

BARGAINING STRUCTURE AND UNION INCLUSIVENESS:
THE IMPACT OF COORDINATED BARGAINING ON NON-STANDARD
EMPLOYMENT IN SOUTH KOREA

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ABSTRACT

This study examines the impact of coordinated bargaining on the inclusiveness of bargaining agreements across different union identities and types of non-standard employment. Using national representative survey data from South Korea, I find that coordinated bargaining increased pay for direct-hire fixed-term workers (FTWs) when the union was affiliated with a militant union confederation. However, no relationship was found for temporary agency workers (TAWs) and subcontractors. These results further our understanding of how the identities of union confederations can influence their approach to representing non-standard workers and how those influences can be manifested through workplace-level collective bargaining outcomes.

BIOGRAPHICAL SKETCH

Dongwoo Park is an MS/PhD student in the department of International and Comparative Labor within the School of Industrial and Labor Relations at Cornell University. His areas of research include labor unions, union democracy, and contingent work arrangement.

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INTRODUCTION

In recent decades, businesses have faced enormous pressure to cut labor costs as marketization transforms employment relations across the globe (Greer & Doellgast, 2017). One outcome has been the expansion of precarious contracts. The proportion of full-time employment contracts has dwindled while the use of contingent workers—including both direct-hire temporary workers and agency workers—has grown substantially (Houseman & Polivka, 2000; Kalleberg, 2000). The rising trend of contingent work arrangements replacing full-time employment can potentially damage the organizational and bargaining capacities of unions (Jeong, 2003). Therefore, labor unions in many countries have responded to the rise of non-standard employment by establishing bargaining agreements aimed at equal treatment for contingent workers and regulating the use of non-standard employment (Doellgast, Lillie, & Pulignano, 2018; Heery, 2009; Meardi, Simms, & Adam, 2021; Trif, Paolucci, Kahancová, & Koukiadaki, 2021).

This phenomenon has generated a body of literature on union representation of non-standard labor that seeks to determine the conditions that unions are most likely to prioritize, such as inclusive bargaining, and the structural conditions required for them to do this effectively. Some scholars have examined the relationship between bargaining structure and labor market inequality. They found that a coordinated bargaining structure is related to the reduction in wage differentials in the labor market (Calmfors & Driffill, 1988; Traxler & Brandl, 2012; Wallerstein, 1999). This structural approach, however, failed to recognize that unions have opted for very different strategic choices despite possessing similar structural conditions (Frege &

Kelly, 2003). Nor did they examine how such bargaining coordination is associated with local-level outcomes, that is, how unions that engage in bargaining coordination differ from their counterparts in their response to contingent workers. On the other hand, another group of researchers examines how union identity is related to distinctive strategies toward contingent workers. Their typical argument is that unions with class-oriented and militant identities are more likely to represent contingent workers (Benassi & Vlandas, 2015; Frege & Kelly, 2003; Gasparri, Ikeler, & Fullin, 2019; Gumbrell-McCormick & Hyman, 2013). Yet, whether and to what extent the identity of peak-level associations (e.g., national union confederations) can influence local bargaining outcomes is often debatable (Stepan-Norris & Zeitlin, 1995). Finally, few studies examine whether there remains a particular type of non-standard labor that inclusive bargaining agreements fail to cover, despite the presence of bargaining coordination across workplaces.

Drawing on a longitudinal workplace survey dataset in South Korea (hereafter Korea), I ask whether and how these two factors of union inclusiveness—bargaining structure and union identity—intersect and jointly shape outcomes for non-standard workers at workplace levels. Korea is a particularly good case to answer these questions due to the presence of ideologically divided union confederations—the Federation of Korean Trade Unions (FKTU) and the Korean Confederation of Trade Unions (KCTU). The convergence in their formal strategy to centralize a bargaining structure provides an opportunity to determine whether the relationship between coordinated bargaining structures and inclusive bargaining agreements is influenced by union identity while controlling for national context.

My findings show that the association between coordinated bargaining structures and inclusive bargaining agreements toward non-standard workers only emerges when a workplace union is affiliated with the militant confederation (i.e., the KCTU). I argue that this is explained by normative pressure from the union confederation; a militant union confederation is likely to encourage their affiliates to pursue solidarity with non-standard workers rather than act out of pure personal economic interest. More importantly, I also demonstrate that temporary agency workers (TAWs) and subcontractors still do not benefit despite bargaining coordination across workplaces. To be specific, I show that the adoption of a coordinated bargaining structure is associated with an inclusive bargaining agreement toward direct-hire fixed-term workers (FTWs) among militant KCTU affiliates. However, when it comes to inclusive bargaining agreements toward TAWs and subcontractors, a coordinated bargaining structure does not lead to an inclusive bargaining agreement, regardless of whether a union is affiliated with the militant KCTU or the moderate FKTU. These results suggest that whether a coordinated bargaining structure leads to an inclusive bargaining agreement hinges not only upon the identity of unions but also on the *status* of the non-standard workers being addressed—that is, whether they are FTWs or TAWs and subcontractors. I argue that this may be indicative of the persisting effects of “enterprise consciousness” (Lee, 2011) and the limits of bargaining coordination – not extending to the cross-industry level of subcontractor, TAW arrangements that are central to firms’ contemporary strategies for segmenting employment.

A BASIC FRAMEWORK

Union Inclusiveness and Bargaining Structure: enterprise vs. coordinated

The extensive body of literature on union inclusiveness toward non-standard labor is primarily based on Heery's (2009) framework discussing union responses to contingent workers. Here, he defines 'inclusion' as an action where unions accept contingent workers on the basis of equal treatment with workers in permanent employment contracts. Researchers capture the degree to which a union is inclusive toward contingent workers (i.e., inclusiveness) using various measures including unionization rate for non-standard workers and inclusion of equal treatment clauses across different employment statuses (Benassi & Vlandas, 2015; Vlandas, 2018).

Within this context, researchers have explored the determinants of union inclusiveness toward non-standard workers, often comparing different types of union organizational structures—enterprise unionism and industrial unionism—to see how the two modes of unionism differ in terms of inclusiveness toward the peripheral workforce (Benassi & Dorigatti, 2015). Enterprise unions are organized along firms' organizational boundaries and focus on core employees whose identities are strongly attached to the company (Streeck, 1996). Here, contingent workers are usually perceived as 'outsiders,' because compared to the permanent workforce, they have a definite duration of employment and are thus not assumed to share direct interests with the firm. It is argued that the aim of an enterprise union is to improve wages and working conditions only for their members, while they use the contingent workforce as a flexibility buffer to support the survival of the core workforce in an unfavorable business environment (Jeong & Aguilera, 2008; Keizer, 2019). Hence, enterprise

unionism has been cited to illustrate labor market dualization claims, which argue that unions act exclusively to protect the interests of their members while neglecting the needs of marginal workers who are often not unionized (Emmenegger, 2012; Lundberg & Rose, 2000; Rueda, 2006).

By contrast, industrial unions are organized along industry boundaries; they espouse an egalitarian spirit and represent workers within a certain industry regardless of skill ranks. They adjust their bargaining strategies with other locals or sometimes even bargain on behalf of other non-union workers to equalize wage distribution within the same sector. They do so in order to contain the risk that labor market competition will prompt employees to undercut existing collective bargaining agreements and thus unleash a ‘race to the bottom’ (Traxler, 2003). In general, compared to enterprise unions, industrial unions support class identity and are likely to seek to set the norm of ‘equal pay, equal work’ for an entire industry beyond firm boundaries and thus to be inclusive toward non-standard workers (Jackson, 2009). However, this may be contingent upon contextual factors, including institutional conditions as well as managerial personnel strategies (Benassi & Dorigatti, 2015).

