



Social Dialogue Between Continuity and Discontinuity: Towards a New Social Compromise ?

Valeria Pulignano
Center for Sociological Research

WSI Herbstforum – Berlin, 20 November 2018



Agenda

- ❑ Preconditions for post-war social compromise;
- ❑ Challenges for social compromise;

- ❑ France, Italy, Belgium, Denmark compared:
 - ❑ Country policy reforms in post-war social compromise;
 - ❑ Social compromise and the crisis;
 - ❑ Between continuity and discontinuity;

- ❑ A new basis for social compromise

Preconditions for post-war social compromises

- ❑ Balance of class forces;
- ❑ Accommodation between labour movement, employer and government:
 - ❑ **Trade unions:** strong
 - ❑ **Employers:** nationally-based productive strategies and corporate ownership;
 - ❑ **Government:** autonomy in social and economic policy;

Do these preconditions still apply today ?




Disruptive dynamics for social compromise

- ❑ **(Euro)-Globalization:** removal of business from national control:
 - ❑ Product markets & labour markets (Commons, 1909)
 - ❑ Movement of commodities & labour;
- ❑ **Liberalization** of financial markets and business restructuring;
- ❑ Reconfiguration of the **role of the state:**
 - ❑ “Rolling back the state”;
 - ❑ EU economic governance.



How far (and how) have disruptive dynamics challenged social compromise?



The Swing between
Continuity and
Discontinuity

How far (and how) have disruptive dynamics challenged social compromise?

Comparative perspective

Pluralist	Corporatist
Italy & France	Belgium & Denmark

Comparative perspective

Country-based post-war social compromise

Italy	Belgium	Denmark
Tripartite centralized negotiation	Democratic corporatism ('consociationalism')	Class-compromise

Comparative perspective

Country-based post-war social compromise

Italy	Belgium	Denmark
<p data-bbox="34 434 575 562">Tripartite centralized negotiation</p> <p data-bbox="34 634 581 819">Social unrest (60-70s), inflation (80s), wage moderation (90s)</p>	<p data-bbox="678 434 1306 562">Democratic corporatism ('consociationalism')</p> <p data-bbox="678 634 1267 819">Social pact for improving living conditions & productivity gains.</p>	<p data-bbox="1362 434 1856 491">Class-compromise</p> <p data-bbox="1362 634 1785 891">Bi-lateral social dialogue & labour market policy (i.e. flexicurity).</p>

Social compromise and the crisis

- ❑ Government unilateralism:
 - ❑ Curtailed involvement of the social partners;

- ❑ Limited resources & tight reforms:
 - ❑ Fiscal consolidation policies, reduction in social expenditures and public sector employment;
 - ❑ International financial markets (i.e. Southern EU countries e.g. Italy);

Social compromise and the crisis: Continuity and discontinuity and ..

<u>Italy</u> <i>From social compromise towards state intervention</i>	<u>France</u> <i>From state intervention towards social compromise?</i>	<u>Belgium</u> <i>Continuity & discontinuity of social compromise</i>	<u>Denmark</u> <i>Shifting the nature of social compromise?</i>

Social compromise and the crisis: Continuity and discontinuity and ..

Italy <i>From social compromise towards state intervention</i>	France <i>From state intervention towards social compromise?</i>	Belgium <i>Continuity & discontinuity of social compromise</i>	Denmark <i>Shifting the nature of social compromise?</i>
<p>Swing of concertation (1990s-2000s);</p> <p>Governments refusal to negotiate pension system and labour market reforms with SPs from 2010.</p> <p>Act fast and efficiently without unions.</p>			

Social compromise and the crisis: Continuity and discontinuity and ..

Italy <i>From social compromise towards state intervention</i>	France <i>From state intervention towards social compromise?</i>	Belgium <i>Continuity & discontinuity of social compromise</i>	Denmark <i>Shifting nature of social compromise?</i>
<p>Swing of concertation (1990s-2000s);</p> <p>Governments refusal to negotiate pension system and labour market reforms with SPs from 2010.</p> <p>Act fast and efficiently without unions.</p>	<p>Endurance of social dialogue (e.g. joint opinions)</p> <p>Implementation in law (2004 Fillow & 2007 Larcher).</p> <p>Social dialogue took place in bodies without a legal foundation.</p>		

Social compromise and the crisis: Continuity and discontinuity and ..

Italy <i>From social compromise towards state intervention</i>	France <i>From state intervention towards social compromise?</i>	Belgium <i>Continuity & discontinuity of social compromise</i>	Denmark <i>Shifting nature of social compromise?</i>
<p>Swing of concertation (1990s-2000s);</p> <p>Governments refusal to negotiate pension system and labour market reforms with SPs from 2010.</p> <p>Act fast and efficiently without unions.</p>	<p>Endurance of social dialogue (e.g. joint opinions)</p> <p>Implementation in law (2004 Fillow & 2007 Larcher).</p> <p>Social dialogue took place in bodies without a legal foundation</p>	<p>Discontinuity during and post-crisis (2008-12)</p> <p>Difficulties (from 2012) but institutional continuity;</p> <p>Increasing state intervention in WB (from 2015)</p>	

Social compromise and the crisis: Continuity and discontinuity and ..

