STUDIA UBB SOCIOLOGIA, 68 (LXVIII), 2, 2023, pp. 57-77
DOI: 10.2478/subbs-2023-0008

REINDUSTRIALIZATION AND TRANSNATIONAL LABOUR REGIMES IN MARAMUREȘ COUNTY: BETWEEN NATIONAL DEREGULATION AND EXPORT-DEPENDENCE

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ABSTRACT: The paper examines Maramureș County's labour regime and describes its transformation from a heavily unionized formation under socialism to today's deregulated, transnational condition. The region's former mining cluster and current furniture production hub are posited as sectoral focal points. Union militantism prevented the mining sector's accelerated decline in the 1990s, but liberalisation and conformity with the European Union's regulatory frameworks gradually eroded labour rights and shifted the region's economic profile to export-oriented sectors. Among these, domestic and foreign furniture manufacturers emerged as dominant economic actors in the early 2000s. While the county is well-known for its wood processing, the companies in question tap into IKEA's global production network and employ low-cost, flexible labour in just-in-time supply schedules. Recent developments include the use of immigrant agency workers as a solution to the county's skilled and unskilled labour shortage.

Keywords: labour regimes; industrialization; FDI; export-led growth model; Romania

Introduction

The prevalence of foreign direct investments (FDIs) in Central and Eastern Europe's (CEE) economic landscape is well-documented (Drahokoupil, 2009; Myant and Drahokoupil, 2011; Bohle and Greskovits, 2012; Bruszt and Langbein, 2020). Since the collapse of socialist regimes, various forms of economic liberalization have been pursued, primarily on the backbone of former socialist industrial infrastructure. Romania's trajectory initially followed a conservative

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path, with protectionist politics at the forefront. However, the national political economy was inevitably transformed by pre- and post-EU integration procedures (Medve-Bálint & Šćepanović, 2020; Vukov, 2020). Domestic-transnational alignment was hastily pursued at the expense of existing industrial assets, with substantial consequences for regional workforces (Hamm, et al., 2012; Hunya, 2019).

Although previous studies have outlined CEE's capitalist dynamics, less attention has been paid to the role of labour within these processes. Recently, strides have been made to refocus attention on labour through the lens of labour regimes (Li, 2017; Pattenden, 2018; Bair, 2019; Baglioni et al., 2022). Defined as "a societal framework through which capitalist accumulation at a world scale becomes possible" (2022:1), labour regimes depict the forms of subordination that enable capitalist accumulation strategies. They take place at multiple scales – local, regional, and macro-regional – and are intertwined with global production networks. Moreover, working conditions and labour control are embedded in national political economies that shape social relations in production following existing policies and politics.

In Romania, labour market deregulation was pursued to increase competitiveness for FDIs, the driver of the export-led growth regime (Ban and Adăscăliței, 2022). Within this context, studies on labour regimes in Romania are largely absent, with a notable exception: Jipa-Mușat and Prevezer (2023). Analysing three sectors on a national level, the depiction paves the way for Romanian labour regime studies. Complementing Jipa-Mușat and Prevezer (2023), our research shifts labour regime analysis to a regional scale and engages with growth regimes literature (Baccaro and Pontusson, 2016; Baccaro et al., 2022) by describing labour dynamics in Maramureș County. Namely: how was the regional labour regime reconfigured via reindustrialization?: how is the regional labour force engaged in the current political-economic context? The mining and furniture sectors serve as focal points, as they are both key industries that clearly depict the county's labour transformation. Our argument is that the region underwent a process of reindustrialization from a mining hub, mainly via furniture production. Domestic capital and FDIs tapping into IKEA's production network enabled the shift.

