

## **POLITICAL EFFECTS OF EMPLOYEE PARTICIPATION: AN EMPIRICAL CONUNDRUM\*\***

*Abstract. The notion of spillover thesis is known in many forms and is used in discussion of various concepts. This paper applies the thesis to the concept of employee participation and analyses its further and potential consequences for the wider political environment. There are internal discords in the discipline dealing with the real impact of employee participation and empirical evidence on it. Hence, we present a variety of attitudes to the issue. Advocates of the positive effects of the spillover thesis, such as Carole Pateman, support the idea of civic education, which has impact on political activism. Opponents criticizing this thesis point towards a multiplicity of determinants, which tend to modify the behaviour of a citizen. Multiple dimensions of social reality can act in the capacity of these determinants, such as various features of political culture, as well as the environment external to the political system. The authors of this paper do not aspire to propose a normative concept of the spillover thesis in workplace participation, however they wish to present a variety of approaches linked to this concept.*

**Keywords:** *employee participation, economic democracy, spillover thesis, civic participation*

### **Introduction**

Political participation in its core became the central topic of the post-behavioural political science (cf. Salisbury, 1975: 324). Notably in the 1970s, it started to gather the attention of political scientists, which was also the period of attention concurrently accorded to workplace participation,

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which kept its intensity well into the 1980s. From the pluralist scientific point of view, it is quite natural that we might come across a wide range of approaches that try to “grasp” and thoroughly define participation in theory. Among the most relatable ones are those describing participation as a societal system, which is “a complex and dynamic product of human action” (Dachler, Wilpert, 1978: 20), or those which label it as a “principal social process by which human beings, practicing the acts of self-direction, cooperation, and responsibility, liberate their capacities, and thereby become whole, healthy, and integrated persons” (Greenberg, 1981: 966–967). In general we deem it to be an action, “by means of which an individual internalizes values and behavioural norms; he learns to understand external affairs and he engages in different societal roles” (Ondria, 2007: 112). To accept this definition means to assess participation only in a positive manner and to assign to it positive effects on the personal development of an individual (and thus the whole society).<sup>1</sup>

The outlined approach was adopted by the intellectual tradition of which the prominent representatives are, for example, J. J. Rousseau or J. S. Mill. To them, participation meant essentially the “solvent of social conflicts” (Salisbury, 1975: 327). This interpretation was also taken over in the models of numerous theoreticians of participatory democracy of the late 1960s, then 1970s and 1980s (Bachrach, 1967; Pateman, 1970; Macpherson, 1977; Mason, 1982).<sup>2</sup> The core of their thought was the premise that “the weaker the participation of the wider public in the political affairs is, the weaker the democratic foundations in a particular state are” (Ježovicová, 2010: 115). From this point angle of view we are quite familiar with Michael Walzer’s assumption that “[t]he argument for the stronger forms of participation is an argument for complex equality” (Walzer, 1983: 308). Complex equality in this sense encompasses not only persons’ economic welfare or societal basis of self-respect but it also means that participation on the level of an economic unit in which employees work became to them an important instrument to strengthen the aforementioned democratic foundations of the state. In this sense, participation refers “to the effective involvement of employees at all levels in decisions which affect them” (Brenkert, 1992: 252). Hence the concept of employee participation aligned with the ownership and governance of a company was bestowed with a complex term “workplace” or “industrial” or “economic democracy”. Although in recent

<sup>1</sup> An extensive theoretical and methodological research of the societal phenomenon of participation was conducted by Dachler and Wilpert (1978); valuable thoughts on this topic are also provided by Pateman (1970), Salisbury (1975), Vrábliková (2008) or Ježovicová (2010, 2012).

<sup>2</sup> We may notice that e.g. R. Mason deemed the notion participatory democracy to be redundant, since participation is an element of democracy, and democracy cannot exist without participation: “To be unparticipatory is to be undemocratic” (Mason, 1982: 30; see also Greenberg, 1986: 116).

years the concept has been gradually attracting more and more attention of scholars (Johanisová, Wolff, 2012; Schaff, 2012; Schweickart, 2012; Sekerák, 2012; Malleson, 2013), it has been largely studied from the economic point of view (D Art, 1992) whilst political aspects remained to be more or less neglected.

However, it is not just from the financial point of view that the economic democracy is being analysed. The previously mentioned theoreticians such as Pateman or Macpherson concentrated on political facets of employee participation and vigorously refused what they had believed to be a too narrow and sterile concept of democracy. They refused the concept of democracy based on a liberal-democratic and pluralist theory, emphasising elections, representation, group negotiation and the underestimating meaning of participation. Thus they opposed political theoreticians such as the elitists J. A. Schumpeter (*Capitalism, Socialism and Democracy*, 1943), B. R. Berelson (Democratic Theory and Public Opinion, In *Public Opinion Quarterly*, Vol. 16, 1952, No. 3, pp. 313–330), H. Eckstein (*A Theory of Stable Democracy*, 1966), (early) R. A. Dahl (*Preface to Democratic Theory*, 1956; *Modern Political Analysis*, 1963), R. A. Dahl and Ch. Lindblom (*Politics, Economics, and Welfare*, 1953), G. Sartori (*Democratic Theory*, 1962). According to them, the civic participation cannot exist, since “an elite always governs the majority and the tentative to change this status can lead to nothing but to the creation of a new elite” (Ondria, 2007: 116). This reminds us of Pareto’s theory of the circulation of elite.<sup>3</sup>

Although at the beginning of the 21<sup>st</sup> century we may state a relative weakness of the theory of participatory democracy, we have been continually witnessing the enhancement of the participatory practice (e.g. participatory budgeting, rising power of both lobby and non-governmental interest groups etc.). This is consequently reflected in the successive revival in the field of the theory of participatory democracy. Hilmer (2010) remarks that this interest goes in the opposite direction: the reality of participatory democracy inspires the revitalized interest in the theory of participatory democracy. Simultaneously, he highlights that the long-lasting tendency to prefer the research of deliberations (deliberative democracy) does not necessarily mean to emphasise the participation itself. It is believed that deliberation is merely a form of political participation. However in our article we do not focus on the mentioned theoretical dichotomy participation vs. deliberation. Ergo, we try to present another issue of the political theory which has been more or less neglected by mainstream theorists in recent years. Together with other participatory initiatives, workplace participation seems to be another ameliorating political tool for contemporary Western

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<sup>3</sup> See e.g. Kolegar (1967), Lopreato (1973, 1974), Zuckerman (1977), Medding (1982).

democracies experiencing the “crisis of identity”. We sketch it out from the point of view of two big “camps”: those who defend and oppose the venerable hypothesis that financial and managerial participation of employees in a firm can improve (not only economical facet of an enterprise but also) workers’ engagement in politics and intensify their civic consciousness. We compare theoretical bases and philosophical arguments of both camps using some empirical researches carried out throughout the last decades. Subsequently, we use the recent example of employee participation in former Yugoslavia as a basis for comparison. This short case study is supposed to clarify some hidden or unclear aspects of political effects of worker self-management. At the end we discuss presented theoretical and empirical conclusions in light of the offered arguments. It is however necessary to stress one last time that this contribution is not exhaustive in its content, but it rather proposes to continue in the ongoing debates in the theories of democracy. We hereby propose a variety of approaches dealing with a wide range of forms of employee participation with the connotation of the merit they hold within the spill-over approach to democracy in modern societies.