It is important to note, however, as argued by organizational theorists, that the formal organizational structure and the actual practice of industrial unions may be “decoupled” (Meyer & Rowan, 1977). In a similar vein, employment relations scholars have also pointed out that it is difficult to draw a clear boundary between industrial and enterprise unions, as their actual practices do not correspond with their organizational form. First of all, managerial strategies may pose substantial challenges to industrial unions that try to maintain a coordinated bargaining structure. For

instance, Doellgast and Greer (2007) show that industrial unions in the German auto and telecom industries faced difficulties coordinating bargaining across organizational boundaries, as companies moved jobs from a well-organized core to a more poorly organized periphery of companies that had no collective agreements or that were covered by different sectoral and company-level agreements. Since industry and firm boundaries are becoming increasingly blurred, it is becoming harder for industrial unions to coordinate bargaining strategies across different firms and workplaces. Furthermore, industrial unions themselves may choose an exclusive strategy that focuses on the enterprise-based or even establishment-based interests of core employees when they perceive that their organizational interests are not aligned with those of contingent workers (Benassi & Dorigatti, 2015; Doellgast, 2009). In this case, despite their status as a local of a larger industrial union, they may not adopt a coordinated bargaining structure. Finally, there exist other kinds of coordinated bargaining that involve multiple workplaces (Jeong, 2003). Here, unions still engage in bargaining coordination at the regional or occupational level although they do not technically belong to sectoral unions. The aforementioned scenarios suggest that it might be misleading to focus on whether a union is organized at either industry or enterprise level when examining the impact of a coordinated bargaining structure.

To overcome this challenge, I instead draw attention to *unions' bargaining structure*. Specifically, I compare (1) *isolated enterprise bargaining structure* with (2) *coordinated bargaining structure* (Jeong, 2003). Isolated enterprise bargaining refers to a decentralized bargaining procedure used to negotiate the wage and conditions of employees within a particular firm. It usually deals with firm-specific concerns from

employees, and such a narrow bargaining coverage often fails to put pressure on employers beyond enterprise levels. Additionally, due to their weak structural and functional independence from firms, unions tend to be submissive to management control, although this may vary in practice (Benson, 1996). By contrast, coordinated bargaining structure refers to either centralized bargaining procedures at occupation, region and industry levels (i.e., industrial unionism) or coordinated enterprise bargaining aimed at building a common bargaining strategy across individual firms and workplaces. It thus allows unions to maintain some degree of structural independence from employers' influence, which enables them to possess relatively powerful bargaining leverage against employers' strategies. Also, since bargaining coordination requires the interdependence of multiple bargaining units (e.g., workplaces) in a certain sector (Ibsen, 2015), it is more likely to incorporate the interests of workers with different structural power. It is useful to take bargaining structure as the main research focus when capturing the impact of bargaining coordination on the presence of an inclusive bargaining agreement, especially when unions' organizational structures do not coincide with their actual bargaining process.

Based on the above, I expect that *compared to isolated enterprise bargaining structures, a coordinated bargaining structure is more likely to be associated with an inclusive bargaining agreement toward non-standard workers.*

Identity of Union Confederations

Although bargaining coordination may reduce income inequality in the labor market (Calmfors & Driffill, 1988; Ibsen, 2015; Traxler & Brandl, 2012; Wallerstein,

1999), it is important to note that unions have opted for very different strategic choices in the face of similar circumstances (Frege & Kelly, 2003; Marino, 2012; Trif et al., 2021). In other words, a coordinated bargaining structure might be a necessary but not sufficient condition for the emergence of an inclusive bargaining agreement.

Here, I focus on the identity of national union confederations with which a union is affiliated. Hyman (2001) introduces the concept of triple polarization of market, class and society and argues that unions tend toward one or a combination of these identities (e.g., between class and society). More importantly, as he (2001: 1) stated, “[t]he dominant identities embraced by particular unions, confederations and national movements [...] have shaped the interests with which they identify, the conceptions of democracy influencing members, activists and leaders, the agenda they pursue, and the type of power resources which they cultivate and apply.” Empirical studies buttress this framework. In their study on the retail sector, Gasparri, Ikeler, and Fullin (2019) show that only unions with strong class-oriented identity were committed to organizing and representing precarious workers whereas a union more oriented to social partnership (or ‘business unionism’ focusing on economic gains for its members) remained passive in the workplace and was cooperative with labor market liberalization. Furthermore, Benassi and Vlandas (2015) find that a country that has a class-oriented union confederation is likely to show higher inclusiveness toward non-standard workers. Furthermore, it has been argued that such a strong class-based identity is typically associated with a greater militancy against employers (Frege & Kelly, 2003; Gumbrell-McCormick & Hyman, 2013). Compared to moderate unions, militant unions are generally more likely to engage their membership in

combative action, organizing strikes or protests and even filing lawsuits or legal motions against employers, whereas moderate unions are generally more willing to negotiate concessions with employers (Alberti, 2016; Dorigatti, 2017; Gasparri et al., 2019). This is true especially when institutional protections for unions have been comparatively weak or in decline (Carver & Doellgast, 2020). It is reasonable, then, to expect that compared to market-oriented identity or social partnership orientation, class-oriented identity is typically associated with a higher degree of labor militancy and a stronger commitment to representing the interests of non-standard workers.

It is debatable, however, whether the identities of union confederations affect workplace-level collective bargaining outcomes. Union confederations often do not have authority over local bargaining contracts, meaning that whether the identity of union confederations would be manifested in local bargaining agreements is not often clear (Stepan-Norris & Zeitlin, 1995). Industrial unions—if they are affiliated with confederations—may serve as intermediaries between confederations and local unions (i.e., affiliates), and their leadership could be involved, either directly or indirectly, in the local collective bargaining process. In doing so they could discourage locals from deviating from the union’s broader agenda and policies. Yet, even in Europe, where a long tradition of sectoral bargaining coordination exists, the increasing number of opening clauses in collective agreements in recent decades indicates the weakening capacity of unions at more central levels to set the agenda and influence bargaining strategies at local levels (Doellgast & Greer, 2007; Jansen, 2014; Pulignano & Doerflinger, 2013). Therefore, even if a union confederation shows greater militancy and encourages affiliates to set an inclusive bargaining agreement representing the

interests of non-standard workers, it is uncertain whether workplace unions would comply.

An alternative perspective advanced by sociologists holds that union confederations can still exert “normative pressure” over affiliates, where each member is expected to abide by strategic decisions made at higher levels (Voss & Sherman, 2000). Based on the previous theories on institutional isomorphism (DiMaggio & Powell, 1983), Voss and Sherman (2000) assert that the AFL-CIO’s mandate to organize was a major force in convincing international and local unions of the necessity of union membership expansion. Such normative pressure from union leadership might have an impact on local unions’ bargaining outcomes, even in the absence of a formal control mechanism, which is quite common in the relationship between industrial unions and their locals. For example, Benassi and Dorigatti (2015) portray how union leadership raised awareness among union officials about agency workers and their responsibilities towards the group, thereby incentivizing local unions (and works councils) to represent the interests of peripheral workers. Yet, there is limited empirical research demonstrating this in the context of union confederations. However, Fleckenstein and Lee (2019) show that the narrow business unionism prevalent among affiliates can be overcome by pressure from union leadership’s strong commitment toward the representation of non-standard workers. These findings suggest a mechanism through which union confederations (and their identities) may affect union inclusiveness toward the non-standard workforce at the workplace level.