Under socialism, Maramureș had a resource-based economy. Its industrial landscape centred around the mining and wood processing sectors, with its highly unionized labour regime at the forefront. The remnants of socialist unions played key roles in the region's labour force management in the post-socialist period. Local unions were integrated in national confederations, an organizational structure that spearheaded labour struggles throughout Romania's uneven, yet firm marketization drive during the 1990s and early 2000s. Nonetheless, consecutive waves of dismissals eroded the mining sector's labour force. The dismissed labour force was soon absorbed into the transnational labour regime it is today. Mirroring Petrovici's (2013) proletarization thesis in various Romanian cities, Maramureș also became a manufacturing hub in global production networks that attracts commuters from rural areas. This economic conjuncture also shifted labour to capital relations. As opposed to socialist accumulation strategies relying on rural to urban relocation (Szelényi, 1996), contemporary employment arrangements entail a more dynamic and parasitic balance between labour reproduction and labour supply. Namely, the combined income-strategy encompassing minimum wage and rural household resources is an accumulation strategy which ensures low-cost (predominantly minimum waged) labour as well as labour supply, especially in a region facing labour shortage. As Romania's economic model increasingly prioritized FDIs, unions were left powerless, and unionization levels dwindled. The transformation into the present transnational labour regime is concentrated around furniture production. Consolidated on the county's vast timber resources and wood processing infrastructure, furniture manufacturers emerged as the dominant sector in the region. As we shall see in the fourth section, even this arrangement reached its limits and is adjusted to accommodate immigrant labour.

The paper is divided into six sections. In the following section we discuss the key concept, namely labour regimes, and we place it within Romania's past and present political economy. In the second section we present the methodological aspects, while in the third we describe Maramureș's surroundings and overall economic profile before diving into the main facets of the study: mining and furniture production. The mining sector's former labour regime is outlined in the fourth section, and the current transnational labour regime coalescing around furniture production is depicted in the fifth section. In the conclusion, we discuss how transnational labour regimes are articulated in Maramureș.

Labour regimes in Romania' political economy

Burawoy's (1985) politics of production is the foundational concept for labour regimes. His core idea, the extension of workplace struggles to national political and economic spheres, outlined how labour can be studied at various scales while remaining aware of the synergy between global and local contexts. A plethora of studies soon emerged (Burawoy and Lukács, 1992; Burawoy et al., 2000; Haney; 2000; Blum, 2000), a trend that presently continues (Brenner et al., 2010; Aranea et al., 2018; Dörflinger et al., 2020; Hürtgen, 2022) following capitalism's constant transformation. Broadly defined, labour regimes scrutinize capital-labour relations in various socio-economic arrangements and institutional frameworks (Pattenden, 2018; Bair, 2019).

Labour regimes "coalesce in sociologically well-defined clusters" (Bernstein, 2007:7). On a regional scale, this translates into specific sectors, each with its own labour to capital relations. The regional level is defined as "the regional political economy of labour control, involving the dynamics of the social reproduction of the labour force and how labour supply and demand are articulated at regional scales via local and regional labour markets" (Campling et al., 2023:251). Nonetheless, national, and macro-regional scales interact with the regional setting: GPNs and state policies influence capital accumulation tendencies in the region, while, at the same time, regional labour regime specificities enable and define GPN dynamics.

Unlike Korea's case, where domestically owned firms control labour regimes via union suppression (Campling et al., 2023), in CEE, FDI lobbying led to labour deregulation, widespread informal employment arrangements and low union representation rates, all under the guise of increasing labour market flexibility (Varga and Freyberg-Inan, 2014). European Union (EU) integration and subsequent trade liberalization increased the control of large companies over suppliers, primarily based in CEE. Stricter supervision imposed just-in-time production demands upon labour regimes. Given its geographic proximity, similar trends occurred in Romania in the early 2010s.

Regional labour regimes are embedded in the national political economy and in global production networks. In the political sphere, Romania went through a series of political upheavals that affected its industry and workforce. During the early 1990s, conservative politics aimed to preserve former socialist infrastructure in the face of marketization. Steady privatization procedures were introduced to avoid large-scale labour shedding, while large enterprises deemed key employers remained solely under state ownership. However, numerous enterprises operated at a loss due to outdated technologies. Reliance on state aid created uncertainty on shop floors. As depicted in the chemical sector (Mihály, 2022), salary payments and production volumes fluctuated, while the much-needed industrial policies were absent. By the end of the 1990s, the political context reversed into Romanian shock therapy (Ban, 2012). Marketization was pursued with full force, accelerated privatization measures were implemented, and numerous enterprises were shuttered.