### **Advocation of Spillover Thesis**

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There is no doubt of today’s interconnection between the political and economic sphere, unheard of in the previous ages. As remarked by DeWitt (1980: 32), “in practice almost any political action has an effect on the economic structure and most economic decisions impact on the political system”. For this reason, we believe that the perhaps most important effect of economic democracy (or employee participation) is its spillover effect. This notion stems from the idea that workplace represents “a significant context for political socialization” (Jian, Jeffres, 2008: 37). Though it cannot be considered a universal rule that we make a series of decisions at workplace – such as whether we will take part in the elections or who we will vote for – it is hardly deniable that the political opinions and attitudes are being formed in the workplace environment. The worker’s rent, working conditions and the attitudes of the employer – these all considerably co-create the social status of an individual, which all in all determines his/her ideological (political) preferences. To sum up, the spillover thesis represents a concept, according to which economic democracy (or, let us say, employee participation) positively affects and helps the development of civic participation on social level, i.e. citizens’ engagement in political matters. Or, from another point of view, the existence of economic democracy in companies considerably contributes to successful functioning of democracy in society. It is expected that “[t]hrough the practice of democratic social relations at places of work

(...) people gain the confidence, knowledge, and perspectives that enable them to be effective citizens at the national level”, as stated by Greenberg (1981: 967).<sup>4</sup> Via their engagement in the firm’s policy and management, the workers are expected to be more politically active citizens not only in terms of the higher rate of voter turnout but also as participants in local politics, community or urban planning and other types of civic activism. For that reason, from the theoretical point of view, the concept of workplace democracy in its consequences could evolve into a “new type” of citizens’ activism, which has developed hand in hand with the new social movements during 1970s and 1980s in Western Europe. It embraces human rights and environmental organizations, minority groups and women-defence associations, as well as those who do not have the access to the arenas of public discourse.<sup>5</sup> It is an undisputable fact that the concept of political participation has been evolving during the last decades not only via the growing numbers of recipients of the participatory activities,<sup>6</sup> but also in the aims which are supposed to be reached by participatory activities. A political participation deals not only with redistribution of material goods; the political arena also encompasses a struggle for recognition of identities (cf. Vráblíková, 2008: 381; see also Voswinkel, 2007).

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The strongest adherence to the spillover effect may be seen in the works of theoreticians of participatory democracy. In their thought they try to concentrate on an individual and the development of his abilities and talents via participation. According to them, “through the participation an individual becomes an educated citizen and by means of the latter he gains the necessary sense for public matters, societal needs and justice” (Ježovicová, 2010: 118). Among these kin authors, the most elaborated theory of spillover may be found in the works of the already mentioned Carole Pateman, especially in her book from 1970. Elaborating upon the wealthy tradition of the above mentioned classical authors of democracy, such as J. J. Rousseau, J. S. Mill and G. D. H. Cole (see Pateman, 1970: 2<sup>nd</sup> chap.), she attacked the theory of elitists, e.g. Schumpeter, Sartori, Eckstein, Berelson and early Dahl “for their

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<sup>4</sup> Lane (1985: 629) describes this phenomenon in a similar way writing that “experience with workplace participation leads to a greater belief in one’s political competence, and, if the findings of individual workplace discretion and sense of power are accepted, to a greater actual political participation”. Skelley (1989: 187) uses not very different words to describe workplace democracy as “a normative philosophy which is society-centered and has a revolutionary political end”. It is so because workplace democracy expects that participation at work will produce “a sense of political efficacy in employees” (*ibid.*).

<sup>5</sup> This “new type of activism” should be distinguished from the old one (agrarian movements and trade unions) as well as from the radical activism: left and right wing fundamentalist organisations explicitly calling for radical re-building of society in a covetable manner (see Císař, Navrátil, Vráblíková, 2011: 140–143).

<sup>6</sup> A list of recipients involves national governments as well as transnational organisations and corporations as parts of the global governance.

narrow definition of democracy as competition for office between elites“ (Carter, 2007: 168). Carter (ibid.) reminds us that Pateman's book became a milestone, as at that time she opposed the contemporary popular opinion, which perceived the low level of participation and widespread apathy to be as normal. For example, Bernard Reuben Berelson strongly believed that limited participation and citizens' apathy contributed to the functioning of the whole democratic political system (see Pateman, 1970: 7). Also Harry H. Eckstein declared that the stability of democracy demands authoritatively structured national governance (see Pateman, 1970: 13). The atmosphere was well depicted by Bachrach, when he wrote that “the political passivity of the great majority of the people is not regarded as an element of democratic malfunctioning, but on the contrary, as a necessary condition for allowing the creative functioning of the elite”; “it is the common man, not the elite, who is chiefly suspected of endangering freedom, and it is the elite, not the common man, who is looked upon as the chief guardian of the system”; “the emphasis is no longer upon extending or strengthening democracy, but upon stabilizing the established system“ (Bachrach, 1967: 32). According to Ježovicová (2010: 113), the current democratic theory has been reverting to the opinions supporting civic apathy and disinterest of the majority, as far as political environment is concerned. The argument for majority apathy is pronounced, as “the non-democratic attributes are more likely to be found among this group of citizens” (ibid.). And it is known as well that there is no greater danger for democracy than the non-democratic (i. e. authoritative or totalitarian) attitudes, lurking in and penetrating the public. Pateman eagerly voiced her disagreement with these approaches. She was “vehement that the existence of liberal democratic institutions at a national level is not sufficient for democracy; a healthy polity needs regular and active participation by all its citizens” (Carter, 2007: 168). In a similar vein to Rousseau or Mill, she maintained that behaviour of individuals is formed by institutions, in the structures whereof these individuals happen to act.<sup>7</sup> J. Salisbury (1975: 327), however, reminds us that both Rousseau and Mill placed their argumentation into the context of relatively small political communities, while they believed that all citizens shall have an essentially equal status. For both authors, the real equality was a necessary condition in gaining consensus stemming from intensified participation. Pateman (deliberately?) glosses over these historical nuances and only adopts their scheme of positive effects of local participation. This led her to the idea that if an individual is actively inserted or personally engaged in an institution, then it is probable that he will develop his abilities and mental qualities, which