Therefore, I expect that *the relationship between a coordinated bargaining structure and an inclusive bargaining agreement toward non-standard workers only emerges among unions affiliated with a confederation with a militant identity.*

Types of Non-standard Employment: Fixed-term vs. TAWs/subcontractors

Perhaps more importantly, the past literature on union responses toward non-standard employment tends to treat non-standard workers as a homogenous group. They do not directly address whether and how unions' responses vary according to the characteristics of a particular type of employment within the category. Non-standard employment is comprised of various contract types such as fixed-term employment or subcontracting marked by a distinct relationship or contract with the enterprise (Kunda, Barley, & Evans, 2002; MacKenzie, 2010). It is important to allow for this diversity; if enterprise consciousness has been a substantial force that hinders the successful operation of sectoral bargaining, then unions' inclusiveness toward non-standard workers would also differ by their status with the hiring firm (Gallagher & Sverke, 2005; Malo, 2006).

Based on the previous studies on contingent work arrangement (Arrighetti, Bartoloni, Landini, & Pollio, 2021; Benassi & Kornelakis, 2021; Cappelli & Keller, 2013), here, I make a distinction between (1) direct-hire fixed-term workers (FTWs) and (2) temporary agency workers (TAWs) and subcontractors. Like workers with full-time employment contracts, fixed-term workers are directly employed by the firm. As such, they are usually covered by statutory regulations and often by sectoral or company collective agreements (Benassi & Kornelakis, 2021). By contrast, workers

under agency or subcontracts are not perceived as formal employees of the company. For this reason, they are not officially subject to the firm's hierarchical authority (Arrighetti et al., 2021). In most countries, if TAWs and subcontractors are covered by an agreement at all, it tends to be a separate sectoral or company-level agreement, which allows for lower pay relative to permanent employees (Benassi, Doellgast, & Sarmiento-Mirwaldt, 2016).

I expect that *the impact of a coordinated bargaining structure on an inclusive bargaining agreement would vary by whether a non-standard worker is a FTW or TAW/subcontractor*. A bargaining agreement may help improve pay for FTWs in the workplace but may not apply to TAWs/subcontractors, because, unlike the former group, the latter does not share the same employer on record. A few studies investigated how unions represent particular kinds of contingent workers, such as agency workers (Heery, 2004) and freelancers (Heery, Conley, Delbridge, & Stewart, 2004). But there is a dearth of empirical studies asking if union responses would vary by whether and how non-standard workers are directly (i.e., FTWs) or indirectly employed by the firm (i.e., TAWs and subcontractors).

Based on past research on structural and identity-based factors shaping union inclusiveness (Benassi & Dorigatti, 2015; Frege & Kelly, 2003) and heterogeneity within non-standard labor (Arrighetti et al., 2021; Benassi & Kornelakis, 2021; Cappelli & Keller, 2013), I develop an original framework and test combinations of conditions under which unions are more or less likely to represent non-standard workers. I argue that *union confederations with more militant identities will have more*

success in connecting coordinated bargaining structure with inclusive bargaining agreement and this relationship can also be seen at the workplace level. Yet, even among unions affiliated with a confederation with militant identity, a coordinated bargaining structure will improve pay only for FTWs, not for TAWs and subcontractors.

THE CASE OF SOUTH KOREA

Diverging or Converging Identity: FKTU vs. KCTU

To test this framework, I focus on Korea and its recent bargaining centralization led by unions in the midst of economic restructuring toward labor market flexibility. The presence of ideologically divided union confederations provides a useful context to examine the effects of union identity while controlling for national context. The FKTU is a federation that had been co-opted by the government under the military junta in the 1970s and 80s. After democratization in 1987, the FKTU gained autonomy, though it still maintains a moderate stance and has pursued a conciliatory approach, emphasizing political deals with the incumbent government. The KCTU emerged as “a countermovement organization” (Gale, 1986) against the FKTU. Maintaining a militant stance in its relations with the government and employers, KCTU unions showed great bargaining power and strike leverage through resisting or negotiating unilateral managerial and governmental decisions (Durazzi, Fleckenstein, & Lee, 2018; Fleckenstein & Lee, 2019; Nho & Kim, 2018). The KCTU also demonstrated explicit commitment toward the representation of non-standard workers. It introduced a new wage policy in 2013 that aims to close the wage gap

between permanent and contingent workers and demands significant improvements in minimum wage and lump-sum wage increases for all workers at the expense of conventional percentage-point increases (Fleckenstein & Lee, 2019). The fact that the same effort was absent in the FKTU indicates that the KCTU maintained a militant identity and was thus more committed to the regulation of non-standard labor.

Despite different identities stemming from the historical background and attitudes toward the inclusion of non-standard workers, both confederations converged on a formal strategy when it comes to restructuring bargaining systems. After the Asian financial crisis in 1998, the Korean government legislated a series of labor market reform policies emphasizing the flexibility of labor markets and the need for fewer employment protections. This was followed by the expansion of non-standard employment and the wide use of contingent workers by firms seeking to reduce labor costs and increase flexibility (Fleckenstein & Lee, 2019); a trend which accelerated during the 2007-08 global financial crisis. Unions in Korea were dispersed across companies and collective bargaining tended to take place predominantly at company levels. Therefore, temporary workers and subcontracting employees were not covered by existing collective agreements. Against this backdrop, union leaders sought to reform existing industrial relations institutions by institutionalizing coordinated bargaining structures that required multiple or all companies in the sector to protect non-standard workers and regulate the use of contingent labor (Nho & Kim, 2018). They believed that an encompassing bargaining structure would lead to more inclusive agreements that promoted equal pay rules within and across companies, protect peripheral workers and restrict firms' use of a non-standard workforce (Lee & Lee,

2004). This strategy was primarily driven by the militant KCTU (Lee, 1998; Yang, 2006), whose founding principle was industrial unionism (Nho & Kim, 2018). However, it also stimulated its moderate rival, the FKTU to seek to achieve the same goal. Indeed, the FKTU did not ostensibly reject the notion of bargaining centralization to better represent contingent workers. In the face of growing public criticism as well as ideological competition with the KCTU, FKTU leadership found that its moderate and pragmatic stance was no longer feasible (Fleckenstein & Lee, 2019). As the KCTU embarked on a program toward industrial unionism, the FKTU experienced significant pressure to revise long-established positions to justify its *raison d'etre*. Hence, the FKTU also set out to restructure toward industrial unionism.

Union Identity and Inclusiveness toward Non-standard Workers in Korea

Bargaining centralization driven by both confederations has formally increased with the increasing emphasis on industrial unionism. Some unions were transformed into local chapters of either existing or newly-established industrial unions or at least participated in multi-employer bargaining at sectoral or regional levels (e.g., the hospital, public service, chemical and textile sectors) (Jeong, 2003).

The KCTU was more successful than the FKTU in transforming its affiliates into industrial unions. This does not necessarily mean, however, that the KCTU was more successful in coordinating bargaining across workplaces compared to the FKTU. As Lee (2011: 768) puts it, “the actual practice of centralized collective bargaining has been deeply conflicted”. There were still a number of unions who lacked a sense of solidarity beyond their narrow membership at the firm or enterprise level and who

continued to prioritize the interests of their core workforce and were reluctant to participate in the industrial union. Researchers explained this by members' unwillingness to sacrifice parts of their gains and shares to benefit outsiders, despite demands from union leadership (Kwon, 2015; Nho & Kim, 2018). For instance, the Korean Metal Workers' Union (KMWU), one of the largest industrial unions affiliated with KCTU, suffered this problem. Unions from large automakers (e.g., Hyundai) refused to negotiate with the KMWU on an industrial scale, insisting that bargaining must be done by 'independent' entities (Campling, Harrison, Richardson, Smith, & Barbu, 2021). Furthermore, even if unions joined an existing industrial union, they often preferred to maintain relative autonomy from union leadership (e.g., the finance sector). Therefore, despite the presence of a centralized bargaining procedure, important decisions on wages and working conditions still tended to be negotiated mainly at the enterprise level (Kwon, 2015). Furthermore, there were other types of coordinated bargaining that involved multiple unions and employers without taking form as industrial unions, such as regional or occupation-level multi-employer bargaining (Jeong, 2003), which were more common among FKTU affiliates. Indeed, according to Nho and Kim (2018), the proportion of multi-employer bargaining firms organized by either confederation has increased over the last decade.