Romania's economic trajectory is adequately defined by the growth regimes literature. The framework seeks to typify economic development with diversity and variation in mind (Baccaro et al., 2022). Acknowledging Fordist wage-led growth as a defunct system, growth regimes define debt financed consumption, export-led growth or varying niche models supplying specialty parts in global supply networks. Romania could arguably be considered part of the latter, however, focusing only on one sector (i.e., automotives) would over-simplify its economic conjuncture. Therefore, according to Ban (2019), Romania is a dependent market economy that later became a dependent export-led economic growth model (Ban and Adăscăliței, 2022). Romania was included in West European production networks, with numerous examples of FDI nearshoring and just-in-time supply schemes. These companies relocated their low- to medium-complexity operations to engage vocationally skilled (Šćepanović, 2012) and low-cost workforces. The model is also facilitated by Romania's deregulated labour market and low corporate tax rates, while certain key sectors benefit from additional tax cuts (i.e., IT and construction).

Methodology

The empirical data was collected via interviews, development policy documents and online sources. A total of 18 interviews were conducted: 10 respondents were associated with mining activities, 3 with furniture production and 5 were public administration officials. The mining sector respondents were former miners or drivers of mining vehicles in the numerous mines spread throughout Maramureș County: Baia Mare, Baia Borșa, Baia Sprie, etc. Interviewees from the furniture sector were former skilled workers employed in socialist wood processing factories and later in private enterprises. In terms of public officials, we interviewed the executive director of the Baia Mare Metropolitan Area Association and the executive director of the Investment and Development Branch of Maramureș county, among others. Most respondents were retirees aged 50 to 75 years, thus interviews (except the ones with public officials) focused on recollections of their former career paths. We conducted the fieldwork over a 20-month period, from March 2021 until December 2022. The interview guide included questions about past and present employment, the local labour market, new employers, and overall opinion about livelihood possibilities in the region.

Development policy reports (available on local government outlets) provided economic indicators for Maramureș and helped in understanding the county's position within the national economy. Online sources consisted of local news outlets. News articles containing the following keywords were selected: Maramureș's economy, development, mining and furniture production. They were then screened and shortlisted, revealing numerous details about local employers. Articles about the mining sector proved to be especially valuable, one of them containing a transcribed interview with a union leader.

Overview of Maramureș county and its surroundings

Maramureș has a long-standing mining heritage specializing on non-ferrous metals: gold, silver, copper, lead, and zinc. The oldest deposits are in Baia Mare, Baia Borșa and Lăpuș. The area is part of Transylvania's mining belt that includes Bistrița-Năsăud's deposits to the east and Satu Mare's to the west. In terms of its infrastructure, Romania inherited Transylvanian metallurgical plants from the Austro-Hungarian empire. During the 1920s state investments, they were equipped with cutting-edge technologies that consolidated mining as the region's primary economic branch. During socialism, the mines were nationalized and entered the tutelage of the Regional Direction of Gold and Silver Baia Mare. Mining activities flourished via the socialist state's support when numerous mining enterprises were founded and remained the county's key economic players until the fall of socialism in 1989. The mining sector's downfall started in the mid-1990s when numerous sites were shut down. Significant labour shedding accompanied these events. Eventually, all mines in Maramureș were shuttered in the late-2000s, sparking the current transnational phase.

Currently, the county assumes the role of an exporter, in tune with Romania's economic profile. Judging from the per country business turnover rate (figure 1), Maramureș slightly overtakes neighbouring counties, however it is almost 50% smaller than the second largest economy (Bihor) and more than three times smaller than Cluj, the largest economy in North-Western Romania. Within the national economic model, Maramureș stands out as a dedicated furniture production hub, a low complexity sector according to Eurostat. Even considering the North-West region, furniture production holds the second place (roughly 22 thousand) in employee count after the automotive sector (roughly 24 thousand) (The 2021-2027 North-West Region's Intelligent Specialization Strategy).