<sup>7</sup> J. T. Pedersen (1982) critically analyses Mill's thesis about the educational effects of political participation, through a variety of empirical studies.

may help him intensify his political performance and which will strengthen his political participation. The act of participation is itself educative, as “[p]articipation develops and fosters the very qualities necessary for it” (Pateman, 1970: 42–43). The main reason to create this educational environment is to create an optimal model of civic participation, which is represented by an educated citizen who is able to make use of the tools for civic participation. This makes the potential participatory activities effective and reduces costs. The civic activism aims for an internal continual transformation of the society (cf. Ježovicová, 2012: 88). However, we shall not forget the potential negative effect arising when the lack of possibilities to self-assert in the workplace contributes “to a syndrome of generic powerlessness that spills over into other political arenas and works against political participation of any sort” (Levin, 2006: 112).

Pateman’s most valuable contribution to the democratic theory rests upon the parallel drawn among the workplace and the political system. The basis of participatory democracy works with the assumption that individuals and the institutions in which they operate can be isolated from each other. The existence of representative institutions on a national level does not suffice for democracy. Democracy has to penetrate to other spheres, so that individual abilities and mental qualities can develop fully. This process will be effectuated through the participation itself (cf. Pateman, 1970: 42, 105). Pateman saw that most people spent a great portion of their lives at workplace, ergo (in corporate capitalism) under the authoritative governance in the hierarchic organisation of individual workers. This type of organisation provides people with only a little opportunity to improve their democratic skills. She emphasises that with the democratization of a workplace (change of ownership relations and employee control), individuals will be more able to participate in decision-making inside the political life, thus outside of the workplace. “The major function of participation in the theory of participatory democracy is therefore an educative one. Educative in the very widest sense, including both the psychological aspect and the gaining of practice in democratic skills and procedures” (Pateman, 1970: 42). Particularly at workplace, workers gain their knowledge and skills “first-hand”. To be brief, democracy at workplace will transform workers into citizens. We may not expect that any average worker would be magically transformed to the staunchest participating citizen. Political education is most effective on a level where an individual can cooperatively solve those problems and cope with those challenges which directly affect himself and his immediate community (cf. Bachrach, 1967: 103).

Although not writing prolifically on political effects of economic democracy, R. A. Dahl (1985, 1989), whose lifework concluded definitely in 2014, was probably one of the most zealous defenders of the concept.

The sentence from his seminal work *A Preface to Economic Democracy* has become almost a *locus classicus* in literature related to employee participation. He normatively stated that “*if* democracy is justified in governing the state, then it must *also* be justified in governing economic enterprises” (Dahl, 1985: 111; italics in original). It is not too hard to notice how Dahl uses the same parallel case (polity – workplace) argument as Pateman did 15 years before him. Even though he did not persist in democratization of every association of the society as some “enthusiastic democrats” (Dahl, 1989: 327), he supported governing enterprises in democratic manner in a specific way. His advocacy of economic democracy was written from the anti-capitalistic point of view calling for dispersing hierarchical power in capitalist enterprises, and, therefore, it was not based explicitly on positive political effects of employee participation, although among the benefits stemming from workplace democracy he had identified that the full and equal “citizenship” undertaking in enterprises would substantially reduce the conflicting relationships within the firms and the state. The fact that the full and equal “citizenship” undertaking in enterprises would substantially reduce the conflicting relationships within the firms and the state was identified by Dahl as one of the chief benefits stemming from workplace democracy (cf. Dahl, 1985: 109). Dahl’s defense of employee participation rested upon a mixture of philosophical concept of the Strong Principle of Equality, which he plead for and a vaguely defined requisite of democracy (polyarchy) expecting workplace participation as a condition in order to work well (or better). He had called for creating sufficient conditions for successful democratization of firms, not only in the sense of “a properly democratic constitution, effectively enforced” (Dahl, 1989: 332) but also as a complex support of other parts of the social and political system, i.e. “adequate sources of credit, extensive training programs (...), and organizations for assisting in the development of new products and the founding of new enterprises” (ibid.). After all, in spite of being a strong apologist of workplace democracy, at least during the second part of his academic career,<sup>8</sup> his work had not produced as strong system of arguments defending political effects of employee participation as those of Carole Pateman.

After a brief description of a variety of approaches theories held in relation to the spillover effect of economic democracy, it is worthy to mention some other renowned authors advocating the positive effects of employee participation at workplace influencing the political commitment they are linked to. Even before Pateman, some arguments in favour of the spillover thesis can be found in the scientific article of Lewis Lipsitz (1964). He assumed that employees who exhibit greater power over their jobs were

<sup>8</sup> See Krouse (1982), Zirakzadeh (1990), Swanson (2007), Ringen (2008).



more likely to take part at presidential elections, to discuss politics and to show a more active interest in public affairs in comparison to their cohorts (cf. Schweizer, 1995: 364). One of the authors who effectively elaborated the spillover thesis after Pateman is Ronald Mason. Like Pateman, Mason (1982: 78), too, claims that the resemblance of experience at workplace and in governance (from the intensity and quality point of view) leads us to believe that the most effective way of boosting participation in governance is to increase it at workplace. “[D]emocracy in the workplace is as much democracy as democracy in government or any other community“, emphasises Mason (1982: 154). Adjusting the concept of economic democracy to the ideas of liberalism in a similar way as Pateman and Mason did, David M. Beatty, a Canadian lawyer and professor emeritus of University of Toronto, endeavoured to put forth the argumentation in favour of the concept. He saw the potential for the revision of existing norms concerning employee relations. According to him, this potential could be found in such a structure where the principles of competition and prerogatives would be dominated by the ideas of fairness and reason:

“Indeed for some liberals, the expectation would be that the security and independence that would be achieved in the democratization of the workplace would stimulate participation in the social regulation of the community as a whole. By ensuring that everyone is secure in the basic conditions essential to controlling their productive development, *industrial democracy could make the active participation of every person in the general affairs of society, the equality of our liberty, a distinguishing characteristic of our communities*”. (Beatty, 1984: 69, italics added)