The gap between union organizational structure and its actual practice also leads to a question as to whether and to what extent industrial unions in Korea have incorporated non-standard workers into collective bargaining and how this varies across the confederations with which they are affiliated. In general, industrial unionism aims to vertically organize workers and pursue solidaristic policies for

reducing status and occupational differences (Jackson, 2009). Local unions in Korea, however, have been generally reluctant to accept non-standard workers as their members, even though their organizational inclusion was forcefully demanded not only by non-standard workers but also by the union confederations (Kwon, 2015; Lee, 2011). Also, as Kwon (2015: 469) notes, “often the industrial bargaining offers guideline agreements rather than fixed agreements that every local should abide by.” Therefore, researchers claimed that bargaining centralization in Korea, which is driven by union confederations, has not led to substantial changes in terms of the gap between groups of employees working under different employment arrangements (Lee, 2011).

While both the FKTU and the KCTU have these representation problems, researchers have found that KCTU affiliates have covered contingent workers more than FKTU affiliates in their bargaining agreements (Nho & Kim, 2018). Even among unions engaging in bargaining coordination, those affiliated with the KCTU tend to be more committed to representing non-standard workers. The comparison between the Korean Financial Industry Union (KFIU, an FKTU-affiliate industrial union) and the Korean Health and Medical Workers Union (KHMWU, a KCTU-affiliate industrial union) is illustrative. In 2004, the KFIU and bank employers agreed to a wage increase for contingent workers and set an upper limit for their employment. These provisions, however, were all written in a separate agreement, and union representatives, facing employer opposition, failed to negotiate their inclusion in the main body of the agreement. In general, the KFIU generally took a passive position in its strategies to set an inclusive bargaining agreement toward non-standard workers (Kwon, 2015).

The case of the KHMWU, a KCTU-affiliate, exists in stark contrast to the case of the KFIU. In their 2007 sectoral agreement, the KHMWU and the KHMEA (the Korean Health and Medical Employers Association), decided to not only increase wage rates for non-standard workers and but also spend a certain portion of those increases to improve the overall working conditions of non-standard workers and eliminate diverse forms of discriminations against them (Lee, 2011). Furthermore, even after the KHMEA was disbanded in 2009, shortly after its first sectoral collective bargaining, the KHMU attempted to maintain these clauses in subsequent bargaining agreements with remaining hospitals.

It would be reasonable to conclude that among unions engaging in bargaining coordination, only those with a militant identity were more likely to be committed to representing non-standard workers in their bargaining agreements. Yet, it is important to note that Korean firms are covered by a range of different forms of multi-employer bargaining. The existing studies on bargaining centralization in Korea are largely based on case studies of union campaigns with a focus on particular sectors and industrial unions (Kwon, 2015; Lee, 2011), so they do not tell us much about the relationship between bargaining coordination and inclusive bargaining agreements across the workplace population.

It is also uncertain whether or not all types of non-standard workers benefit from this relationship. As mentioned above, the KHMWU was quite actively engaged in abolishing discrimination between permanent employees and non-standard workers. But those efforts concerned only FTWs, not TAWs and subcontractors (Jung & Lee, 2017). Previous studies did not investigate whether this is true in other firms and

unions engaging in different types of bargaining coordination, nor did they control for sectoral characteristics that might affect both union strategies and bargaining coverage. In this regard, recent statistics from the Korean Ministry of Labor, for example, show that a non-standard worker's hourly wage is approximately half as much as that of a full-time worker, and it was even less for TAWs. This graph indicates that there is a persisting gap between FTWs (employed directly by the firm) and TAWs/subcontractors (employed through work agencies or subcontracting companies). Therefore, it is worthwhile to investigate whether coordinated bargaining has differential impacts across different segments *within* the non-standard workforce.

In this study, I use a nationally representative longitudinal workplace-level survey to examine the relationship between coordinated bargaining and union inclusiveness at the workplace level, with a focus on how this relationship varies among union identities and the status of targeted non-standard workers. I expect that the interlock between militant/moderate identity and bargaining structure influences bargaining outcomes for non-standard workers at the workplace level but that enterprise consciousness still excludes TAWs and subcontractors from union bargaining coverage.

RESEARCH DESIGN AND METHODS

Data: the Korean Workplace Panel Survey (KWPS)

I use the Korean Workplace Panel Survey (KWPS), a nationally representative workplace-level longitudinal survey as the basis of my analysis. KWPS data were collected by the Korean Labor Institute (KLI), a government-funded policy research

institute in Korea. The longitudinal structure of the dataset helps researchers apply a more rigorous research design compared to the existing research. KWPS data outlines detailed workplace-level measures such as bargaining agreements, employment practices and union characteristics so that researchers can test the effect of union identity at a local level. The samples were selected from stratified population samples including all private- and public- sector workplaces with over 30 employees¹ based on the sampling frame referenced in the Workplace Demographics Survey issued by the National Statistical Office.

The original dataset included a total of 4,144 unique workplaces. However, a substantial number of workplaces were excluded for various reasons. First, I excluded all non-unionized workplaces from the original survey dataset as the main focus of my thesis was to examine union activities at the workplace level. Also, the revision of Korean labor law in 2010 was one of the most important changes to the legal framework of Korean labor relations since its democratization, permitting multiple unions at a workplace as of 2011 (Lee, 2011). In this case, there might be another union organizing specifically non-standard workers so that a primary union does not have to address their salary issues in their bargaining agreement. Accordingly, I focus on the period from 2011 to 2017 (the latest panel) and drop workplaces if they have more than one union. Finally, I exclude workplaces with an independent union, a union not affiliated with either union confederation. The revised dataset yielded 237 unique workplaces and 666 observations. Although the size of the sample was

¹ Agricultural, forestry, fishery and mining industries were excluded from the sampling frame.

significantly reduced throughout the selection process, I give each unit a sampling weight that was included in the original dataset to make sure that the sample I use is representative of the entire workplace population in Korea.

Variables

The outcome of interest in this study is *an inclusive bargaining agreement increasing pay for non-standard workers*. Although an inclusive bargaining agreement may take various forms including, for instance, renegotiating provisions of an existing contract, extending the collective agreement to peripheral/non-standard workers, or operating on their behalf (Carver & Doellgast, 2020), here it is coded 1 if a collective bargaining agreement in the last year improved pay for non-standard workers and 0 if otherwise. Note that I expected that whether a coordinated bargaining structure leads to an inclusive bargaining agreement depends on specific types of non-standard employment being addressed, that is, whether they are direct-hire FTWs or TAWs/subcontractors. Therefore, I created two variables—(a) *the presence of a bargaining agreement to increase pay for direct-hire FTWs* and (b) *the presence of a bargaining agreement to increase pay for TAWs/subcontractors*—and performed separate analyses.

