

**Challenges facing business
associations in ex-Communist EU
accession States**

Presentation by

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Need for Government-Business Dialogue ^{s1}

- **EU politicians lack business experience**
- **Yet they fix the “rules of the game”**
- **Logic of politics vs. logic of business**
- **Therefore dialogue & partnership a must**
- **Conducted at national & EU level**
- **Companies must organise themselves**
- **Governments must encourage dialogue**

BUSINESS ASSOCIATIONS IN W. EUROPE ^{s2}

- **19th.C. creations, many models**
- **Resistant to change; some weaknesses:-**

Duplication

Speaking with one voice

Split responsibilities

Confusion of interests & objectives

BUSINESS ASSOCIATIONS IN CEECs ^{s3}

- **Lucky: no history! BUT, face problems:-**
 - Attitude of governments**
 - Mixing business & politics**
 - State-owned vs private sector companies**
 - No association-management skills**
 - Few suitable training opportunities**

FUNDAMENTAL PRINCIPLES s4

- 1. BASIC ORGANISATION**
- 2. STATUTES, DECISION-MAKING**
- 3. POLITICAL NEUTRALITY**
- 4. VOLUNTARY, INDEPENDENT**
- 5. REMAINING UNITED**
- 6. ACTING INTERNATIONALLY**

1. BASIC ORGANISATION s5

- **Sectoral organisations: can be many**
- **Horizontal orgs.: should be one only:**
 - Confederation of all business interests**
 - “Voice of Business” of the country**
 - Composed of Sectors + special interests**
e.g SMEs, public coys., commerce,
services, regional orgs., voluntary
chambers etc.

2. STATUTES, DECISION-MAKING

s6

- **Democratic yet effective voting systems**
- **Avoid paralysis by vested-interests**
- **Need for efficient working structures:**
 - Policy Committees**
 - Expert working groups**
- **Transparent decision-making procedures**

3. POLITICS s7

- **Officially proclaim political neutrality**
- **Seek dialogue with any elected govt.**
- **Judge economic performance of govts.**
- **Be ready to praise or to criticise**

4. INDEPENDENCE s8

- **Independent, voluntary associations**
- **No compulsory membership**
- **Not dependent on State subsidies**
- **Financed mainly by member subs.**
- **Subscription level fixed by members**
- **Subscriptions tax-deductible**

5. REMAINING UNITED ^{s9}

- **Guard against “Divide and rule” tactics**
- **Prevent splits into factions**
- **Avoid competition between associations**
- **Management to control such tendencies**
- **Include safeguards in the Statutes:**
(No public attacks against associations, respect for differing policies, support for own adopted positions)

6. ACTING INTERNATIONALLY s10

- **Effective action overseas esp. at EU level**
- **CEECs need to adapt to the “Acquis”**
- **“Old EU” needs to understand CEECs**
- **Join UNICE and FEBIs**
- **Appoint a competent Brussels rep.**
- **Send expert delegates to meetings**
- **Defend EU positions in the home country**