

NEO-CORPORATISM AND UNEMPLOYED: IN GOVERNMENT AND INTEREST GROUPS INTERMEDIATION OF EMPLOYMENT INTEREST

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Abstract

This article analysis Governments and interest group's intermediation of employment interest under neo-corporatism to understand young third-country immigrants' transition to work in Czech Republic, Hungary, and Poland. Existing research pointed to neo-corporatism that emphasize large interest group organization cooperates with each other and with public authorities in interest intermediation to reconcile competing group's interest with the public, but the governance leads to inequality. Although neo-corporatism involves regulatory weakness, there is still little research in Central Eastern European (CEE) countries explaining Government and interests' group intermediation of employment interest under neo-corporatism to understand young third-country immigrants' transition to work. Based on a qualitative cross-national case-oriented research approach with fewer-country comparison, documents, published and unpublished scholastic texts are collected and analysed by a document and content analysis technique to fill in this gap. The findings show that exchange interaction, industrial restructuring, and compliance monitoring instruments are a major perceived influence in neo-corporatism governance with a lack of public value accountability that may impair the reconciliation of social dispute when looking at issues such as young third-country immigrants and socioeconomically disadvantaged groups in interest intermediation setting. The study demonstrates certain decentralised multilevel corporatist governance similarities but dissimilarities from the country's institutional context. The outcome points to regulatory administrative devices to manage interest group's crisis and young vulnerable people's employment opportunities. This is relevant to bureaucratic accountability and deliberate democracy, but the risks to democratic deficit, competitiveness, political inequality, and inefficiency in the complex policy implementation process may impair ethnic minority people's belongings, jeopardize public the trust, and hampered open democratic values.

Keywords: CEE countries; compliance monitoring; deliberate democracy; employment policy; interest groups; intermediation of interest neo-corporatism; third-country nationals; government

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INTRODUCTION

As recent decades have seen a growing lack of citizen's confidence in advanced democracy's public policy development, government inadequate strict pluralist approach has paved the way to neo-corporatism model. Recent studies have shown that neo-corporatism emphasize an institutionalized pattern of policy pattern where large interest group organization cooperate with each other and with public authorities in interest intermediation of state policy formulation and implementation (Carrasco 1993; Rothstein 1988: 239; (Trägårdh 2010; Schmitter 1981, 1985; Lehbruch 1979; Potůček and Rudolfveva 2016; Edwards 2001) but, the governance pertains to political inequality and entails risk (Streeck and Schmitter 1985). The limitation of all these interpretations is that investigation in Central Eastern European (CEE) countries (Gesine, 2016) explaining neo-corporatism governance to interpret young third-country immigrants' transition to work are rare. Moreover, the Government and interest group's intermediation of employment interest under neo-corporatism governance and its implication for third-country national's heterogeneous subgroup's transition to work require clarification. Hence, this article will deliver a careful investigation of neo-corporatism governance and its application to analyse Government and interest group intermediation of employment interest.

This paper analysis Government and interest group intermediation of employment interest under neo-corporatism to understand young third-country immigrants' transition to work in Czech Republic, Poland, and Hungary. Unemployed young third-country immigrants in this study are non-EU nationals within the meaning of Art 20(1) of the Treaty on the Functioning of the European Union (TFEU) (EUR-Lex, 2012) who voluntarily and legally move to one of the European Union member states with visas and residence permits (European Union, 2008). They are people who face several barriers to get into work and need public assistance. The main research question of this study is: How do the Government and interest group intermediation of employment interest under neo-corporatism enable young third-country immigrant transition to work in Czech Republic, Poland, and Hungary? The sub questions are: (a) how does the intermediation of employment interest contrast and (b) what is the implication for the immigrants?

Drawing on documents, published and unpublished scholastic texts, this paper takes stock of Czech Republic, Poland, and Hungary's Governments and interest groups intermediation of employment interest under neo-corporatism governance to shed light on this seemingly complex phenomenon. The research data analysis methods include the technique of document and content analysis. The paper begins with section two discussing neo-corporatism model in intermediation of interest governance. In section three, the author of this paper presents the methods to the study. Section four present the findings in the selected entities. Finally, this paper ends with some general remarks and a conclusion.

NEO-CORPORATISM MODEL IN INTEREST INTERMEDIATION GOVERNANCE

Research on the group theories represent one of the oldest forms of business organization (Nelson 2013) and administration in industrialized democracy's public policy reforms. It revolves around possible industrial conflict and organizational strategic agreements on common national policy development (Jessop, 2015). Heckscher (1946), a Swedish political scientist first denounced the industrial conflict in his book titled, "Staten och organisationerna" (Trägårdh 2010). The new institutional governance centres on the notion that representative of government, businesses and labour involve in institutionalized policy negotiation of neo-corporatism (Lebruch 1984; 1985). Neo-corporatism emphasizes class-based interest group organizations (Rothstein 1988) cooperate

with each other and with public authorities in the intermediation of interest group activity (Lehmbruch 1979; Götz 2003) to maintain stability procedures in policy development and implementation. Nevertheless, the governments face risk to administer the new governance and fully hold private institutions accountable (Streeck and Schmitter 1985). The State manages these uncertainties through regulative arranged negotiations that guide competitiveness and controls the policy processes in interest group activities. Hence, neo-corporatism is relevant in this study to capture the dimensions, causes and consequences, and thus offers an empirical lens to understand the mixed administration governance discourse. In the next subsections, I discuss the three interrelated dimensions grounded on the neo-corporatism interest intermediation conceptual framework- macro-level, meso-level, and monitoring as new institutional governance- followed by the consequences and causes of the neo-corporatism interest intermediation model.