The key independent variable in the present study is *bargaining structure*. Following Jeong's (2003) typology, I use a variable asking whether a union adopts isolated enterprise-based bargaining or coordinated bargaining either at industry-, regional or occupational levels. It is coded 1 if a union adopted a coordinated bargaining structure and 0 if a union adopted an isolated enterprise bargaining

structure last year. Note that since this data set does not differentiate diverse forms of coordinated bargaining in this category, I was not able to distinguish, for example, the effects of sectoral bargaining from those of regional bargaining. Nonetheless, it is still useful to see whether coordinated bargaining differs from isolated enterprise bargaining in terms of its impact on both an inclusive bargaining agreement and the share of non-standard workers.

As mentioned above, I expect that the effects of coordinated bargaining would vary by the national union confederations with which a union at the workplace is affiliated. Accordingly, I divide the sample into two groups: (1) workplaces whose union is affiliated with the FKTU (2) workplaces whose union is affiliated with KCTU. However, it is no less important to capture the actual impact of union identities, that is, the effects of affiliation with union confederations on an inclusive bargaining agreement and the share of non-standard workforces at the workplace. Therefore, I also construct a variable for unions' affiliations with confederations (0: FKTU; 1: KCTU) and include it in the regression model to see whether and to what extent affiliation with either union confederation is associated with the dependent variables of interest.

The KWPS also allows me to control for various kinds of union and workplace characteristics that might be correlated with either coordinated bargaining structure or the two dependent variables. First, I include *logged workplace revenue* and *logged number of employees* to control for the profit and size of the workplace, since a union's bargaining power is likely to be strong in a profitable and large workplace. By taking the logarithm of both variables, I account for the fact that the effects of

workplace size might not be linear. Second, I create a variable that measures the overall quality of the union-management relationship (*LM quality*).² In the KWPS, there are six items by which human resource managers (or labor relations managers) assess the general state of the union-management relationship using a five-point scale. I calculate the mean value of these six items and control for it; the higher the value is, the better is the union-management relationship. Third, I include *union density*, which I calculate by dividing the number of union members by the number of total workers who are eligible for union membership.

I also control for *the share of non-standard workers at the workplace*, which I calculate by dividing the total number of non-standard workers by the total number of workers at the workplace in the previous year. This is a very strong control given that inclusive bargaining agreement is a typical reaction to employers' increasing use of temporary workers (Benassi & Dorigatti, 2015). Like my first dependent variable, I create two variables: (a) *the share of direct-hire FTWs in the workplace* and (b) *the share of TAWs/subcontractors in the workplace*, and include them according to my outcome variables. Finally, I include *industry dummies* (from 14 industries) to control for industry-specific characteristics that may correlate with union bargaining structures and the inclusiveness of collective bargaining agreements. Finally, I include *year dummies* to control for year-specific heterogeneity.

² The included survey items are: "Labor and management both keep their promises." "Negotiations take place in an atmosphere of mutual trust." "Labor and management share information." "Labor and management engage in joint consultation on most major changes to working conditions." "Labor and management frequently argue over even insignificant issues." "Labor and management are hostile toward each other."

Methods

To assess the effects of a bargaining structure on union inclusiveness, I use pooled ordinary least squares (OLS) linear regression. Note that despite the fact that my outcome variable—the presence of an inclusive bargaining agreement toward non-standard workers—is binary, I use a linear probability model (LMP) which assumes that the outcome of interest is continuous. First, linear estimation allows for direct interpretation of coefficients as probabilities, while converting logit coefficients into probabilities leads to increasingly complex methods, especially when the interaction term is introduced (Ai & Norton, 2003). Second, even if the conditional expectation function (CEF) is non-linear, it has been argued that OLS regression approximates the CEF, meaning OLS estimates and marginal effects from nonlinear models are usually close (Angrist & Pischke, 2014). Likewise, my independent variable, coordinated bargaining structure, may be time-invariant. In the panel regression, unit-specific characteristics that do not change over time drop out from the analysis. Therefore, I employ pooled OLS linear regression.

FINDINGS

Summary Statistics

[TABLE 1 ABOUT HERE]

Table 1 reports summary statistics based on a pooled sample spanning four waves (2011 – 2017) and compares FKTU affiliates with KCTU affiliates on variables of interest. The analysis shows that FKTU affiliates do not statistically differ from KCTU affiliates on the likelihood of the presence of a bargaining agreement improving pay

for non-standard workers, their bargaining structure and their percentage of non-standard employment. Although it appears that firms organized by KCTU affiliates tend to be more profitable and larger in size, the larger standard deviation indicates that there is large variation among them. Also, they are likely to have lower union membership rates and report lower union-management relationship quality. Overall, these results may suggest that there is no remarkable difference between FKTU and KCTU affiliates when it comes to my outcome variables and independent variable. Yet, these descriptive statistics are based on the pooled sample, which does not allow for time-serial correlation in the sample. Furthermore, although the sample is weighted according to the sampling frame, the summary statistics do not account for industry- nor year-specific factors. As such, any interpretation should be made with caution.

Regression Results

[TABLE 2 ABOUT HERE]

Table 2 shows the OLS regression models predicting a bargaining agreement increasing pay for non-standard workers. Models 1 and 2 address whether the impact of coordinated bargaining on the presence of a bargaining agreement increasing pay for FTWs varies by union confederations whereas models 3 and 4 answer the same question but for TAWs and subcontractors. It shows that the relationship between coordinated bargaining and agreement to improve pay for FTWs is only seen among the KCTU sample; the coefficient is positive and statistically significant ($p < 0.05$) even after controlling for various workplace- and union-related characteristics. In other words, the presence of a coordinated bargaining structure increases the likelihood that

unions in workplaces will establish an inclusive bargaining agreement toward direct-hire fixed-term workers only when the union is affiliated with a confederation with a militant identity. When it comes to TAWs and subcontractors, as shown in models 3 and 4, the coefficient of coordinated bargaining is not significant in any of these models, which means that there is no direct relationship between coordinated bargaining and inclusive bargaining agreements toward TAWs/subcontractors regardless of whether a union is affiliated with the FKTU or the KCTU.

[FIGURE 2 ABOUT HERE]

Figure 2 visualizes how the impact of coordinated bargaining on the presence of a bargaining agreement increasing pay for non-standard workers varies by union confederations and the type of non-standard employment concerned. Here, I use an interaction model instead (see Appendix A) to directly capture the degree to which militant union identity increases the effectiveness of coordinated bargaining. Panel A focuses on whether a workplace has a bargaining agreement that increases pay for FTWs, and panel B focuses on whether a workplace has a bargaining agreement that increases pay for TAWs/subcontractors. Panel A shows that among unions adopting isolated enterprise bargaining, FKTU affiliates are more likely to have a bargaining agreement that increases pay for FTWs than are KCTU affiliates. However, when KCTU affiliates adopt coordinated bargaining, the likelihood of having a bargaining agreement that improves pay for FTWs remarkably increases while a similar pattern does not appear among FKTU affiliates, although such difference is not statistically significant (Appendix A). Panel B shows that regardless of whether a union is affiliated with the FKTU or the KCTU, the confidence intervals of enterprise

bargaining and coordinated bargaining largely overlap with each other. Altogether, these figures demonstrate that whereas the impact of a coordinated bargaining structure may lead to a bargaining agreement that increases pay for FTWs, it may not lead to the same results when it comes to TAWs/subcontractors.

