

The aim of my bachelor thesis is to point out the industrial relations system as one of the key aspects of labor productivity, as well as the character of the economy. At first, I describe briefly the role of trade unions in the Post-Socialist Europe, and then in the advanced industrial democracies, to show the main differences in the interpretation of trade union meaning among these countries. The selected group of western democratic countries is the analysis' object. It's purpose is to try to find out if there exists any correlation between union density and labor productivity. I have at disposal the data for the period of 1990 to 2005 and I have chosen five European traditionally democratic countries to be compared: Sweden, Germany, Italy, France and Great Britain. My intention here is to point out the fact that despite overall weakening of European trade unions' personal resources the current union power and collective bargaining achievements depend predominantly on the traditional industrial relations concept of each country. The question of immediate interest is to what extent the institutional system influence the character of the production process.