Another Canadian equally advocating the spillover thesis was the well-known political theoretician Crawford Brough Macpherson. In his work *The Life and Times of Liberal Democracy* (1977) he proposes, all in all, four models of democracy, while he deems the last one to be the most attractive – it is the participatory model. He assumed that if people are provided with the possibility to participate in decision-making at workplace, “an appetite for participation, based on the very experience of it, may well carry over from the workplace to wider political arenas” (Macpherson, 1977: 104). At the same time, however, he comes with a rather glamorized belief, when he states, that “[t]hey are in it not to get a higher wage or a greater share of the product, but to make their productive work more meaningful to them“ (op. cit.: 105). His normative claim is supported by numerous studies which have repeatedly proven that motivation for any economic activity (not only in firms managed and owned by its employees) is not based solely

on satisfying people's economic wants, hedonistic aims or material requisites of well-being, but it is a more complex issue. Motivation to be involved in certain type of money-making activity combines "pragmatic" motives (or instrumental) with certain psychological or intrinsic motives, meaning those not primarily aimed at earning: self-expression, self-realization, desire to be recognised as a worthy person, and so on (Frey, 1997; Bradley *et al.*, 2000; Folbre, Nelson, 2000; Erez, Earley, 1993: ch. 5). On the contrary, this assumption seems to be quite naive as depicted by the secondary results of an extensive research carried out by Greenberg (1980, 1981) with a sample at an American cooperative enterprise Pacific-Northwest plywood industry. Among others he found out, that the main aim of a worker when entering a cooperative is the "self-interest", a selfish aim – to keep a job or to assure its stability. Therefore, the primary motivation is not the wish to participate (cf. Greenberg, 1980: 556, footnote no. 6; Greenberg, 1981: 975, 979), neither it is any kind of higher or ideal motive, which the mentioned author calls "public spiritedness".<sup>9</sup> The same conclusions have been reached by an examination of historical texts on U. S. cooperatives from 1880 to 1935 provided by Shirom (1970). He found out that the cooperatives were formed by their members mainly as a measure preventing job losses.<sup>10</sup> Of course, being motivated to participate in cooperative firm (or take a job in general) in large part "for earning money" and ensuring one's own survival does not imply that one is materialistic and selfish person not interested in politics. One could let his/her self-interest overtake altruistic concerns and do the work in a cold-hearted way, but this is not implied *a priori*. One could, in fact, be exceptionally nonmaterialistic, "public spirited" and unusually active citizen (cf. Folbre, Nelson, 2000: 132).<sup>11</sup>

Among the other major outcomes of Greenberg's research, we may find the claim that participation at workplace reinforces the sentiment of satisfaction with workers' own work (see Greenberg, 1980: 568). What is more important, employees – shareholders active in the affairs of a cooperative are also active outside of its structures in political affairs, notably on municipal level. Voting turnout measured by Greenberg (1981: 972) showed quite the same results comparing cooperatives with conventional firms. The assumption of positive educational effects of economic democracy on the participation on the state level is still alive and it is supported not only by the virility of this idea, but also by the frequent application of Pateman's

<sup>9</sup> One of the possible explanations related to Greenberg's opinions (1981: 980) is that economic democracy in USA (but not only there) functions in an overtly hostile environment. The concept is thus incompatible with the companies reigned by private-ownership relations.

<sup>10</sup> For slightly different outcomes see Hochner and Granrose (1985).

<sup>11</sup> The contrasting methodological approach in the study of employees' motivation to be involved in workplace participation is offered by Cabrera, Ortega and Cabrera (2003).

ideas. Numerous authors nowadays take over her opinions and apply them to their theories. For instance, Levin (2006: 112) states that “[p]articipatory institutions have an educative function that reinforces the legitimacy and practice of political participation in other spheres”. Similarly the latest study of Jian and Jeffres (2008) based on an extensive phone-call research, affirms the validity of the spillover thesis. In this study, authors revealed that the connection between the possibilities to take part in decision-making at workplace and the political participation (especially elections) is direct. In other words, “employees who are given more opportunities to make work-related decisions tend to participate more in political voting” (Jian, Jeffres, 2008: 45). Authors also remark that those workers who were deprived of this possibility have no “training field” to cultivate their communication patterns and the moral imperative related to the common good (op. cit.: 46). Via this study, they approved of the original thesis borrowed from Deetz (1992) that the current corporations represent the new public sphere.

### **A Critique of Spillover Thesis**

The assumption that the participatory possibilities at workplace will necessarily lead to a boost in political activities of citizens is quite an ambitious one. Although some empirical evidence of the assumption has yet been offered, the attempts to identify workplace with political system (or industry as seen by Pateman) are still at least courageous and more empirical proof has to be propounded. It is partly because the function of a polity is different from that of companies, which aim to gain profit. Amongst the many critics of the spillover thesis, Lane (1985: 625) is at odds with identification of state with a company, when he states: “Just as we do not find a political analysis of the relationship between the passengers and crew of an aircraft useful for most analyses of air transportation, so may we hesitate to analyze productive functions of industry substantially in political terms”. He subsequently names a few characteristics which distinguish workplace (in his and Pateman’s terminology “industry”) from political systems. These characteristics can be depicted based on some of his examples (Lane, 1985: 624–625):

1. the brokering of opinion and interests in politics is different from the coordination of events, people, and things in industry;
2. the doctrines and institutions of democracy may not easily fit the doctrines and institutions of industry: a) Rights have constitutional protections in the polity, such protections have not yet been devised for industry, although they might be. b) The polity has parties to link an individual to his government. This link is missing in industry and if introduced might not be welcomed;

3. the polity denotes a special inclusive and enclosed forum with its own geographical boundaries where all legitimate and legally admissible (i.e. not sectarian: racist, fundamentalist or chauvinistic) interests can be freely articulated and spread through public speeches and acts. But, on the contrary, workplace policy may be extended beyond the boundaries of a firm because of including subsuppliers as well as consumers of products who are directly affected by their prices;<sup>12</sup>
4. a different form of responsibility: the elected representatives (the political “management”) of a polity are held responsible to the public through periodical democratic elections and to legislature. Management in firms in a corporate capitalist system answers to a board of directors and to (written) ethical codes or, more often, to (unwritten) professional ones.<sup>13</sup>

