignation in 2011. Hungarian junior doctors were able to organize and win a campaign for higher wages in the face of non-existing financial resources, minimal organizational capacities and absence of supportive institutions or influential allies. All the cards were stacked against junior doctors in Hungary, except the widely open economic opportunities to emigrate. The Hungarian Resident Physicians' Association turned this economic opportunity into successful protest action.

The least likely case of sovereign power is the Danish school lockout in 2013, when public sector employers could get away with shutting down the entire school system for four weeks despite the tradition of bargaining collectively with a union that possesses a large strike fund and has a massive membership base. I argue that employers risked and won the lockout because they could expect sovereign legislative intervention from the government- which was in turn enabled by the “grand coalition” of mainstream political parties against the union.

Table 1.1: The analyzed conflict events

	EMPLOYEE OFFENSIVE	EMPLOYER OFFENSIVE
LEAST LIKELY CASES	<ul style="list-style-type: none"> • Hungary – resignation campaign of junior doctors, 2011 	<ul style="list-style-type: none"> • Denmark – school lockout, 2013
MOST DIFFERENT CASES AND MOST SIMILAR CASES	<ul style="list-style-type: none"> • Ireland – nurses’ strike, 1999 • Denmark – strike in health and elderly care, 2008 • Estonia – healthcare strike, 2012 	<ul style="list-style-type: none"> • Ireland- general public sector strike, 2009 • Ireland-strike of junior doctors, 2013 • Ireland-strike of high school teachers, 2014

As summarized in Table 1.1, after I built up the two arguments based on least likely single cases, I move on to generalize them with the help of three most different and three most similar cases. I generalize the marketplace power argument by comparing three healthcare strikes in three different countries at three different points in time, which however still showed the same path of economic grievances and opportunities turning into collective action, even when conflict was an uncharted territory for the representative union.

The cases of public sector strikes in the wake of large-scale austerity measures in Ireland represent a most similar case design. These three protests took place in the same country, in the same sector and close in time to each other, however they represent different logics. The general public sector strike in 2009 was provoked by unilateral government intervention and by legislative acts that introduced austerity measures without consulting unions. The 2009 strike was followed by concessionary agreements between the unions and the government. However, later on, protest resurfaced, but only in those areas where employees had strong marketplace bargaining power: education and health care. Therefore, these events also shed light on the interaction between the marketplace power and the sovereign power arguments.

I collected data from multiple sources in order to substantiate my argument. To establish the general validity of the marketplace power argument – vis-à-vis the protection-based interpretations of public sector labor unrest - I gathered statistics on trade, FDI movements, consumer demand and migration in different public and private sector activities across the EU. I used these measures as proxies for shelteredness on the one hand and for the marketplace position of employees on the other. The main sources of data were statistical and research departments of international organizations: Eurostat, European Commission, UNCTAD, WHO and OECD. In order to assess the general human relations and policy environment in the public services of the four selected countries, I consulted OECD's Health at a Glance, Education at a Glance and Government at a Glance series as well as the WHO-sponsored Health Systems in Transition reviews.

To trace the processes leading up to labor unrest in the specific cases, I relied on 21 semi-structured interviews that I conducted with representatives of trade unions and employer associations, government officials and industrial relations experts. The number of interviews is 21, but the number of interviewed people is 25, as in Denmark, officials of trade unions as well as employer representatives preferred to give interviews in pairs (this was the case with FoA, DLF and Danish Regions too). In Estonia, I interviewed two experts from the Praxis think tank during one session. I selected the sample of interview partners to achieve an overall balance between the employer and the trade union perspective, even if I did not reach both sides in each individual conflict case. Except Hungary, the language of the interviews was English. I used interviews to find out about the attitudes of involved actors and experts towards labor disputes in the public sector, but not all interviews - for example on the education strike in Estonia in 2012 - could fit the final framework of the dissertation. I anonymized and transcribed all interviews, the transcripts are available upon request from me. I provided a list of interviews after the bibliography section of the dissertation.

Due to their salience, all eight conflict events analyzed in detail in this dissertation received a fair deal of attention from national and also from international media outlets. I reviewed the English, Hungarian and Danish language press coverage of the events. I ensured the reliability of information through cross-checking reports on one event from different news outlets as well as from international and national observatories of labor relations, such as the EurWork-European Industrial Relations Observatory, and in the Danish cases the collections of FAOS - the Employment Relations Research Centre of the University of Copenhagen. Policy documents, press releases and published interviews with protest organizers, as well as the text of relevant legislation proved to be useful primary sources. The larger protest events in Denmark and Ireland also have a substantial amount of secondary literature (Brown, Greaney, Kelly-Fitzgibbon, & McCarthy, 2006; Geary, 2015; Kriesi, 2014; Mailand, 2015; Spillane, 2015).

The dissertation proceeds with Chapter 2 that details the main argument and provides some overall statistical illustration to support the marketplace power argument as the limiting theory of the shelteredness (protection) thesis. The four empirical chapters that follow are grouped into two parts: the first part deals with instances of employee protest in healthcare that were called for proactive demands, while the second part explains events where public sector employees in different activities were on the defense and employers led an offensive. The subject of Chapter 3 is the resignation campaign of Hungarian junior doctors in 2011. In turn, Chapter 4 extends the argument on marketplace power to three cases of nationwide healthcare strikes in Estonia, Ireland and Denmark. Chapter 5 flashes out the concept of sovereign power through a detailed analysis of the 2013 school lockout in Denmark. Chapter 6 brings the sovereign power thesis further as it describes austerity-related protest events in the Irish public sector after 2009.