Maramureș has 11 towns and 2 municipalities – Baia Mare (circa 120 thousand inhabitants) and Sighetu Marmației (circa 38 thousand inhabitants) – that host most of the county's economic infrastructure. The region's population is in decline, a contributing factor in its labour shortage (figure 3) and the region's commuter workforce. As deindustrialization occurred steadily in the 1990s and accelerated prior to the EU integration in the early 2000s, migration became a coping strategy with an uncertain economic context: county residents migrated to western European countries with help from relatives. According to the Romanian Institute of Statistics, in 2023, approximately 119 thousand are employed in Maramureș, with 75 thousand in the private sector. Industrial sectors account for approximately 46%, while services for 51%.

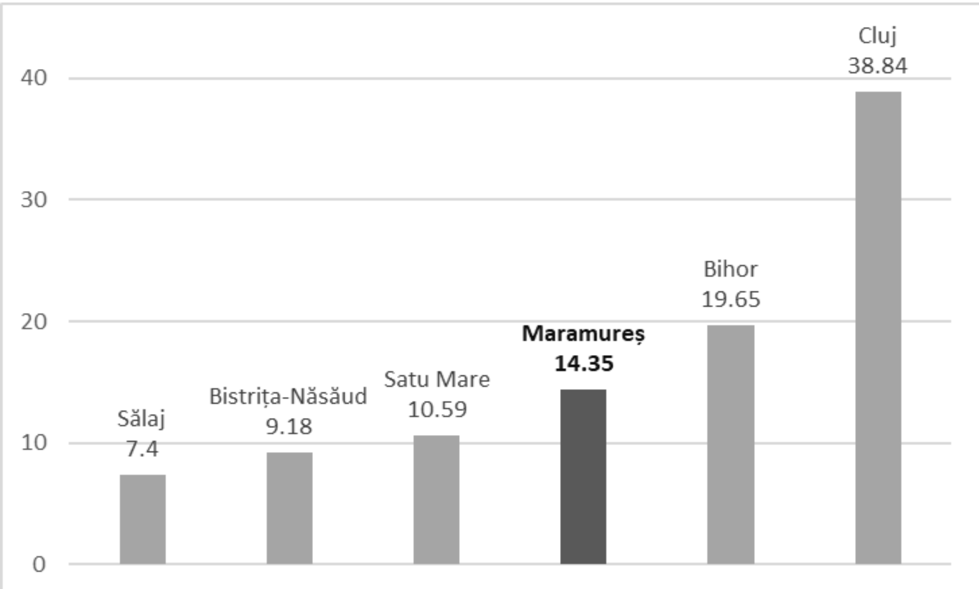
Figure 1. Per county business turnover rate (RON) in Romania, 2018

Source: The 2021-2027 Bistrița-Năsăud Development Strategy.

The county follows the trend of neighbouring regions (except Cluj) in terms of low R&D capabilities (2021-2027 North-West Regional Development Plan), a fact evidencing its low and medium complexity production profile. When it comes to imports and exports, Maramureș is also in the middle of the pack. The region's top ten employers include five furniture manufacturers located in Baia Mare (the county's largest city), Sighetu Marmaţiei (the second largest city near the Ukrainian border) and Târgu Lăpuș (located in the county's southern extremity).

Initiatives to increase workforce availability and specialization are in the planning stages. Most notably, Maramureș's first training campus (named Integrated Vocational Campus) is in development. The initiative was designed as a public-private partnership financed via EU funds that intents to provide vocational education suited for the needs of regional employers. Namely, various noteworthy employers teamed up with local vocational schools to coalesce the region's workforce skills (Ziar MM, 2023). In addition, industrial parks are being built across the county. As part of the regional competitiveness narrative, these sites are viewed as the locus of FDIs, and hence economic growth. In the words of the County Council's President: "Maramureș needs these industrial parks to encourage investments in specific sectors and ensure economic development in these sectors. The construction of industrial parks construction is a predicated element of my term that is required for the region's economic calibration..." (Administrație.ro, 2022). The statement demonstrates the region's and the country's reliance on FDIs, while the focus on vocational training highlights the predilection for medium- to low-value added production schemes destined mainly for exports.