Robustness check

To take advantage of the longitudinal structure of the dataset, I also apply generalized estimating equation (GEE) regression models to both dependent variables of my interest (Appendix B). GEE is an extension of generalized linear models (GLM) that estimates population-averaged estimates while accounting for the correlation between the repeated measurements in a panel data set. Specifically, the dependency or correlation between repeated measures is taken into account by robust estimation of the variances of the regression coefficients (Hu, Goldberg, Hedeker, Flay, & Pentz, 1998). It yields similar patterns among my main regression results ($p < 0.01$).

CONCLUSION AND DISCUSSION

Summary

Industrial relations scholars examined conditions under which unions represent the interests of temporary and peripheral workers (for review, Carver & Doellgast, 2020). A group of scholars has emphasized the role of union identities on the development of union strategies toward non-standard employment (e.g., Marino, 2012). At the same time, other scholars have focused on structural factors, expecting

that centralized bargaining would equalize overall wage distribution (Calmfors & Driffill, 1988; Traxler & Brandl, 2012; Wallerstein, 1999).

By combining these two theories on union responses to non-standard employment, I developed an original framework to better understand the process of bargaining centralization in Korea and its impact on non-standard employment. I found that whether a coordinated bargaining structure led to the regulation of the non-standard workforce, i.e. the emergence of inclusive bargaining agreements, hinges upon the identity of the union confederation with which a workplace union is affiliated; such an association was observed only among the militant KCTU affiliates, not among the moderate FKTU affiliates. More importantly, this relationship also depended on whether or not non-standard workers are directly employed by the firm. Although there is a relationship between coordinated bargaining and inclusive bargaining agreements toward FTWs, such a pattern disappears when the target group is TAWs/subcontractors, regardless of the identity of a union confederation.

Interviews

To further investigate the findings of my quantitative analyses, I conducted in-depth interviews with union researchers, union organizers and labor relations managers at firms. The purpose of my interviews was to collect further details about the relationship between the identities of union confederations and local bargaining outcomes on non-standard employment and other relevant information that might complement what I learned from my analyses.

Many interviewees reported that compared to FKTU unions, KCTU unions are more committed to the representation of non-standard workers. For instance, one former KCTU union organizer indicated that “FKTU unions are just a ‘company union’. We’re obviously different. They always cooperate with employers, but we don’t do that. We always spearhead the protection of non-standard workers under any circumstances” (Interview 3. Former Union Organizer, January 2021; Interview 4. Labor Union Researcher, January 2021; Interview 5: Former Union Organizer). This shows that the fact that their confederation (KCTU) originated as “a countermovement organization” (Gale, 1986) against the FKTU serves as a foundation of their identity, the process of which encourages them to pursue a more proactive, often militant, approach in their bargaining strategies compared with FKTU unions. Such difference was also observed in their attitudes toward industrial unionism, although many interviewees said that the structure of industrial unionism has been largely decoupled with its practice (Interview 1. Labor Union Researcher May 2020; Interview 2. Labor Union Researcher June 2020; Interview 4. Labor Union Researcher January 2021; Interview 5. Former Union Organizer January 2021); “We know that industrial unionism in Korea has been criticized as ‘industrial unions’ in name only. [...] It might a little hard to say that we (i.e., KCTU) have made a huge success with respect to bargaining centralization. But at least we tried to implement it more rigorously than FKTU did” (Interview 4. Labor Union Researcher. January 2021).

I argued earlier that although KCTU unions have had more success in connecting coordinated bargaining structures with inclusive bargaining agreements, TAWs/subcontractors are still excluded from these processes. This suggests that

despite the presence of militant identity that has potential for more inclusive solidarity with non-standard workers, there exist the persisting effects of enterprise consciousness. In this regard, one former KCTU organizer said:

“It is hardly justifiable to neglect direct-hire fixed-term workers. What would you do if regular workers are attaching left doors while fixed-term workers are attaching right doors to the cars? It is hardly justifiable to discriminate against temporary workers as long as they do fundamentally the same thing along the assembly line. The union would feel pressure to appease them by addressing their issues as one of its bargaining clauses, if not perfectly. But for subcontracting workers, it would be different. They are basically employed at different companies. Fixed-term workers are working for the same employer but subcontracting workers are not. So, both employers and union members do not really care about them at all” (Interview 3. Union Respondent January 2021).

Overall, these personal accounts generally concur with my regression results. First, my interviews with union respondents showed that KCTU union members were clearly conscious about the militant identity of their affiliation while also admitting their mediocre progress, if not complete failure, toward the institutionalization of sectoral bargaining across the country. I argue that their identification with the KCTU’s militant identity actually encouraged them to be more actively engaged in solidarity with non-standard workers at each workplace and that this can explain why the association between coordinated bargaining structure and inclusive bargaining agreement emerges only among KCTU unions in my quantitative analyses. Second, KCTU’s militant identity is still limited by enterprise consciousness. Union members

were still basing their bargaining strategies on firms' existing organizational boundaries. Therefore, despite demand from union leadership, and the KCTU in particular, affiliated unions are reluctant to include TAWs and subcontractors in their bargaining coverage as they are not perceived as members of the same enterprise community. Of course, there may be other legal and institutional factors contributing to such exclusion (Benassi & Dorigatti, 2015). Nonetheless, my interviews demonstrate that enterprise consciousness still operates as one of the major obstacles against the inclusion of non-standard workers under union protection and that KCTU members' class-based militant identities have failed to overcome this.

Limitations

It is possible that TAWs/subcontractors are covered by a separate bargaining agreement. For instance, if there is more than one union at the workplace and either of them represents TAWs/subcontractors in their bargaining agreement, the other does not have to address these issues in their agreement. I already ruled out this scenario by excluding multi-union workplaces from the sample. Yet, one may ask that unions do not have to address pay increases for agency workers if they are already covered by a separate bargaining agreement from the agency company. For instance, if a dispatch work agency has a union representing dispatch workers through its own bargaining agreement, a union at the enterprise using the agency's service does not have to cover their interests in its bargaining agreement with the employer. Although this scenario is not completely implausible, TAWs/subcontractors tend to be employed in non-union workplaces (Benassi & Kornelakis, 2021). In fact, according to Kim and Voss (2018),

only 2.6 percent of contingent workers are organized whereas the unionization rate for permanent employees is 16.5 percent, which affirms my expectations. Admittedly, I was not able to address this issue in detail; however, whether union inclusiveness also varies by the conditions of agency firms is a topic worth addressing in future research.

The role of employers is also of no less importance. Katz and Darbishire (2000) argued that the flight of employers from peak-level associations contributed to the growing prevalence of company-level bargaining. I assume that militant unions may invest more resources to encouraging companies to participate in employer associations because they are deeply committed to stabilizing and institutionalizing multi-employer bargaining as shown in the case of KHMEA, a hospital sector union affiliated with the KCTU. Relatedly, employers may be reluctant to engage in sectoral or multi-employer bargaining if unions show no interest in concessions over the course of negotiations. I tried to address this issue by including the union-management relationship as a control. Moreover, the finding from this thesis that unions affiliated with the militant confederation are more likely than those affiliated with the moderate confederation to set an inclusive bargaining agreement may indicate that this may not be the case. Nonetheless, this study paid little attention to employers' agency.

Researchers will need to investigate whether and how firms' responses to coordinated bargaining vary by union identity by taking into account employers' bargaining strategies as a component of the whole model.

Finally, there are some weaknesses in my measure. First of all, the dependent variable only reports whether a collective bargaining agreement increased pay for non-standard workers but does not inform us about the amount of increase. Furthermore,

one of my control variables, the share of non-standard workers, only captures their absolute size and does not differentiate whether the status of non-standard workers changed (e.g., whether they became permanent workers) or whether employers terminated agency worker contracts (Doerflinger & Pulignano, 2018). Finally, my independent variable, bargaining structure, refers to general multi-employer bargaining and thus does not distinguish one from another within the category. I expect the limitations of these quantitative measures, which stem from the survey items available to the researcher, would be complemented by in-depth qualitative research looking at workplace-level dynamics in the future.