Macro-level dimension

Macro-level emerges out of corporate interaction between employer and employee through structured stable networks of exchange between employer associations and trade unions (Saurugger, 2004; Padgett 1999; Nelson 2013). Employer association refers to industrial organisation based on the sectoral or professional criterion and by type of ownership which represent members' collective interests (Özke 2015). Collective bargaining or social dialogue, for instance, established negotiation for higher-level collective agreements (Eurofound 2010). However, employer associations face challenges to find modern solutions for employers (ibid). In contrast, trade unions refer to an organisation made up of members who are mainly workers to protect workers interest (Gov.uk 2021). In addition, most trade unions are independent of any employer, but they may develop close working relationships with employers (gov.uk. 2021). Moreover, employer organisation and trade unions support Active Labour Market Policy, firms' investment in active measures (ibid), and employment relations in public domain as exchange transaction (Streeck 1984) to navigate registered unemployed into work. In Crouch (1993), Marin (1985), and Traxler (1990) opinions the interaction develops into a network of "generalised exchange" and facilitates their incorporation into the public policymaking and implementation process.

In short, employer associations and trade unions play a key role in macro-level cooperation to ensure the collective-bargaining process in neo-corporatism interest intermediation model. However, there are other neo-corporatism interest intermediation arrangements.

Meso-level dimension

Meso-level cooperation revolves around state-sector specific interests across the class alignments in societal level (Cawson 1985) through industry policy arena and industrial restructuring (Padgett 1999). Industry policy arena represents the establishment of search networks or "cooperative public and private sector efforts that anticipate technological change and its effects rather than a priori defined targets (Kuznetsov and Sabel, 2006). Active labour market investment, for instance, in national plan crisis-management agreements between government and sectoral interests during the business structural decline serves to defuse the social conflict attendant upon employment-related crises (Gamst 2015; Padgett 1999). In contrast, industrial restructuring represents increase specialisation of firms and their extensive outsourcing and networking strategies (Sakai 2002) to maximise benefits. However, governments face major challenges to evaluate the policies and to assess the real impact of each policy measure (ibid). In Carascco (1993) opinion, this leads to liberal democracy that disintegrates after the political community.

In short, the meso-level describes forms of fewer competitive interest groups arrangements. Despite the state-sector specific organizational form, governments still face risk in neo-corporatism interest intermediation that are managed with monitoring regulatory mechanisms.

Monitoring dimension

Monitoring strives for feedback, which represents the basic attitude, and orientation pursues through observation. This regulative procedure provides government information about organizations' performance (Dunn 2004) that is emphasized under two different types of exercises. This involves the government's exercise of regulatory power of monitoring activities and components and monitoring functions to control organization's representative behaviours (Brahmadev and Leepsa, 2017). The former refers to government political power exercises to curb organization representative action and manage divergent interests deemed in market transactions for the public. For instance, government effective performance monitoring exercise observes organization representatives' responsibilities, decisions, and compliance performance (Fama 1980). Moreover, monitoring components embody the observation of periodic reports, verifications, survey of citizen's satisfactions, follow-up compliance, and regular inspections in the Government employment policy arena (Rehfuss, 1993). However, the government cannot play such a role efficiently and harmoniously (Holländer 1995). In Potucek and Rodelfova (2016) and Fukuyam (2004) opinions, the state can aggregate and purposely deploy legitimate powers to enforce a rule of law but establishing and maintaining political power is costly. In contrast, the monitoring function performs four roles (Dunn 2004). There are compliance, auditing, accounting, and explanation. Compliance monitoring helps determine compliance to standards, and procedures define in advance either by laws, regulatory agencies, or professional bodies. Auditing monitoring helps to determine whether the resources targeted have reached beneficiaries. Accounting monitoring delivers helpful information in accounting changes after process or policy implementation. Explanation monitoring provides outcome information of policy implementation and why policy differs or not (see Esien, 2019). In short, the exercise of monitoring is part of a regulatory process in the neo-corporatism model to monitor performance, analyses policy output and administers interest groups intermediation of interest. Despite monitoring, government still face the task to hold interest groups accountable for the public that results to consequences and causes of neo-corporatism governance.

In the next paragraphs, I will discuss the consequences, followed by the causes of the neo-corporatism governance in intermediation of interest governance.