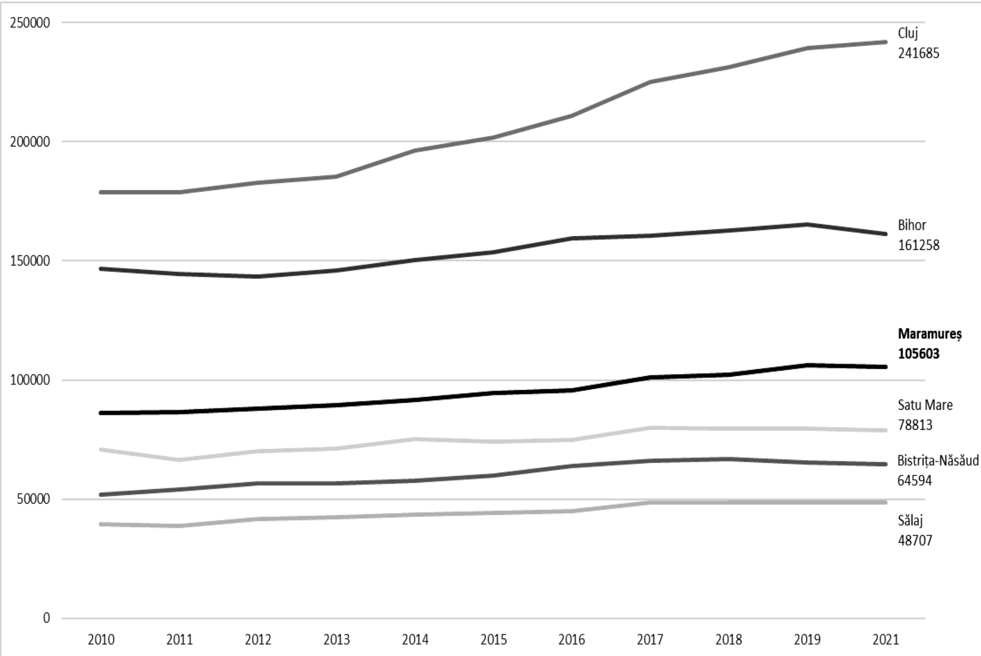
Figure 2. Per county contribution (%) to the GDP in North-Western Romania (2012-2018)



Source: 2021-2027 North-West Regional Development Plan.

Presently, other noteworthy employers are comprised of an Irish electrical component manufacturer (the county's second largest employer with over 2 thousand employees), a Swiss-Austrian aeronautical component producer and a German industrial component manufacturer. Apart from the aeronautical sector, these multinationals operate according to the same business strategy: low complexity production using semi-skilled and low-cost labour. For instance, the electrical components producer (partly for electric vehicles) is a second-tier supplier that provides a €350 average wage for assembly line operators, the largest employee group in the factory. This sum was marginally below the average salary (€400) in Maramureș's industrial sectors in 2018. The automotive sector is also present with two foreign companies, one of which produces vehicle drive belts, while the other automation solutions for vehicle assembly operations. As important as this sector is for Transylvania (Mihály, 2021) and Romania (Adăscăliței and Guga, 2020), the size of these two companies pales in comparison to furniture producers in Maramureș.

Figure 3. Average employee number in the North-West Region



Source: National Institute of Statistics – Tempo Online table FOM104D.

Labour solidarity in Maramureș's socialist and post-socialist mining sector

After the consolidation of the mining sector in the late 1940s, Remin Baia Mare became the county's main economic pillar. During the early 1980s, it employed approximately 40 thousand employees. Under the administration of the Direction for Mining and State Plants, the enterprises garnered state support, producing large quantities of gold ingots (reportedly 10 tons per year according to Gazeta de Maramureș, 2022) for the national reserve (evaluated at 105 tons) and covering approximately 75% of Romania's copper and led supply. Remin's annual output consisted of 6 million tons of ore, processed into 25 thousand tons of lead, 44 thousand zinc and 19.5 thousand copper (Gazeta de Maramureș, 2022). The enterprise was aided by the Baia Mare Institute for Geological Exploration. Acting as the R&D branch of Remin, the institute led the foray for new mining sites and assisted in mining machinery maintenance and development. The region's mining sector operated without hinderances until 1989.

Figure 4. Mine entrance in Maramureș

Source: Gazeta de Maramureș, 2022.