In a quite similar manner, George Brenkert (1992: 254–255) thinks that finding similarities between a state and a company seems to be exaggerated. Therefore, he tries to search adequate arguments against the analogy between the two. For example, a state (or a political system) cannot legitimately punish its citizens for incompetency or laziness, while employees may be (and should be) penalized for these exact reasons. We may add ironically that the author forgot about the fact that electing incompetent, irresponsible or on-the-verge-of-law politicians is, in a sense, a punishment for citizens. Citizens have the exact representatives they have chosen (or if they did not take part in the elections, they have the representatives that they were given by their inert attitude). Another counterargument of the mentioned analogy is, according to Brenkert, the fact that individuals have (to some extent) the opportunity to choose their employment. However, it is true that they may choose their citizenship (not their nationality as the author happens to mention in his article) or the place of their residency. However, they have little opportunity here in comparison with the choice of employment. Besides, they can only do this when they raise their costs. Paradoxes symbolizing opposition to this affirmation are numerous. Firstly, the situation of corporate capitalism (mainly facing today’s hypermobility of capital) does not quite allow one to choose his employment. This is a classical argument of neoliberals, which will not stay firm in current conditions,

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<sup>12</sup> An appropriate objection against this statement could be based on the fact that no polity (state) is constrained in its decision-making by its own boundaries. Some of the decisions adopted in the “inner decision-making circle” could be applied outside of the boundaries, even very far from the state’s own territory. The best example is the controversial concept of humanitarian intervention.

<sup>13</sup> A simple objection could be raised also against this critical point. It can be hardly denied that, in a similar manner as “political managers”, firms’ managers are responsible to legislature as well. Moreover, with an inevitable measure of abstraction, the voters in a polity can be viewed as identical to the board of directors in firms. After all, in a democracy, people are those who hold real power in their hands and they are, in a consequence, a final referring group for their representatives.

when citizens accept even a precarized work, i. e. unstable, underappreciated, underpaid work, because “there is no alternative” (if they do not wish to end up as a declassed social group without the possibility to get back to the previous position with a better setting). It is also true that by signing an employment contract, the worker enters an employment relationship and he agrees to direct management coming from his employer. According to Pateman (2002: 33), by this act a new relation of a lord and a serf is created, though not in a feudal or Hegelian manner, but in its constitutive sense. “Employment is constituted through a voluntary contract between juridical equals and self-governing owners” (Pateman, 2002: 33).

Secondly, it is the actual lack of open job positions in many poverty-stricken areas that forces people to travel and seek work often at long distances. This constraint forces citizens to exchange this for the price of separation from their families. Quite often, they are also forced to move in search of potential job offer with their whole families (excluding top managers and diplomats.) They thus undertake a considerable risk of either the fact that the work won't bring them expected profit or that they might lose it after some time and the whole effort will be in vain. Moreover, they will have to deal with family budget deficits, which already presumed the expected incomes. Thirdly, we may not forget about the specific but not always apparent type of capital (e.g. innovations in production, improvements) which employees left (in many cases after tenacious years) in their previous workplace. The fourth assumption we need to make is that when a citizen moves from one town or region to another, in democratic states, he keeps his rights and citizenship. However, if a citizen abandons his employment, he has no right to move into another employment (cf. Pateman, 2002: 46). The fifth point we shall mention is that attention should be given to mental costs related to change in employment. The loss of the original job position as well as the not always successful search for a vacancy is connected to the loss of self-respect, degradation of confidence in one's own abilities and a growing scepticism. To proclaim that nowadays the change of citizenship is related to lower costs than the change of employment is either an insensible irony or literally a mockery of human dignity. We have the occasion to recall the words of Stephan Voswinkel who, via his theories on recognition, explains how the recognition previously embedded in wealth and property shifted to recognition related to one's occupation. The recognition one has in society is thus clearly derived from the status of his occupation in the given society (Voswinkel, 2007: 87). For Voswinkel a contemporary citizen's identity is majorly created by the recognition he receives via his occupation, which clearly gives the status of one's occupation a new merit.

We will now shift our attention back to the original topic. Concerning spillover effect, it is presumed that the workers will perceive the opportunity

of participation at workplace to be positive, that they “will like it, value it, even develop a thirst for it” (Carter, 2006: 418). But what if it is not so? What if participation won't affect them in a positive way? Can we expect that the workers with negative experience will develop their skills in a way spillover thesis predicts, meaning they will become politically inactive and will participate only scarcely? Unlike Lane, Neil Carter (2006, 2007) beholds wider interconnections, which make the whole spillover effect of economic democracy a lot more problematic. He mainly points to three circumstances which doubt the possibilities of positive side effects of economic democracy in the sphere of political system. Carter mentions mainly conflict, expectations of the cooperative members and the outside environment where the company is placed.

As long as *conflict* is concerned in a cooperative there is little social distance between the manager and the worker, which causes personal discords (even among former friends) to spiral out of control (cf. Carter, 2006: 421). The dual structure of control may also add to the conflict situation, as it is attributed to the elected and appointed managers who control the activities of workers on a daily basis (see Carter, 2007: 178). This personal discords and animosities may in the end lead to enterprise-wide conflicts, clashes or strikes. As we will explain later, even the most successful cooperative till this day – Mondragón has its experience with a strike. A combination of cooperative employee's high expectations, which stem from democratic principles, hand in hand with emotional discomfort/stress, interpersonal conflicts and a tendency for overwork (an employee will work more, because the effects coming from this overwork will be more visible to him and will be highly positive), according to Carter (2006: 419; 2007: 180), often lead to the burn out of some of the most active members of the company. A frustrated, disgusted and depressed worker with a negative experience with democratic governance at workplace is prone to scarce political activism on the state level, or likewise he may be completely inert concerning this matter. Talking about great expectations we may also include employee's desire to reduce or completely eliminate the alienation inherent to capitalist companies. Thereby, many individuals enter the participatory-based companies mainly in the hope to improve their quality of life and in the belief that it will abrogate the negative aspects they witnessed in positions of “traditional” company employees. But, on the whole, we could ask ourselves whether democracy at the workplace, although being introduced on the state level, can really reduce the alienation that is found so widely in current capitalist firms. At any rate, boring and unpleasant work cannot be completely abolished, only minimised, whether working in a democratic (participatory) or an autocratic (capitalist) workplace.