Contribution

This thesis contributes to the existing literature investigating conditions under which unions represent the interests of peripheral workers (Benassi & Dorigatti, 2015; Carver & Doellgast, 2020; Kwon, 2015; Lee, 2011; Pulignano & Doerflinger, 2013). First, researchers debate the conditions under which union confederations are capable of successfully coordinating diverse interests among their affiliates with the goal of a synchronized action (Hartmann & Lau, 1980; Hyman & Gumbrell-McCormick, 2020). A related debate concerns the relationship between coordinated bargaining structure at the sectoral level and inclusiveness at the workplace level. The combination of organizational restructuring and an increasing number of opening clauses in bargaining agreements have encouraged bargaining decentralization and undermined coordination, even in those countries with traditions of sectoral bargaining (Doellgast & Greer, 2007; Jansen, 2014; Pulignano & Doerflinger, 2013). My findings suggest

that a militant union (i.e., the KCTU) is more effective in prioritizing class-based identity over narrow economic interests and facilitating a ‘trickle down’ into local bargaining, thereby creating workplace-level solidarity. A moderate union (i.e., the FKTU) may also adopt an encompassing bargaining structure, but such a formal strategy may fail to promote the inclusion of non-standard workers, which can be explained by its lack of militancy and commitment toward class-based solidarity. At the same time, the fact that both confederations fail to cover TAWs and subcontractors indicates that union identities do not operate in a vacuum; the relationship between union identities and inclusiveness is also contingent upon the institutional backgrounds where unions operate.

Second, a small number of studies have looked at the role of union identities in explaining diverging union strategies toward nonstandard workers and outcomes for these workers (Benassi and Vlandas 2016; Dorigatti 2017; Gasparri, Ikeler, and Fullin 2019) – including in South Korea (Durazzi et al. 2018). However, their findings were predominantly based on either country-level comparisons or case studies of industrial unions’ campaigns toward non-standard workers at the sectoral level. Although my study does not directly address the role of national institutions (Doellgast, 2008), it is distinctive in focusing on the different identities of union confederations within countries and in asking whether and how the identities of these confederations are associated with the inclusiveness of bargaining agreements at the workplace level across industries and workplaces using the representative survey data set.

My primary objective is to synthesize theories explaining union responses to non-standard employment and to test their explanatory power at the workplace level. I

focused on Korean industrial relations where union confederations marked by different identities reorganized unions dispersed across different enterprises with varying degrees of success. This study departs from the previous literature by shifting the analytic focus from organizational structure to bargaining structure, which improves our understanding of how multi-employer bargaining in general can influence pay and working conditions for the non-standard workforce. More importantly, while the dominant trend in nearly all advanced industrial countries has been towards the greater decentralization of collective bargaining (Jansen, 2014; Pulignano & Doerflinger, 2013), Korea has seen a reverse trend from fragment enterprise-level bargaining toward a centralized bargaining structure (Kwon & Lim, 2014; Lee, 2011). This thesis emphasizes the role of union confederations—and their militant identity—as a key factor for reversing the trend toward bargaining decentralization and the effective protection of non-standard workers.

LIST OF INTERVIEW³

- Interview 1. Labor Union Researcher May 2020.
- Interview 2. Labor Union Researcher June 2020.
- Interview 3. Former Union Organizer January 2021.
- Interview 4. Labor Union Researcher January 2021.
- Interview 5. Former Union Organizer January 2021

³ Note that name and specific interview date are hidden to protect confidentiality.

TABLES AND FIGURES

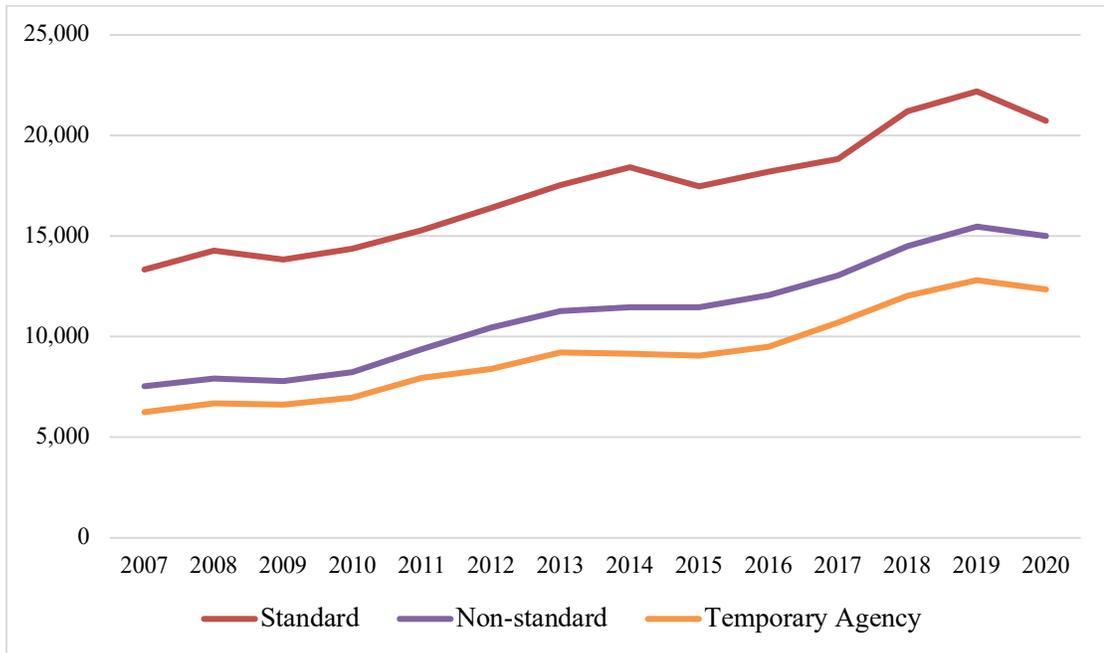
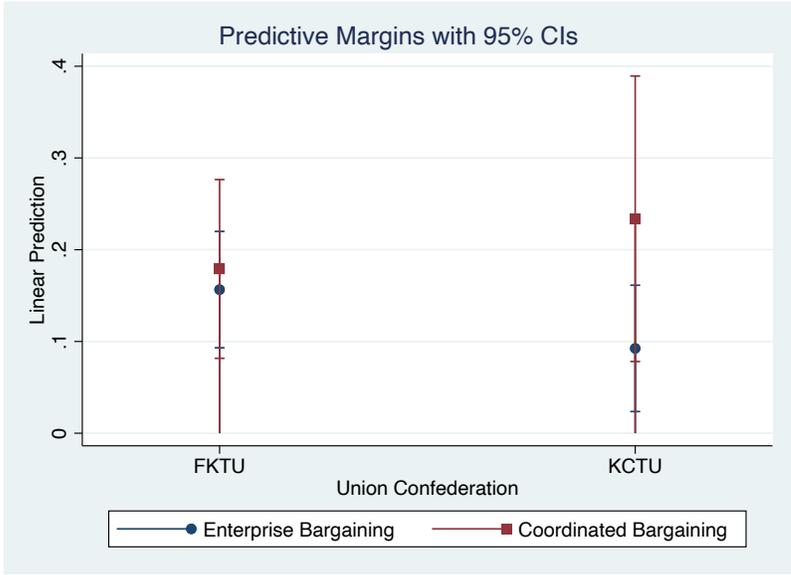
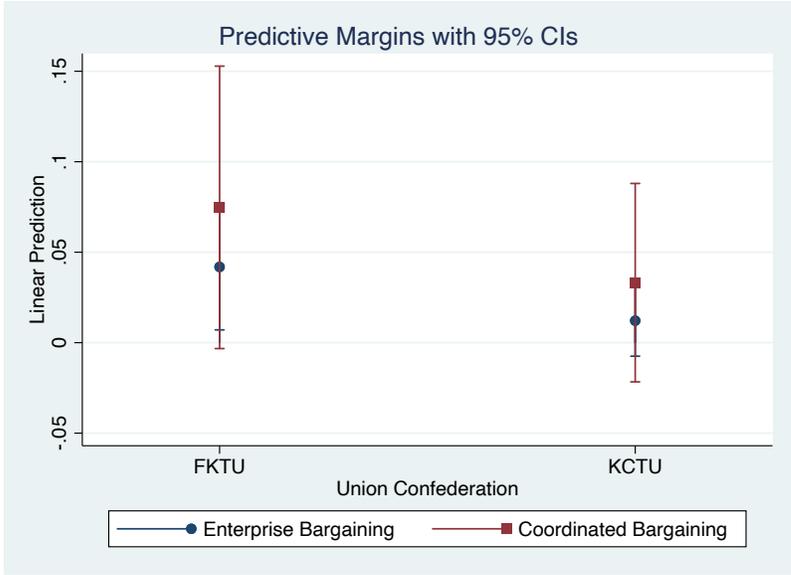