In 1990, Remin had 30 thousand employees with another 6 thousand under the Geological Explorations Enterprise (GEE, the successor of the Baia Mare Institute for Geological Exploration). During post-socialist uncertainties, numerous avenues were pursued to expand the mining sector via foreign investments. Among these, two companies stand out, namely Aurul and Cuarţ. Aurul was a joint venture: 50% owned by an Australian firm and 50% by Remin. It was founded for geological residue refining, a process that increases rare metal and mineral extraction from mined ores. The scheduled operating period was 10-12 years, until 2010. Cuarţ was intended for geological surveying and collaborated with numerous mining companies in the late 1990s. However, an environmental accident that occurred at Aurul proved to be a turning point for the future of Maramureş's mining sector. Cyanide was spilled from Aurul's refinement facility in 2000, polluting waterways all the way to the Black Sea. In the aftermath, the Australian partners withdrew and Cuarţ's mostly engineer workforce soon joined Aurul. However, lacking the financial backing of its foreign partner, the company significantly downsized its activities in the early 2000s and is currently closed.

The region's labour force was already facing difficulties even before the turning point in 2000. In 1997, circa 26 thousand miners were dismissed by a government decree (ruling 22/1997)[3]. They received compensation, a significant sum for the period's income levels. However, considering the enterprise also had roughly €20 million-worth of debt, the remaining 11 thousand employees were targeted by future downsizing measures. Furthermore, as non-ferrous metal production decreased by 30% in 1999 compared to 1990 levels, it was clear that a new strategy was required to possibly revitalize the mining sector, or at least keep it afloat. Government officials proposed three strategies. The first and most optimistic one sought to maintain already existing state support and extend it until 2005. The second emphasized a more hands-off approach, where the enterprises were free to manage their state-provided finances if an adequate efficiency level was kept. The third option, outlined by the World Bank, involved immediate budget cuts: 25% in the first year (2000) followed by 20% cuts per year until funding would cease in the fifth year (2005). The third option was chosen and put into effect as prescribed. Following the downsizing plan, labour shedding occurred each year, but the deadline was surpassed in the end: miners were still labouring in 2005. It was only in 2007 when Remin ceased mining activities entirely and all the 11 thousand employees were dismissed.

3 https://www.cdep.ro/pls/legis/legis_pck.htp_act_text?idt=10064

As the union leader of GEE noted, unions were opposed to mine closures, lobbying government officials and warning of the potential societal impact this decision might have in Maramureș. Although far from the violence of the "Mineriade" (Gledhill, 2005), local protests started as early as 1992, when union-staged demonstrations gathered 1500-2000 miners in Baia Mare. It was a period when "no one thought [mine] closures were possible," but nonetheless, rumours of "restructuring" and shuttering of the GEE circulated. After a few days of hesitation, the head of the Local Council invited a 15-person delegation to City Hall for negotiations. Representatives requested the issue be brought to government officials, as mining enterprises relied on state support. The initiative's magnitude soon increased and involved the National Federation of Mining Unions, the sector's largest. In 1994, union representatives sat down with the State Secretary who informed them that there are no future plans for Romania's mining sector. Apart from two sites – one of them reserved for Aurul – every mine would be shuttered as they were unprofitable (Gazeta de Maramureș, 2021).

In the aftermath of negotiations, the local unions, united under the League of Maramureș Unions, understood that their livelihoods depended on delaying the inevitable. Therefore, numerous official requests were sent to the government and pressure was exerted on enterprise management to prolong mining activities. Other strikes and protests were also staged to maximize miners' career length and thus facilitate early retirement where possible: "we wanted employees to retire within the legal timeline (20 years), the majority of them needed a few more years to retire [...] so we had to act, pressure the Bucharest headquarters to not close geological branches, and implicitly, mining" (GEE union leader, Gazeta de Maramureș, 2021). As a counterargument, government officials invoked the insolvency of numerous mining enterprises that relied either on state funding (which was usually 3-6 months late), or bank loans, if the former was not available. As a result, by delaying funds, the government could hasten mine closures on insolvency grounds.