Spillover thesis may appear in a reversed image which would mean that

what happens behind the gates of a company also affects its functioning. Apart from personal problems and unpleasing (or rather turbulent) political atmosphere of a state (which can never be avoided), a considerable role is also attributed to the influence of *external economic situation* which may cause, and many times in the history has also caused, as proven by Carter (2007: 176–177), the fall of cooperative companies, or more commonly their survival on the verge of economic sustainability. A worker of this workplace is not particularly motivated to take part in decision-making, he approaches the elections of the management with unwillingness and furthermore he is submitted to the stress and fear related to his workplace which he brings back home every day (cf. Carter, 2006: 419). This kind of environment is of no use if we try to evoke a sense of active participation in a citizen, to make him become a more engaged citizen taking regular and diverse part in political life. The external pressure of market economy may also complicate the development of democratic enterprises. Thus, a transformation to a standard capitalist company becomes an option (see Rotschild, Russell, 1986: 321 *et seq.*). It seems that this option is the logical result of operating in a free-trade environment. Internal “organizational degeneration” reflects itself in a situation when more and more workers resign, lose their willingness and interest to participate in decision-making, notably in the case where a personal hierarchy is formed (or more like in a case of closed and small-sized elite) as a consequence of the iron law of oligarchy (Mulder, 1971: 36; Hartmann, 1979; Carter, 2006: 418). Doubts voiced by Aristotle that democracy is liable to result into mediocrity, the government of uneducated, less talented liable to bureaucratization, instability and lack of responsibility, may be fulfilled (cf. Collins, 1995: 633).

As it is clear from the previously presented opinions, not only theoretical, but also empirical support of the spillover thesis is disputable. The thesis of spillover shall be for that reason labelled more like a hypothesis, which needs to be verified. Researches advocating the positive effects of employee participation on political activism were presented in this article, albeit there are also studies contradicting these opinions. One of them belongs to the research of the authors Greenberg, Grunberg and Daniel (1996). It was carried out in the year 1993 via a postal questionnaire. It was a public opinion research where the analysed sample consisted of cooperative employees, ESOPs employees, as well as the employees of “conventional” companies. The questionnaire aimed to unveil the possibilities of employee insertion into the decision-making processes of a company (decision-making participation, elections of supervisory boards) and the possibilities of the actual political activities of these employees (participation in presidential elections of 1992, elections of school boards, voluntary work for political party, public display of campaign badges, participation in local councils, interpellation

of local press concerning public issues, etc.). According to this research, the workers of these so-called democratic companies (cooperatives and ESOP firms) were less prone to take part in external political affairs. As a result, this research contradicted the previous findings of Greenberg – one of the co-authors, who states in his older studies (Greenberg, 1980, 1981) and later in his monograph (Greenberg, 1986) that workers in democratically-structured company are more inclined to take part in political activism than their counterparts in traditional “non-participatory” companies.

Per Adman (2008) is an author of a more recent study analysing the spill-over effect. His conclusions are supported by a regressive analysis of panel data. The author hereby compares the results of a Swedish national survey in the years 1997 and 1999 which compared the data related to possibilities of workplace participation with the turnout of 1998 municipal elections and with other indicators (party engagement, interpellation of politicians, petition signing etc.) which stand for the intensity of political activism. The outcome of this research is quite similar to that of the aforementioned three authors. Assessing the results of his research, Adman comes to the conclusion that “[t]he results are unambiguous: no effects are found. Political activity is not affected by the practice of civic skills at work [...]. I have also tested the hypotheses in many different ways, including tests for different groups such as women and men and bluecollar and white collar workers and still the hypotheses do not receive any convincing support” (Adman, 2008: 133).

### **Yugoslav experience with self-management and its political implications**

After Stalin accused Yugoslavia of Anti-Sovietism (Tito-Stalin split of 1948) and after its economic boycott at the end of 1940s from other communist states, the original socio-economic experiment had been developed in the country as a “by-product” of the conflict (cf. Marković, 2011: 108). Although there is little consensus among scholars about how to label the system, it could be described as a decentralized socialist economy bearing some traits of employee self-management in companies, i.e. as a self-managed socialism (Horvat, 1972, 1981; Schweickart, 1992: 13), as a real experiment of market socialism (Dorn, 1978; Estrin, 1991), as a kind of participatory economy (Vanek, 1971), or as a type of “associationist socialism” (Horvat, Rasčović, 1959: 197). One of the most particular traits of the system was that the self-management was not based on claims “from the bottom” (citizens’ demands) but it was established in accordance with political orders “from the top”. Self-management was introduced in Yugoslavia primarily not as a pragmatic managerial or economic idea but as an “ideological projection” of the political elites (Jerovšek, 1975: 89) and it was



“just one element in an integral system of social self-management” (Horvat, 1971: 160). The idea of self-managed enterprises was concordant with the strict Marxist doctrine of the withering away of the state and annihilating alienation inherent to market-oriented bourgeois economies, naturally by using the “reformist methods”. Citizens’ equality had been supposed to be ensured by “fundamentally equal social organization of work and the provision of an adequate material basis for the organizational autonomy” (Horvat, 1968: 20). It had been expected that the decentralization of decision making at the workplaces would eliminate bureaucracy, provide greater political democracy (cf. Milenkovitch, 1975: 274) and produce more active role for average citizens in the political process (cf. Leonardson, Mirčev, 1979: 200). Formation of the whole system (in spite of the persistent crisis stemming from the “breakup” with the Stalinist type of socialism) was carried out in an environment of relative social peace and without any revolutionary movements within Yugoslav society. It means that system’s threat was external, not internal. After all, there had never been any form of employee participation inherent to the national economy to that extent, even as its integral part as it was in the Yugoslav case (cf. Blumberg, 1971: 188). Among the other peculiarities was that socio-economic change occurred gradually; development towards employee participation was indeed evolutionary. Forasmuch as vast number of books and studies have been written on the topic of Yugoslav self-management it is not our intention in this section to offer a comprehensive description of all its aspects and curiosities. To remain connected with our primary topic, we rather focus on political aspects of the system and the role of employee participation in politics.

Between 1953 and 1962 in Yugoslavia there was a decentralized planning system and since the late 1950s there were special workers’ councils exhibiting power to appoint business management (although at that time only one out of the pre-established list of candidates), as well as to determine the allocation of profits between employees’ wages and other investments (cf. Estrin, 1991: 188). During this period (late 1950s) the country experienced inflation slightly higher than the then-OECD average (cf. Estrin, 1991: 191). The implementation of workers’ councils has been gradual and has undergone some changes. Employee participation has gradually become a key economic principle embodied in the Constitution of the Socialist Federal Republic of Yugoslavia (SFRY) of 7 April 1963, as well as in other laws. What is more, it has become the cornerstone of the programme and other policy documents of the governing party, the League of Communists of Yugoslavia – *Zveza komunistov Jugoslavije* (cf. Blumberg, 1971: 230). Subsequently, in 1965, the communist elites started a radical economic reform by introducing some market elements into the economy. A control over the internal market was reduced and central control of investments was abolished as

well. The role of maintaining the state investment funds has been taken up by socially-owned banks controlled by their founders who were, for example, businesses or local ruling authorities (cf. Estrin, 1991: 188). Partial pluralism was admitted in Yugoslav political life, but this pluralism should not be compared with that of the “Western bourgeois democracies”. In Yugoslavia conflicting interests could be reconciled within the scope of the party. The principle of self-management of economic enterprises could be identified as one of the basements of the pluralism.