Figure 1. Hourly wage according to employment status (Source: Korean Ministry of Labor)



Panel [A] Bargaining agreement increasing pay for direct-hire FTW



Panel [B] Bargaining agreement increasing pay for TAWs/subcontractors

Figure 2. Marginal effects of coordinated bargaining on inclusive bargaining agreement toward non-standard workers

Table 1. Summary Statistics (2011 – 2017, 4 waves, pooled sample)

	FKTU		KCTU		<i>p</i> -value
	Mean	S.D.	Mean	S.D.	
Bargaining agreement increasing pay for direct-hire FTWs	0.13	0.34	0.14	0.35	0.82
Bargaining agreement increasing pay for TAWs/subcontractors	0.04	0.2	0.03	0.17	0.52
Coordinated Bargaining Structure	0.21	0.41	0.24	0.43	0.47
Revenue (million won)*	1402211.73	4145496.78	2488521.29	7044265.18	0.03**
# of employee	452.6	619.87	672.38	897.94	0.00**
Union density	0.65	0.23	0.52	0.24	0.00***
LM quality	3.81	0.65	3.51	0.62	0.00***
% of direct-hire FTWs	0.06	0.11	0.12	0.16	0
% of TAWs/subcontractors	0.13	0.2	0.11	0.17	0.26
Observations	441		225		

+ $p < 0.1$ * $p < 0.05$ ** $p < 0.01$ *** $p < 0.001$

Weighted by longitudinal sampling weights

* 1 million won approximately equals to \$850 (2021)

Table 2. OLS regression models predicting a bargaining agreement increasing pay for non-standard workers

	Model 1	Model 2	Model 3	Model 4
	FTWs		TAWs and subcontractors	
	FKTU	KCTU	FKTU	KCTU
Coordinated Bargaining	0.020 (0.044)	0.168* (0.068)	-0.007 (0.032)	0.037 (0.030)
Workplace Age	0.001 (0.002)	0.002 (0.002)	0.002 (0.001)	0.000 (0.001)
(ln)Revenue	-0.034* (0.016)	-0.065** (0.020)	0.008 (0.016)	-0.004 (0.003)
(ln)Employee	0.004 (0.029)	-0.005 (0.024)	-0.042 (0.036)	0.016+ (0.009)
Union Density	-0.079 (0.162)	0.299* (0.130)	0.063 (0.049)	-0.036 (0.038)
LM Quality	0.012 (0.041)	-0.084 (0.089)	0.042 (0.031)	-0.006 (0.008)
% of Non-standard Workers*	0.735* (0.316)	-0.040 (0.299)	0.200 (0.128)	0.001 (0.057)
Industry FE	Y	Y	Y	Y
Year FE	Y	Y	Y	Y
Constant	0.459+ (0.252)	1.095* (0.456)	-0.129 (0.092)	-0.006 (0.037)
Total observations	441	225	441	225
R^2	0.297	0.291	0.113	0.092

Robust standard errors clustered by workplace in parentheses.

Weighted by longitudinal sampling weights

+ p<0.1 * p<0.05 ** p<0.01 *** p<0.001

* % of FTWs for the model 1, 2 and % of TAWs and subcontractors for the model 3, 4

APPENDIX

Appendix A. Interactions between Coordinated Bargaining and Union Confederations
(OLS)

	Model 1	Model 2
	FTWs	TAWs/subcontractors
KCTU	-0.039 (0.070)	0.005 (0.018)
Coordinated Bargaining (CB)	0.032 (0.045)	0.004 (0.029)
KCTU # CB	0.124 (0.084)	0.006 (0.045)
Workplace Age	-0.000 (0.001)	0.002 (0.001)
(ln)Revenue	-0.027 (0.017)	0.002 (0.012)
(ln)Employee	-0.021 (0.030)	-0.014 (0.023)
Union density	0.117 (0.123)	0.030 (0.037)
LM quality	-0.009 (0.034)	0.028 (0.021)
% of Non-standard Workers*	0.455+ (0.239)	0.159 (0.100)
Industry FE	Y	Y
Year FE	Y	Y
Constant	0.506* (0.247)	-0.111 (0.072)
Total observations	666	666
R^2	0.166	0.075

Robust standard errors clustered by workplace in parentheses.

Weighted by longitudinal sampling weights

+ p<0.1 * p<0.05 ** p<0.01 *** p<0.001

* % of FTWs for the model 1 and % of TAWs and subcontractors for the model 2.

Appendix B. GEE models predicting an bargaining agreement increasing pay for non-standard workers

	Model 1	Model 2	Model 3	Model 4
	FTWs		TAWs and subcontractors	
	FKTU	KCTU	FKTU	KCTU
Coordinated Bargaining	0.009 (0.038)	0.173** (0.065)	0.004 (0.028)	0.040 (0.030)
Workplace Age	0.001 (0.002)	0.002 (0.001)	0.002 (0.002)	0.000 (0.001)
(ln)Revenue	-0.035* (0.015)	-0.063*** (0.018)	0.014 (0.017)	-0.003 (0.002)
(ln)Employee	0.003 (0.029)	-0.006 (0.022)	-0.052 (0.040)	0.015+ (0.008)
Union Density	-0.170 (0.182)	0.282* (0.120)	0.058 (0.052)	-0.040 (0.038)
LM quality	0.008 (0.038)	-0.076 (0.082)	0.032 (0.026)	-0.008 (0.009)
% of Non-standard Workers*	0.651* (0.288)	-0.013 (0.279)	0.200 (0.126)	0.011 (0.061)
Industry FE	Y	Y	Y	Y
Year FE	Y	Y	Y	Y
Constant	0.534* (0.264)	1.065* (0.416)	-0.124 (0.096)	0.003 (0.039)
Number of workplaces	156	81	156	81
Total observations	441	225	441	225

Robust standard errors clustered by workplace in parentheses.

Weighted by longitudinal sampling weights

+ p<0.1 * p<0.05 ** p<0.01 *** p<0.001

* % of FTWs for the model 1, 2 and % of TAWs and subcontractors for the model 3, 4

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