A considerable amount of literature has been published on the consequences of neo-corporatism governance. In Streeck and Schmitter (1985), Mansbridge (1992); and Peter and Hunold (2001) opinions, (I) The neo-corporatism arranged mode lead to social order, but embodies risk because the government cannot fully hold private institutions and large interest groups accountable for the public; (II) Traditional neo-corporatist arrangement's centres on deliberations by elites that exclude diversify groups of people and enforce political inequality; and (III) neo-corporatist negotiations are basically non-public in nature that may clearly violate public value and inclusiveness. Despite consequences, there are different causes behind the arranged mode of neo-corporatism intermediation of interest governance.

Data from several studies have identified the causes of the neo-corporatism arranged governance. In the view of Edward (2001); Rhode (1991); Rhode and Molina (2002); Jessop (2015) and Zeitlin and Pochet (2005), the following causes are behind the neo-corporatism governance: (I) Neo-corporatism arose in the modern era as a

politico-ideological critique of liberal capitalism; (II) the inadequacies of the pluralistic systems that alienate the state and civil society; (III) Church intention to renew social organization represented by medieval craft guilds and advocate the enhanced role for self-governing interest groups; (IV) Post-WWII impulse for “national Unity” sense that industry and labour has to work together in order to rebuild war-torn economies fostered tripartite (that is industry, labour, government) corporation; and (V) the idea of tackling a “democratic deficit” in political process with the inclusion of overarching interest groups representation and intermediation in state policy formation; and (VI) mobilize the relevant business and labour economic functional interest associations with the incorporation of other basic level social-interest groups into corporatist procedures to develop more effective economic and social policies in an increasingly complex world.

Overall, the macro and micro level established political agreement among Governments and interest groups in neo-corporatism new governance modus operandi. Government and interest groups interest intermediation take place in less competitive form and aggregate functional interest representation. Monitoring regulatory tools play an important role that shape and guide interest groups preference to maximise policy net benefits. Although most researchers in the field agreed that neo-corporatism interest intermediation model shared values (Dunn 2004), there is still little investigation in Central Eastern European (CEE) countries explaining neo-corporatism governance to interpret young third-country immigrants’ transition to work. Hence, neo-corporatism governance is imperative to analyses Governments and interest group intermediation of employment interest to understand young third-country immigrants’ transition to work.

In the next chapter, I discuss the methodological and method part to investigate the phenomenon and derive findings to answer the research questions.

METHODOLOGY AND METHODS

The design of this study is from a comparative cross-national case-oriented research approach with a fewer-country comparison (Lor, 2011). The methodology has several advantages, such as the notion that it relies on a constructivist philosophical position about how the complexities of a socio-cultural world are experienced, interpreted, and understood in a particular context (Atteslander, 1971). Limitation to the study includes the notion that fewer countries may have different data sets for the same category (Hantrais, 2009). In addition, the study is limited to Czech Republic, Poland and Hungary that indicate a “whole-nation bias” (Lijphart, 1971), and the arguments for and against the focus on countries (Sartori, 1991). Likewise, a suitable and exact countries’ choice is critical (Lor, 2011, 14) with low external validity making the generalization of the phenomenon difficult to countries not included in the study (Ragin, 1987). However, the findings may generalize a theory in the way social scientists’ theory-generate findings from one case study to the other (Yin, 1994).

Data were gathered from a triangulation of authorized employment policy documents, official employment reports and an overview of existing scholastic literature to offer corroboration and /or supportive evidence (Mayring, 2002) from Czech Republic, Poland, and Hungary. The researcher used a multiple-purpose sample (Yin, 2003) to select the documents that have a long history and physical evidence to explain human behaviour. The researcher investigates the documents during his stay in Prague and Linz from January 2019 until August 2020. The documents were in Czech, Polish, and Magyar. The researcher used official English translated versions or asked colleagues as well as used on-line English versions in databases such as Eurofound, OECD, ILO, and selected country’s websites. For the on-line search and choice, the researcher inserted, for instance,

“Employment Acts”, “Neo-Corporatism”, “Large Interest Groups”, “Employers Associations and Employees Unions” or “Third-country Nationals” in the search machine rubric. This generated a diversity of documents and materials that marks a major advantage of this research plan with a source that is less subject to error (Mayring, 2002).

The researcher extracted the passages with themes derived from neo-corporatism conceptual-led deductive categories (ibid). In the initial round of the coding process, the author of this paper reviewed phrases, sentences, and paragraph segments from the documents and other sources to code the data. In the first round of the coding process, the researcher developed the following suitable categories to enable the analysis: (I) Inclusiveness-Exchange interaction: How does the Governments, employer organization, and employees’ unions emerge out of the exchange interaction: What are the employer and employee organization? How does the exchange interaction between employer and employee in the intermediation of interest take place? How are the networks of exchange interaction between Government, employer, and employee organization in the intermediation of interest structured and stabilised? (II) Specific interest – Industrial restructuring: How does the government cooperate in different state-sectoral specific intermediation of interest? How is the government and sectoral intermediation of interest in different employment policy arena? (III) rules- compliance monitoring pattern: This code offers information about specific government’s interest groups monitoring and controlling mechanism. I also show their link to the country-specific compliance monitoring mechanism, such as punishment towards interest groups noncompliance. And the arrangements, for instance, that sanctions interest groups violating Government’s employment policy rules in the intermediation of interest policy arena.