A reduced laissez-faire system started in the late 1950s and continued until 1972 when the system of social contracts between companies and central government was introduced. This led to a renewed increase of central governmental control over investment programs (cf. Fufeld, 1983: 780). The main reason for this fundamental change was “the growing awareness on the part of both political and economic leaders of the problem of growing income differentials and their effect on political stability and national unity” (op. cit.: 781). Another argument was the accusation of enterprises’ managers of usurpation of decision-making power through the system of self-government (cf. Estrin, 1991: 189). In 1974 a reform had begun which meant a step back from decentralized economy and led again to bureaucratization. One of the legislative measures was the adoption of the new Constitution. Although the basic law of the state had been amended three times since 1963 (in 1967, 1968 and 1971), the continuity in government employment was sustained. The new Constitution of SFRY of 21 February 1974, which came from the initiative of the League of Communists of Yugoslavia, declared in its own 10<sup>th</sup> Article that the country’s economy was based on self-management in the production and distribution of the social product but, on the contrary, in its 2<sup>nd</sup> Head the Constitution declared that the economic system was arranged into the “basic organizations of associated labour” (see Article 98 *et seq.*). In spite of becoming a constitutional principle, modified workers’ councils have become an apparent governmental attempt to re-centralize the economy.

The attempt to democratize enterprises, which perhaps had made Yugoslavia become the freest communist state, failed completely from the economic point of view<sup>14</sup> and ended any hope of success of the synthesis of centrally planned economy with some market traits. Several reasons of this failure can be identified. As a consequence of borrowing capital from the state there were political influences and interests. The same interests played

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<sup>14</sup> It is worthy to mention that in the middle of the 1970s serious economic problems (slowed economic development and productivity of labour, rise of prices, inflation, unemployment, foreign trade deficits, etc.) were seen only as temporary; see Horvat (1975). At the end of the 1970s it had been increasingly clear that the economic shortcomings helped to produce instability in “social and political life, reflected in a series of crises and strong tendencies opposing self-management” (Leonardson, Mirčev, 1979: 200).

an important role in choosing management of the enterprises since the lists of possible candidates were in the hands of the Communist Party. Loyalty towards the party was beheld as a more important factor than the actual management skills (cf. Lindblom, 1977: 336). Centralized partisan control appeared to be antagonistic to declared effort to decentralize the economy by the method of employment self-management (cf. Lindblom, 1977: 337). In brief, despite having certain power over prerogatives, workers' councils "remained in the shadow of managerial structures and informal groups in enterprises and bureaucratic structures" (Marković, 2011: 120).<sup>15</sup> Although employment self-management increased general work satisfaction, as well as satisfaction with pay and working conditions (Obradović, 1970), labour mobility stayed significantly hampered as in other communist economies. At last, the final effect of all these factors was a strong nepotism: the preference of Party, family or neighbourly relations and affiliations to personal abilities and skills. Only a part of the citizenry was in the position to be a part of and take advantage of workers' councils as a unique participatory channel. As Verba and Shabad (1978) have found out, mainly those employed in the socialist sector of economy and those with better education and talent were eligible to participate. What is more, Yugoslav economic experiment was attenuated by state's limit of potential annual decline in wages of up to 30% irrespective of the amount of profit achieved by company during the period. Finally, less accountability of such enterprises and their limited capacity for innovation should be also taken into account. At the political level particular interests and power fragmentation had appeared. The reason was that central economic coordination was in fact dependent on the consent of six republics and two autonomous provinces (Kosovo and Vojvodina). This devolution has escalated after the death of Marshal Tito in 1980 by the conflict between nationalists (representing predominantly liberal, Western-oriented Republic in the north) and the Balkan nationalist leaders who dominated the less developed south (cf. Estrin, 1991: 190). Consequently, the economic situation had worsened by the second oil shock of 1979. The whole socio-economic and political model was finally completely eradicated because of the ethnic civil war. At the end of Yugoslav political and economic agony the country witnessed the definite abolition of the system of the organizations of associated labour by the law of 1988 and legal permission of the alternatives to social ownership, i.e. forms of private property (cf. Estrin, 1991: 194).

Yugoslav model as a whole embraced many positive elements of participation, but these elements did not produce desired and sustained recovering of the concepts of participatory democracy and, ultimately, the

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<sup>15</sup> See more in Županov (1973a, 1973b).

model failed as happened in other communist regimes in “Eastern bloc”, although they were built on a bureaucratically centralist model of economy (cf. Ježovičová, 2010: 111). The fact is that although being autocratic, Yugoslav regime accorded democratic tools to its citizens in meaningful area of life (workplace) in which the exercise of these tools did not threaten the political survival of the regime itself. That was, at least, the opinion of Paul Blumberg (1971: 195) when the system had still been working. On the contrary, Michael Howard (2001: 323) thinks that the reasons which led to the collapse of the state and specific economic system were rather more political than economic. He adds that none of the usual objections were directed against the employees’ self-management as such (op. cit.: 324). In spite of the apparent differences of both views this means that employee participation had been functioning from the economic as well as the political point of view and that this was not as such the reason of the collapse of the entire system. As mentioned at the beginning of this section, the threats (and causes) were external, not internal. The biggest paradox of the whole Yugoslav system, as pointed out by Dahl (1985: 146), was the fact that this unusually decentralized economy allowing a relatively high degree of democratic control within the enterprises was carried out in a non-democratic political system: in a state socialism. On the other hand, it should be admitted that the Yugoslav system was in some ways positively functioning economic arrangement since the introduction of the “measure of flexibility into an otherwise rigid society”, providing “opportunities for the safe channelling of discontent”, and giving “vent to impulses for free expression” (Blumberg, 1971: 195–196). Another kind of paradox can be found from the point of view of advocates of Yugoslav socio-economic system. In words of Branko Horvat (1972: 371–372), citizens’ equality is a precondition of democracy in a polity. Secondly, democracy in a polity is unimaginable without equality of producers and consumers. The Yugoslav socialist system was based on economic equality by providing democratization of the workplaces, i.e. workers’ self-management established political democracy went hand in hand with development of socialist relations in the economic sphere. All in all, if multi-party political pluralism and Western type of democracy had been installed in Yugoslavia, then employees’ participation in enterprise decision-making would have been able to transform from symbolic economic form into organs of real political self-management (cf. Marković, 2011: 129).<sup>16</sup> Unfortunately, Yugoslav workers’ councils evolved into the pragmatist economic tool in hands of then-political elites without a real

<sup>16</sup> *In the time when workers' councils system was evolving in Yugoslavia in the 1960s some scholars had thought that the increased self-government on higher levels of society had not been possible without a faster political democratisation and that the achieved level of political pluralism did not ensure Western multi-party democratic system (cf. Horvat, 1971: 161).*

impact on political system so any potential spillover effect on democracy has remained more or less weak.

