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Challenges of Upgrading: The Dynamics of East Central Europe's Integration into the European Automotive Production Networks**

Abstract – The paper analyses the changing architecture of the European automotive industry following the inclusion of East Central European (ECE) states into cross-border production networks. It identifies distinct periods of the sector's expansion to ECE, each marked by different policies of automotive OEMs and accompanied by varying responses by governments and unions. The first phase, lasting until late 1990s, was characterised by a predominantly market-seeking orientation of carmakers towards ECE and a clear-cut, hierarchical division of competences between “new” and “old” sites, not conducive to the emergence of cross-border union contacts. In the late 1990s, however, postcommunist countries' production profiles became similar to those of advanced West European producers, such as Germany, largely due to the organisational changes within the sector and FDI-attracting policies launched by ECE states. This spurred German unions' interests in cooperating with their Eastern counterparts, in an effort to attenuate cross-border competitive pressure and eliminate the East-West benchmarking threat. Finally, the recent crisis brought increasing involvement of Western states in the industry's affairs and the corresponding “national turn” in unions' behaviour.

Probleme industrieller Aufwertung: Die Integration mittelosteuropäischer Standorte in Produktionsnetzwerke der europäischen Automobilindustrie

Zusammenfassung – Der Artikel analysiert die sich verändernde gesamteuropäische Arbeitsteilung in der Automobilindustrie durch die Einbindung mittelosteuropäischer Standorte. Es werden drei unterschiedliche Phasen der Einbindung identifiziert. Zunächst überwogen Markterschließungsmotive. Seit den späten 1990er Jahren - bedingt durch organisatorische Veränderungen in der Industrie und Investitionsanreizen in MOE - hat eine zunehmende Aufwertung der osteuropäischen Standorte stattgefunden. Westliche Gewerkschaften versuchen die verstärkte Standortkonkurrenz mit Angeboten transnationaler Kooperation zu konterkarieren. Seit dem Ausbruch der globalen Finanzkrise hat sich die gesamteuropäische Arbeitsteilung erneut verschoben, da westliche Staaten und Gewerkschaften wieder verstärkt im nationalen Interesse agieren.

Key words: automotive industry, East Central Europe, upgrading, investment competition, cross-border union cooperation, crisis

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