After several rounds of code deduction and all the evidence from the documents, reports, and scholarly text creating a big picture of the way in which the cooperation of the state, public and private employment agencies in corporatist arranged governance developed, interrelated and implicated young-third country immigrant transition to work was the author of this paper satisfied that the processes of data collection and analysis were completed and have arrived at saturation to answer the research question.

In the next chapter, the author of this article presents the findings of this study to understand the phenomenon and answer the research question.

GOVERNEMENTS AND INTEREST GROUPS INTERMEDIATION OF EMPLOYMENT INTEREST FOR YOUNG THIRD-COUNTRY IMMIGRANTS’ TRANSITION TO WORK.

The previous chapter examined the document analysis. This chapter will look at the findings. It begins with the three themes that emerged in the previous data analysis chapter, namely (I) exchange interaction, (II) industrial restructuring, and (III) compliance monitoring to identify Governments and interest group’s intermediation of employment interest in neo-corporatism governance and answers the research question.

Exchange interaction for interest groups social responsibility and employment investment.

In seeking to investigate and analyses the notion of Governments and interest group’s intermediation of employment interest under neo-corporatism governance in this study, it may be useful first to consider the notion how government, employer, and employee exchange interaction develop in interest groups intermediation of

employment interest under government employment policy. This section looks at the issue; discuss the findings surrounding exchange interaction of interest group's intermediation of interest for social responsibility and employment investment and its implementation with conclusive remarks.

For each of the comparative entities, there is a centralized industrial relation with a plethora of organization in the institutional corporative-level of interest group's intermediation of employment-related governance framework. In Czech Republic, the Government developed the State employment policy with other labour market actors, especially employers and trade union to regulate labour market organisations intermediation of interest (Kalužná 2008; 435/2004 Coll, Section 2 (2)) The government cooperates with the territorial self-governing units, professional organisations, associations of people with disabilities (PWDs) and employers' organisations (435 / 2004 Coll. ACT of 13 May 2004 on employment) in the intermediation of interest to implement state employment policy (ibid). The Ministry of Labour and Social Affairs and the Labour office administer the State employment policy. The Minister interacts in cooperation and in the form of considering the proposals of parties active on the labour market. Government relationships with other interest groups active on the labour market are developed and maintain at each level of interest intermediation governance (ibid). Advisory councils² and experts working groups³ from the LO ensure intermediation of interest through cooperation with relationship within the active employment policy. This brings in valuable inputs in terms of information, contracts, and idea, and may also initiate local employment partnership in interest intermediation related to the development of employment policy (ibid). The territorial self-governing units, the relevant trade unions, and employers' organisation cooperate with the Regional Branch of the LO to ensure employment, workforce mobility, and human resources development.

In Poland⁴, the State regulates the institutional setting of interest group intermediation of interest (Act of 20 April 2004 on Employment promotion and labour market institutions, Chapter 1, Article 1-2). Government performs its tasks based on "the National Action Plan" (NAP) and on the initiatives voivodeship (provinces) self-governments, poviats (counties or districts), and gminan (communes or municipalities), as well as those of social partners (ibid). The minister of labour collaborates with the minister for economy, the minister for education and upbringing and the minister for higher education to prepare and draft the NAP and submit it to the Supreme Employment Council for an opinion (ibid). Based on the NAP and voivodeship (provinces) development strategy and voivodeship social policy strategy refers to in separate provisions, the voivodeship self-government annually prepares a regional action plan for employment, specifying preferred regional

² The advisory council composed primarily of the representatives of trade unions, employers' organisations, corporative bodies, organisations of persons with disabilities (PWDs) and self-governing territorial units to coordinate the implementation of the State employment policy and human resources development in the respective administrative district. In particular, the advisory councils express their opinion regarding the provision of contributions to employers within the context of active employment policy, retraining programs, the organisation of consultancy services, measures to promote equal treatment of all persons exercising their right to employment, and issues of mass lay-off (ibid).

³ The labour Office experts working groups aim to assess the appropriate forms of work rehabilitation of PWDs. This consist mainly of representatives of organizations of PWDs and representatives of employers employing more than 50% of PWDs (ibid).