## Conclusion

The displayed contradictory results of numerous theoretical and empirical studies as well as the Yugoslav experience with self-management show a clear need for further elaboration of the spillover thesis and a need for following tenacious and comparative researches which would definitely confirm or refute its validity. Besides this, even after the verification of potential positive effects of the employee participation on the political activism, we can question whether the “politicized” individuals will present the necessary energy to participate beyond the factory gate (cf. Carter, 2006: 423). It is also unclear when exactly will the positive effects of democratic firms enter the political level, since the educational effect for civic society usually takes a long time and does not appear instantly (cf. Pedersen, 1982: 559). The question of spillover effect in economic democracy is more complex and we cannot hope to resolve within the space accorded to us here. Regardless of the results provided by additional studies, there are reasons which make us believe that the scientific dispute among the adherents and opponents of the spillover effect will not be terminated in the foreseeable future. Nevertheless, it is clear that it is not only the existence or non-existence of democratic principles in workplace which may affect the political engagement of an individual. Both groups of theoreticians often overlook a significant determinant of the entire political culture in a country. The development and character of a political culture shifts an individual in favour of a particular form of participation. In case a citizen experiences disappointment or disgust in relation to traditional forms of participation, if the citizen starts to feel that politics is not made at the polling stations, he may completely resign on any kind of activism or he shall start to seek more effective forms of participation, one of which may be the effort to influence the management of his workplace. In other words: “If representative institutions do not stimulate the intellectual and moral development of an individual at the national level, we can hardly expect that the opposite will happen at the local level” (Schweizer, 1995: 369). General interest in political affairs of an individual has to be taken into consideration as well. Experience shows that a stable interest in politics is present only in approximately 1/3 of adult citizens, another third is vaguely interested according to the recentness of the affairs (scandals, elections, conflicts etc.) and the last third is not interested at all. If this general disinterest in political affairs prevails in society, or if there is a stable class of people with this personal trait, it can be hardly expected that any new kinds of participation (economic democracy) would

change something about this fact. A similar thesis was elaborated by Schweizer (1995). He reminds us of an elementary division of democracy to a republican (representative) form and a direct one, while the first kind happens to be dominant in all current (democratic) states. Author admits that the belief in an argument supporting workplace democracy and its positive effect on civic consciousness does not necessarily have to be a utopian view of human nature. It is also of need to come to the terms with the fact that people behave in different patterns of today's republican bourgeois political culture, than in the culture of direct democracy. Republican political theory devalues political participation through the alienation of political power of citizens in favour of the government by a triple division (and therefore fragmentation) of power and minimalization of public control of the government. Freedom in the republican tradition is understood as a non-domination or non-interference, i.e. as a negative freedom to not be involved in activities perceived by a person as unimportant or time-wasting (Pettit, 1997). On the contrary, employee participation as a kind of a new type of citizens' activism counts with active civic approach and interprets citizen's freedom as the "right to be involved" *sui generis*; it is based on positive freedom. Furthermore, as Schweizer believes, if the bourgeois culture endures in a society, economic democracy will become nothing else but a manner in which employees can become financially more successful (cf. Schweizer, 1995: 370 and 375). Apart from the undeniable effect of political culture and potential economic democracy as well on the political activism of citizens, we also cannot ignore other important determinants, such as the role of interest groups in a society, education system, media influence, neighbourhood networks and various other factors. "An argument claiming that workplace democracy accounts for political attitudes and behaviour beyond the workplace must control for other social, economic, and political variables that might partially or substantially explain this phenomenon" (Schweizer, 1995: 376).

Naming critical moments of the spillover thesis, we shall not forget the opinion according to which societies of countries with a high standard of living and satisfaction of citizens with their employment (or at least their salary) generate a natural disinterest in politics. It is therefore necessary to ask whether if employee participation is to create this kind of satisfaction, cannot its ultimate result be, once again, the diminution of political activism of the citizens. If this is the case, then the incorporation of any kind of participatory scheme into the company management system forms a *circulus vitiosus*, a vicious circle, leading to an apparently senseless waste of time, money and energy on a project, which has no positive results. On the contrary, it is neutral in its own nature. The presented hypothesis would be valid only if the spillover effect to the democratisation in the *political* sense of the term

would be the *only result* that we could expect from an *economic* democratisation. All in all, the application of workplace democracy does not have to be the dominant issue. For instance, if workplace democracy stays alone, it will be continuously struggling with a wide complex of problems related to job availability, coordination of resources and market stability, what can in the aftermath result into considerable limitations of democratic processes and possibilities (cf. Kováčik, 2010: 60). In the same spirit John McCall (2001: 210) states that even though the assets of employee participation to the health of democracy are quite disputable, what is also put into question is the current task appointed to a private ownership of corporations to help real democracy on the state level.

It seems, however, that in spite of a vast number of studies which have offered manifold responses to the central question of the positive political effects of participation at the workplaces the remarkable “grey-haired” idea of G. C. Field (1960: 147) has lost nothing from its ratio. He concludes that:

*“[i]n the absence of any actual experience it is difficult to say what the effect of such a system would be on a democracy in the government of the whole country. One can see possibilities of either favourable or unfavourable effects, but it would be a mistake to dogmatise on the subject. In any case, the question of its political consequences is only one of the questions that would have to be answered before arriving at a conclusion about the general desirability of such a system. And some element of it or approximation to it might quite reasonably be approved of by those who could not advocate its adoption in its complete form.”*

In the view of recent events related to economic crisis and the evolution of European community’s competitiveness policy, it is necessary to come to terms in further empirical elaboration of the concept. This study has proposed a complex look over the phenomenon in past and current academic discourse and we shall only hope that this concept will only benefit from further attention. The growing number of participatory activities at the workplace in recent years as well as scholars’ attention to the phenomenon indicates that firms’ democratization could become that “new type” of citizens’ activism which will help to overcome the negative tendencies present in Western liberal democracies.

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