For GEE, 1996 was the epitome of labour struggles. As severance payout was available, certain enterprise managers pressured employees to take the payout and leave without being eligible for retirement. On the flipside, labour unions urged employees to resist the temptation of an easy payout and continue supporting militant actions that would ensure a full pension plan in the future. Of the 6 thousand employees in 1989, approximately a thousand held out, trying to obtain further extensions, at least for an early retirement. However, in 1997, prolonging GEE activities was no longer possible. In hopes of increasing payouts, union leaders switched to negotiating with the government to obtain higher compensation. Although, due to infighting, the settlement was not concluded:

various groups insisted on even higher sums. Negotiations broke down soon after. A few months later, the government announced the final payout amount, 50% less than what was initially on the table.

The making of a transnational labour regime

The 2021-2027 North-West Regional Development Plan lists Maramureș as a top employer in furniture production with roughly 10 thousand employees in this sector out of the county-wide total of 41 thousand. Furthermore, considering that 22 thousand employees are listed in furniture production in North-West Romania, Maramureș hosts close to 50% of them. However, the region's widespread labour shortage is acknowledged (Știri de Maramureș, 2022). Apart from establishing intricate commuter networks from rural areas, Maramureș's employers make use of immigrant labour as well.

Aramis, Maramureș's largest employer, is also Romania's largest furniture exporter. Valued at approximately €200 million, the company's business strategy is based 98-99% on exports, focusing exclusively on its largest client, IKEA. Although not part of the IKEA family, Aramis is integrated in IKEA's global production network. It produces mattresses and particle board furniture components designed for IKEA product assemblages. The company's market competitiveness – apart from contextual factors like low-cost labour and low corporate tax rates – consists of input material cost-cutting measures and employment strategies. By navigating second- and first-tier supplier boundaries, Aramis cuts material supply costs. For instance, instead of importing foam for mattresses, management invested in their in-house foam production facility. Likewise, a €4 million investment established their internal mattress spring manufacturing branch.

When the latest IKEA store opened in Bucharest, Romania's trade minister recognized the furniture production network's importance for the national economy:

> Today we are witnessing more than a store opening. I say this because IKEA is an ecosystem, a business model that requires innovation and simplification... and involvement of Romanian suppliers in this innovation chain. For example, the largest Romanian exporter, domestically owned, Aramis from Baia Mare, developed around IKEA collaboration. We thank them for choosing our market, including the creation of a small and medium enterprise supply nexus in Romania for their supply chain. Aramis, only by itself employs over 4200 people. I congratulate IKEA for opening this store, but I invite them to expand more and remind them of our continuous support to ensure their presence in other Romanian cities as well (Economica.net, 2019).

Likewise, IKEA representatives acknowledged their production network in Transylvania, with two of the aforementioned suppliers from Maramureș county:

> Romania is important for us, we have numerous valued suppliers there. Aramis from Baia Mare, Aviva from Sighetul Marmaţiei or Apulum from Alba Iulia are all among the best global suppliers that IKEA currently has (Ziarul Financiar, 2019).

To our knowledge, it was the first public acknowledgment of IKEA's supply chain in Romania. IKEA purchases furniture components from approximately 20 local manufacturers, comprising more than 3% of IKEA's global acquisitions. These figures place Romania among the top 10 global suppliers of IKEA, the top 3 being comprised of China (25%), Poland (19%), and Italy (8%) (Ziarul Financiar, 2019). This market position is facilitated by the region's capital to labour relations.

Aramis taps into the regional labour force and offers a €400 average wage (approximately 1,950 RON, when the minimum wage in Romania is 1,900 RON) for production operators (the largest employee group). The company employs approximately 6 thousand and provides transportation for commuters. Aramis also accommodates roughly a thousand Sri Lankan employees to cope with the region's labour shortage (Știri de Maramureș, 2022). The workforce is split into three shifts, producing approximately 8 million units per year (two per minute) in a continuous manufacturing cycle (Știri de Maramureș, 2023). This accumulation strategy is typical for Romania's economic landscape that accommodates export-focused operations via low-cost labour.