⁴ The administrative division of Poland since 1999 has been based on three levels of subdivision. Poland is divided into voivodeships (provinces); these are further divided into powiats (counties or districts), and these in turn are divided into gminas (communes or municipalities). Major cities normally have the status of both gmina and powiat. Poland currently has 16 voivodeships, 380 powiats (including 66 cities with powiat status), and 2,478 gminas (***)

programmes, local projects, priority groups of the unemployed and other persons requiring support (ibid). The minister of labour coordinate interest groups intermediation of interest in public employment services (ibid)

In Hungary, the Labour Code governs the relations between trade unions, workers councils and employers, and their representation organization in the interest group’s intermediation and to maintain peace in labour relations (Act I of 2012 on the Labour Code, Section 230). According to the law, employees and employers establish interest representation organization at their own discretion to promote and protect their economic and social interests (ibid). The employer, the works council and the trade union provide information to each other related to employment relations and facilitate opinion for consultations (ibid). The latter establishes dialogue and exchange of views between the employer and the works council or trade union(ibid) to reach a collective agreement and ensure proper representation in the intermediation of interest. The provision of the work councils governs the cooperation between employers and workers (ibid). Employment relationships are with public employers⁵ either by itself or through collective relationship.

According to a report from Theij et al (2017), Hungary and Poland are still classified as having a (strong) corporatist interest intermediation with organised interest groups that represent major groups of society (those are employers and employees or professional groups) as the basis for the socio-political organisation of society (See table 1). Meanwhile, the authors emphasized that the corporatist interest intermediation element is mixed for Czech Republic (ibid)

Table 1: Corporatist interest intermediation elements

Corporatist	Pluralistic
Hungary, Poland	

Authors own adapted from Thijs et al 2017.

Other reports indicate a high degree of government consultation with other social partners and respect for their autonomy has resulted in timely, comprehensive, effective, and fair measures in employment policy design (ETUC 2020). However, most EUPACK country experts in Czech Republic, Hungary and Poland judge direct citizens participation in policymaking and implementation as rather weak (See Table 2). Moreover, there is a consensus that in Central and Eastern European countries which include Czech Republic citizens, participation is traditional underdeveloped that pertain in part due to the more recent transition to democracy (Thijs et al 2017). This may infringe citizen’s voices in policymaking and implementation. In addition, their weak societal consultations undermine other group of people (especially those from ethnic minority communities such as migrants) voices and policy advices (see Esien 2019; 2020). This may also reduce the likelihood that new ideas from outside the public sector are brought to the attention of the government (Politt and Bouckaert, 2017).

Table 2: Citizens’ participation in policymaking and implementation

Strong	Medium	Weak
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⁵ Public employer means a public foundation or a business association in which the State, a municipal government, an association of municipal governments vested with legal personality, a multi-purpose micro-region association, a development council, a minority self-government body, an association of minority self-government bodies vested with legal personality, a budgetary agency or a public foundation has majority control either by itself or collectively (Act I of 2012 on the Labour Code, Section 204).

		Czech Republic, Hungary, Poland
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Author's own adapted from Thijs et al 2017.

In short, in the comparative entities, government, employers and employees' organizations cooperate for interest intermediation. In Czech Republic, the Government developed the State employment policy with other labour market actors, especially employers and trade union to regulate labour market organisations intermediation of interest. Advisory councils and experts working groups ensure intermediation of interest through cooperation with relationship within the active employment policy. In Poland, the government performs its tasks based on NAP and on the initiatives voivodeship self-governments, poviats, and gminan, as well as those of social partners. The minister of labour coordinator interest groups intermediation of interest in public employment services. In Hungary, the relations between trade unions, workers councils and employers, and their representation organization govern interest group's intermediation and maintain peace in labour relations. The employer, the works council and the trade union establish dialogue and exchange of views to reach a collective agreement and ensure proper representation in the intermediation of interest. However, despite corporatist intermediation of interest, direct citizens' participation in employment policy implementation was rather undermined. These findings suggest that in general interest representation is consistent with public deliberation for joint problem-solving, but the diverse citizen participations are weak (Thij et al., 2017) to tackle "democratic deficit" (Jessop 2015) as corporatist interest intermediation deliberation concentrates on elites instead to permit a more democratic process of public deliberation (Jessop 2015). Therefore, the limitation can prompt political inequality with fewer diverse groups of people self-interest, voices, and policy advice in negotiations (Mansbridge 1992; Hunold 2001; see Esien 2019; 2020). The tendency of insufficient non-state small communities and civil society in corporate interest intermediation may deepen exclusion, concentrates on elites, jeopardize public accountability, and strengthened (political) inequality that may impair vulnerable people's self-interest in employment systems, when looking at corporatist intermediation of interest governance setting.

This subsection has discussed the exchange interaction for interest group's responsibility in corporatist interest intermediation governance. The next subsection will look at the industrial restructuring for employment-related crisis management.

Industrial restructuring for employment-related crisis management.

The previous subsection examined exchange interaction in corporatist interest intermediation governance. This subsection looks at another aspect of neo-corporatism in interest intermediation governance to restructure industries for employment-related crisis management. Restructuring industry is government regulative tool to improve quality human resources service development in employment systems.