Italy <i>From social compromise towards state intervention</i>	France <i>From state intervention towards social compromise?</i>	Belgium <i>Continuity & discontinuity of social compromise</i>	Denmark <i>Shifting nature of social compromise?</i>
<p>Swing of concertation (1990s-2000s);</p> <p>Governments refusal to negotiate pension system and labour market reforms with SPs from 2010.</p> <p>Act fast and efficiently without unions.</p>	<p>Endurance of social dialogue (e.g. joint opinions)</p> <p>Implementation in law (2004 Fillow & 2007 Larcher).</p> <p>Social dialogue took place in bodies without a legal foundation</p>	<p>Discontinuity during and post-crisis (2008-12)</p> <p>Difficulties (from 2012) but institutional continuity;</p> <p>Increasing state intervention in WB (from 2015)</p>	<p>Market vs. Welfare ideology</p> <p>Difficulties but Institutional continuity;</p> <p>Corporatist features encroached by market forces</p>

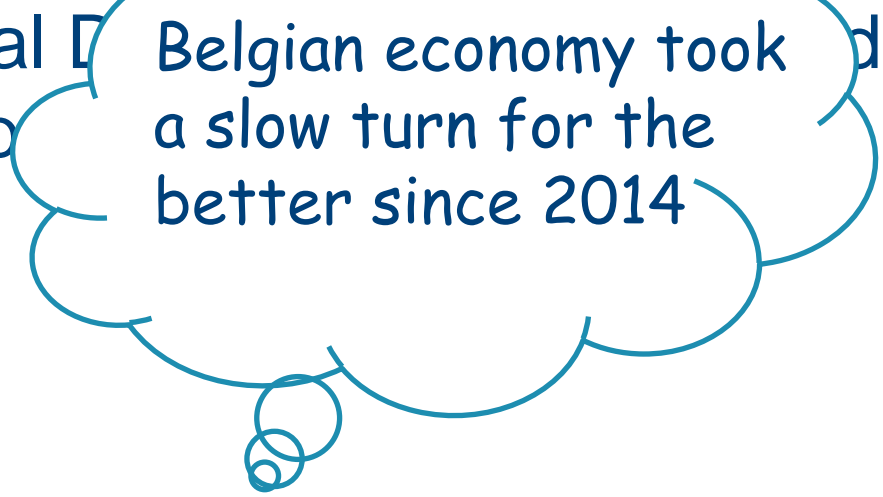
Social compromise and the crisis: Continuity and discontinuity and ..

<p>Italy <i>From social compromise towards state intervention</i></p>	<p>France <i>From state intervention towards social compromise?</i></p>	<p>Belgium <i>Continuity & discontinuity of social compromise</i></p>	<p>Denmark <i>Shifting nature of social compromise?</i></p>
<p>Swing of concertation (1990s-2000s);</p> <p>Governments refusal to negotiate pension system and labour market reforms with SPs from 2010.</p> <p>Act fast and efficiently without unions.</p>	<p>Endurance of social dialogue (e.g. joint opinions)</p> <p>Implementation in law (2004 Fillow & 2007 Larcher).</p> <p>Social dialogue took place in bodies without a legal foundation</p>	<p>Discontinuity during and post-crisis (2008-12)</p> <p>Difficulties (from 2012) but Institutional continuity;</p> <p>Increasing state intervention in WB (from 2015)</p>	<p>Market vs. Welfare ideology</p> <p>Difficulties but Institutional continuity;</p> <p>Corporatist features encroached by market forces</p>

Social compromise and the crisis: Understanding country-based trends

- ❑ National Social Dialogue institutions and continuity in social compromise;
- ❑ Institutional, Economic and Political settings define the perimeter for success.

Social compromise and the crisis: Understanding country-based trends

- ❑ National Social and continuity in social comp
 - ❑ Institutional, Economic and Political settings define the perimeter for success.
- 
- Belgian economy took a slow turn for the better since 2014

Social compromise and the crisis: Understanding country-based trends

□ National Social □ Belgian economy took a slow turn for the better and continuity in social comp

Belgian economy took a slow turn for the better

State intervention (wage bargaining) under Michel gvt.

□ Institutional, Economy the perimeter for success define
Strong role of the TUs

Social compromise and the crisis: Understanding country-based trends

- ❑ National Social Dialogue in
in social compromise;



Italy's political actors
compete with social
ones, including the
trade unions

- ❑ Institutional, Economic and Political settings define
the perimeter for (un)success.

A new basis for social compromise

□ Institutional & social forces:

- State back in as benign and not stepfather;
- Strengthening workers' voice & social roots for labour;
- Reducing the gap between 'political sovereignty' and 'party politics';

□ Political forces:

- Political actors should not compete with social actors !

□ Sharing a 'synthesis' of challenges & changes:

- 'Beneficial constraints' (Wolfgang Streeck, 1997)

A new basis for social compromise:

Policy challenges in need of social compromise

❑ Social protection & job transitions:

❑ **Digitalization:**

- ❑ Increasing competences & (re)-skilling;

- ❑ Protecting from the social effects of subcontracting and using technology to improve workers jobs and living standards ;

❑ **De-carbonisation** strategies by 2050 (Paris agreement):

- ❑ Automotive, Energy ..

- ❑ ILO guidelines and 2015 Energy Union Package

❑ Avoid labour market inequality & polarization effects

❑ (sub)-National governance is key for multi-level EU governance

THANK YOU !