Furthermore, flaunting its dominance on the region's labour market, the company also sought to expand its production capacity via state subsidies. After establishing a new production branch, Aramis's management, while also self-financing the project, requested the allocation of approximately €5 million (the remainder of the investment) by the state. Management espoused a job creation pitch, stating that at least 100 new jobs would be created. However, the request was rejected allegedly due to the limited local impact the investment would have: 100 new jobs is not "worth" the requested sum (Știri de Maramureș, 2022; Ziarul Financiar, 2022).

Taparo is the second largest furniture exporter in Romania. With three locations in Maramureș, the company is the fifth largest by business turnover according to Ziarul Financiar (2020). In terms of employment, Taparo employs less than one thousand compared to Aramis's several thousand. However, like Aramis, Taparo is domestically owned and was built in 2005 on a brownfield site formerly occupied by a cotton mill in Borcuț – bordering Sălaj County to the south. Also listed as "one of the most important local suppliers of IKEA" (Ziarul Financiar, 2020), Taparo is exceptional due to its R&D facility developing composite materials to replace existing wood particle boards. The company also invested €1 million in advanced fabrics research.

Other noteworthy furniture producers include Baia Mare's Aviva and Italsofa, alongside Sighetul Marmaţiei's Plimob. Aviva is an English-Isralian floorboards producer with 2 thousand employees. While initially specialized in hardwood flooring, the company shifted to wood composites like medium-density fibreboards and other laminates. Italsofa, as the name suggests, is a subsidiary of Italy's largest furniture manufacturer producing sofas and mattresses with about a thousand employees. Lastly, Plimob is a domestically owned chair manufacturer that also supplies IKEA. It is the successor of Sighetul Marmaţiei's former socialist wood processing enterprise and employs another thousand.

Commuting networks are a widespread labour supply strategy used by numerous companies in the county. On the backbone of Romania's deregulated labour relations, combined income strategies and immigrant employment arrangements are defining factors of the region's transnational labour regime. In other words, these are primary cost-reduction measures in the low-complexity and labour-intensive fringes of MNCs global production networks situated within the export-dependent national economic model.

Conclusions

The study analyses Maramureș county's labour regime in its former mining sector and its current furniture production hub. Engaging primarily with the labour regimes literature (Burawoy et al., 2000; Baglioni et al., 2022), the data enriches the fledgling Romanian labour regime study (Jipa-Mușat and Prevezer, 2023). Maramureș's labour regime is anchored within Romania's political-economic context. While initially dominated by conservative politics and industrial asset safeguarding, it soon morphed into liberal politics. The country's export-led growth model (Ban and Adăscăliței, 2022) characterized by FDI-reliance and a deregulated labour market soon took shape. The region's labour force followed suit, from a highly unionized labour regime in the mining sector transforming into a transnational workforce suited for medium- to low-value added production schemes in the furniture industry's global production network.

The region's mining sector was consolidated on Transylvania's pre-war infrastructure that survived and developed during the socialist period. Numerous enterprises were constructed to extract and refine non-ferrous metals. In the post-socialist period, these companies struggled to maintain solvency, relying on state funds. The predicament became financially and politically untenable during the late 1990s. Government officials soon began mine closures and mass layoffs ensued. Labour unrest erupted via numerous union-staged protests in Maramureș that led to negotiations with government officials. In the aftermath, union officials realized that mine closures are inevitable. As a result, delaying actions were pursued to increase miner retirement eligibility. Maramureș's mining sector contracted significantly until the mid-2000s.

Furniture production developed via the region's wood processing infrastructure with domestic companies and FDIs alike. Aramis, the county's largest employer, is a domestically owned manufacturer embedded in IKEA's global production network. The region's transnational labour regime is defined by company labour supply and cost-cutting strategies. Tapping into the deregulated, low-cost, and vocationally skilled workforce, the region's employers pursue export-oriented production strategies. While Aramis spearheads the strategy, it is a widespread conjuncture, with other employers also applying similar procedures. As labour shortage is a widespread issue, these companies not only make use of intricate commuter networks from rural areas but have also resorted to immigrant labour power. Nevertheless, the current status quo is vulnerable to market fluctuations, a predicament that exposes the region's labour regime as well.

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