For each of the comparative entities, there is Active Labour Market Policy program in the institutional setting of neo-corporatist interest intermediation governance framework. In Czech Republic, the state employment policy coordinates employment, and human resources development measures in the labour market. The Ministry of Education, Youth and Sport assigned Labour Offices concludes an agreement with accredited retraining facilities to implement education and training programs for unemployed ((Act on Employment, 435/2004 Coll. Dated 13th May 2004, Section 104 (1)). In its creation, the Minister cooperates with the administrative authorities and territorial self-governing unites and considers the interest of person working in the labour market (ibid). The government cooperate with employers and other entities in the labour market to support equal treatment of men

and women, people with disabilities (PWDs) and other groups on the labour market to access work, retraining, job training and specialised retraining courses (ibid). Regional Branches of the LO and the employment agencies cooperate under an agreement in interest intermediation for unemployed job opportunities to restructure the labour market situation through subsidize (re)training programs (ibid). Employment agencies are obliged to keep records of the number of vacancies for intermediation of interest and statistic regarding the temporary place to perform work (ibid).

In Poland, “the Freedom of Economic Activity Act” regulate an economic activity to provide services in respect of job brokerage, consultancy, guidance, and temporary work (Act of 20 April 2004 on Employment promotion and labour market institutions, Chapter 6). Government provides the labour market instruments that subsidize employer’s workplace creation for job opportunities. The territorial self-government units, higher-education schools, associations, foundations, voluntarily, professional, and other organizations perform the activities (ibid). Employment agency is obliged to cooperate with employment authorities on the provision of collective labour agreement that governs interest intermediation of the labour market policies (ibid). The marshal of the voivodeship competent for the seat of an employment agency keeps the register (ibid). The register may be in an electronic form and accessible to the public (ibid).

In Hungary, the ministry of employment and labour degree the regulation to regulate collective agreement (Act I of 2012 on the Labour Code, Section 230). Government provides non-payable subsidies to temporary work agencies through public work contracts and other public supply and services (Act CXLIII of 2015 on Public Procurement, Article 5) that intermediate interest groups creation of work opportunities. Employers or “Temporary-work agency” engages activities with members who have limited liability, or a cooperative society in respect of employees other than its member (Act I of 2012 on the Labour Code, Section 214). The customer (third party) cooperates with the employer to provide service and access for the employer’s representative to the place of work and make available information for the employer in connection in interest intermediation of work (ibid). The employer and the customer are jointly and severally liable in respect of obligation under employment relationships (Act I of 2012 on the Labour Code, Section 224).

Table 3 indicates that the government spent on Active Labour Market Policies where organizations also perform intermediation of interest in employment-related setting to reduce social conflict and employment malaise. In 2018, Czech Republic public expenditure as a percentage of GDP on LMP accounted to 0,3 (PES placement and related services), 0,01 (training), 0,3 (Employment incentives), and 0,11 (Sheltered and supported employment and rehabilitation). In Poland, it accounted to 0,04 (PES placement and related services), 0,01 (training), 0,10 (employment incentives), and 0,17 (sheltered employment and rehabilitation). In Hungary, government spending as a percentage of GDP on LMP accounted to 0,05 (PES placement and related services), 0,03 (training), 0,12 (employment incentives), and 0,00 (sheltered and supported employment and rehabilitation). This investment gives interest groups finances for the intermediation of their interest to restructure and diffuse social conflict in employment systems.

Table 3: Public expenditure as a percentage of GDP on LMP, 2018

Country	PES placement and related services	Training	Employment Incentives	Sheltered and supported employment and rehabilitation

CZ	0,3	0,01	0,3	0,11
PL	0,04	0,01	0,10	0,17
HU	0,05	0,03	0,12	(n) 0,00

(n) nil or less than 0,005 OECD. Stat, 2021.

However, employers perceived the application of employment incentives programs overly bureaucratic, and laborious compare to the related benefits (EC 2012; Yle 2019). Another report from the Czech Republic emphasized whether it will be flexible enough for real-life need and purposes, given that every single investment will require a decision on the cabinet level (bnt attorneys in CEE 2020). In addition, work providers must comply with certain conditions.

Overall, government in the comparative entities invest in ALMP to diffuse employers and employees' social conflict. Employers received financial provision that enables the subsidization of work creation and restructuring of industrial relation. In Czech Republic, government accredited special employer to facilitate training. The government cooperate with employers and other entities in the labour market to support PWDs and other groups on the labour markets specialised retraining courses. In Poland, the government cooperate with employment agencies and employment authorities on the provision of collective labour agreement that governs interest intermediation of the labour market policies. In Hungary, the government regulate collective agreement that provides non-payable subsidies to temporary work for interest intermediation of work opportunities. However, the investment programs are conditioned. These findings suggest that in general the government spend on employment investment programs to reduce interest group's conflict, but the restructure investment program is overly bureaucratic, costly, and give rise to negligible impact on employment (EC, 2012; 2019). This little impact might suggest industrial restructuring as a normal form of gainful activity and reducing social conflict but may not always translate into social inclusion (Neil, 2004; Vodopivec, 2004). The reason for this may have something to do with challenges given the slow rate of economic growth and government inefficient service provision in public/social protection of the unemployed (Neil, 2004) that may impair beneficiaries' transition to paid work, when looking at issues such as employment-related transition in corporatist new intermediation of interest governance setting.

This subsection has discussed interest groups intermediation of interest nature of the ALMPs investments for industrial restructuring that diffuse social conflict into employment opportunities. The next subsection will look at the compliance monitoring pattern as specific controlling mechanism to interest group's intermediation of interest activities.

Compliance monitoring as performance administrative regulator

The previous subsection examined industrial restructuring arguing that the investment on ALMP is government industrial restructuring tool in corporatist interest intermediation governance to reduce social conflict. This subsection looks at another aspect with corporatist interest intermediation regulatory governance with compliance monitoring.

In Czech Republic, the Ministry regulates and supervises the performance of state administration and the compliance with the law in the intermediation of interest of State employment policy (435 / 2004 Coll. ACT of

13 May 2004 on employment, Section 6). The Labour Office (LO) monitors and reviews the overall situation on the labour market and adopts measures to influence interest intermediation in the labour market and employment system (ibid). The Labour Office performs inspection activities within the scope laid down by the 435 / 2004 Coll. ACT of 13 May 2004 on employment and the Act on the free movement of services, including the imposition of fines (ibid). Regional Branch of the LO provides the State Authority for Labour Inspection the details of employees' performance of work (ibid.). Noncompliance implies sanctions and punishment (ibid)

In Poland, the Ministry of Foreign Affairs, in cooperation with competent ministry's schedule activities that guides the Principles on Business and Human Right (National Action Plan for the Implementation of the United Nations Guiding Principles on Business and Human Rights 2017-2020). The Minister of labour regulates the need to ensure compliance of the public aid with training aid admissibility conditions in the event of refunding the training courses' costs (ibid). The National Labour Inspectorate (PIP) performs the task as an institution that oversees business (ibid). The PIP authority oversees and verifies the observance of Labour law, in particular the regulations etc. (ibid). The National Labour Inspectorate cooperates with specialised authorities for supervision and inspection of working conditions, trade unions, employers' organisations, workers' self-government authorities, workers' councils, social labour inspections, public employment services and state administration authorities etcetera (ibid). Labour inspectors conduct an inspection with respect to the observance of the provisions of labour law, without prior notice at any time of day or night. Violation of the labour law regulations implies legal remedies aimed at removing any irregularities and imposition of fines and punishments (ibid).

In Hungary, the employer is authorized to disclose data in the interest of fulfilment of obligations stemming from an employment relationship (Act I of 2012 on the Labour Code, Section 10). The representatives of works councils or trade unions are not authorized to disclose any data in the legitimate economic interest of the employer (ibid). Employers monitor the behaviour of workers to the employment relationship (ibid). The employers' actions of control, and the means and methods used, may not be at the expense of human dignity that violates worker's private life (ibid). Infringement of obligations regarding employment relationship and collective agreement implies legal consequences (ibid). The detrimental legal consequence implies the imposition of sanction with financial punishment (ibid).

A study in 2016 found out that 457 numbers of complaints were lodged in Czechia against employers for employing illegal third-country nationals (European Migration Network- EMN, 2017:119). The study also reported that the imposition of temporary or definitive closure sanction is possible only in case of criminal sanction (ibid: 28) to restrict agencies. However, another study found out that the Labour Office considers criminal proceeding is difficult and can take long time as it needs many investigative acts (Heilemann, 2017) to impose the offences. Even more studies since then have reported that there is a lack of standardize monitoring procedures to estimate and interpret exact policy outcome that is misleading (Gächter, et al. 2015).

Briefly, compliance monitoring in the comparative entity improves outcome performance within the scope of employment Act. In Czech Republic, the Ministry regulates and supervises the performance of compliance in the intermediation of interest of State employment policy. The Labour Office Inspectorate performs inspection activities on employment and the Act on the free movement of services, including the imposition of fines. In Poland, the Ministry cooperation with other ministries to guides the Principles on Business. The National Labour Inspectorate cooperates with specialised authorities for supervision and inspection of working conditions. In

Hungary, employers monitor the behaviour of workers to the employment relationship (ibid). Infringement of obligations regarding employment relationship and collective agreement implies legal consequences and sanction with financial punishment. These findings suggest that in general the bureaucrats exercise inspections under specific compliance rules (Rehfuss, 1993) with sanction and fines to limit interest groups' choice (Zinyema, 2014; Fama 1980) in intermediation of interest for employment policy, but face executive challenges because criminal proceeding is long, demanding, time consuming (Heilemann, 2017) to impose the offences and discipline interest groups. One possible reason for these administrative challenges could be ownership rights lead to loss of proper control on interest groups' action (Arrow, 1971) that makes corporatist intermediation of interest governance imperative to uncertainties, costly, and lack of cooperative communication strategy (Neil, 2004: 119) and difficult to administer (Esien, 2019; 2020) that may impair beneficiaries' transaction of welfare, disabilities, and social assistance benefits access to employment systems, when looking at issues such as transition to work of socio-economically disadvantaged groups of people in corporatist interest intermediation governance setting.

Overall, there exist a centralized corporative-level of interest intermediation in employment-related governance setting. The Government cooperate with a plethora of labour market actors and institution that include employers and trade union to regulate labour market organisations intermediation of interest. Employers and employees' organizations cooperate with the PES to support people with disabilities (PWDs) and other groups on the labour market to access work, retraining, job training and specialised retraining courses. Nevertheless, there exist misalignment in ownerships' rights with self-interest and different risk sharing preferences between the government, other labour organisations, employers, and employee's organisation in interest intermediation. The outcome is administrative and corporatist intermediation of interest agreement misconduct with misconduct and offenses. The Labour Office Inspectorates monitors corporatist interest intermediation agreement rules with sanctions and fines. However, administrative challenges, high cost to assess performance, uncertainties, lack of a corporation with communicative strategy and inefficient stabilization monitoring system still prevails in the selected entity's corporatist intermediation of interest governance, that may impair the steering of a young third-country immigrant smooth transition to work.

Despite similarities, the comparative entities are dissimilar in their corporatist intermediation of interest governance. Hungary and Poland are still classified as having a (strong) corporatist interest intermediation with organised interest groups that represent major groups of society (those are employers and employees or professional groups) as the basis for the socio-political organisation of society. Meanwhile, in Czech Republic, the corporatist interest intermediation element is mixed. In addition, Czech Republic and Poland are dissimilar to Hungary because their government spending relies on sheltered and supported employment and rehabilitation. Meanwhile, in Hungary, it depends more on employment incentives for corporatist intermediation of interest to restructure industrial relation and regulate young third-country immigrants' transition to work.

CONCLUSION

This article analysis governments and interest group's intermediation of employment interest under neo-corporatism to promote work. The research design consisted of a qualitative cross-national case-oriented research approach with a fewer-country comparison between Czech Republic, Poland, and Hungary. The focus

was on neo-corporatism intermediation of employment interest governance to interpret young third-country immigrant transition to work.

The study has shown that exchange interaction for interest group's responsibility, industrial restructuring, and compliance monitoring was a major perceived influence in neo-corporatism intermediation of employment interest governance. An important finding to emerge in this study is the weak diverse citizen's participation (Thij et al 2017) and problem with quality (Van Caeneghem 2019) in monitoring performance that has encouraged political inequality, "democratic deficit" (Jessop 2015), and limitation of people's self-interest, voices, and policy advice (Mansbridge 1992; Hunold 2001) to estimate public value accountability. These uncertainties are a barrier to include non-state small communities (that include migrants' communities) and civil society in public deliberation for joint problem solving. Despite similarities in performance monitoring, neo-corporatism interest intermediation governance in Hungary and Poland is dissimilar to that of Czech Republic, because there are (strong) corporatist with organised interest groups that represent major groups of society (those are and employees or professional groups) as the basis for the socio-political organisation of society (Thijs et al 2017). Meanwhile, in Czech Republic, the neo-corporatism interest intermediation element consists of a mixed corporatist form. This research confirms previous findings and contributes to our understanding of interest groups lack of public value accountability and political disintegration to antagonistic groups' quality and service to reconcile social disputes (Jessop 2015) in neo-corporatism intermediation of employment interest governance. These uncertainties suggest that neo-corporatism model concentrates on elites instead to permit a more democratic process of public deliberation (Jessop 2015). One possible reason for this may have something to do inefficient communicative strategy and social exclusion that may impair vulnerable people's transition to employment systems, when looking at issues such as employment-related transition of young third-country immigrants and socioeconomically disadvantaged groups in neo-corporatism governance setting.

However, several limitations need to be considered. The study, for instance, has been primarily concerned with Czech Republic, Poland, and Hungary that indicate a "whole-nation bias" (Lijphart, 1975) and cannot be generalized to explain other countries leading to low external validity (Ragin, 1987; Lor, 2011). Nevertheless, it may be generalized to a theory in the way scholar's theory-generate findings from one case study to the other (Yin, 1994, 2003). In addition, I have addressed only Governments and interest group's intermediation of interest. And to some extent, the researcher faced a language barrier, as some of the authorized legislative documents were in Czech, polish and Magyar but could use official English language translations and support from colleagues in the network. The study appears to support the argument for a wider and broader participation and marginal adjustment in neo-corporatism interest intermediation governance under employment-related policymaking and implementation ramification, especially to support third-country nationals and ethnic minority people's transition from welfare to paid work. Further research should concentrate on young third-country immigrants' personal experience as an interest group of people under employment and integration-related policy arena in neo-corporatism interest intermediation governance setting.

In short, the findings suggest neo-corporatism interest intermediation model is a social pact with an arranged administrative device to target interest groups' actions and labour market performance in network economy and steer young third-country immigrants' transition to work. If complexity in the policymaking and policy implementation process prevails, problems of democratic deficit, social exclusion, political inequality, and lack

of public value accountability may prevail not only to impair ethnic minority peoples' labour market upward mobility and/or belongings but jeopardize the public trust, and open democratic values.

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