

Problems of employment and social integration in Europe

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1. Introduction (I)

1.1. Globalization and its effects

1.2. The EU: manifestation and solution

1.3. Plan of this exposition

1. Introduction (II)

1.1. Globalization and its effects (I)

Globalization is “... a process of financial, economic, social, political and cultural *interconnection* lately accelerated in a context of

- *economic crises* (1973, 1979...)
- *political victory of capitalism* upon socialism (1989)
- and *changes in the cultures of countries and in the values of individuals*.

Economic globalization has caused in Europe a double shift from national industrial economies:

- a shift of scale – a process from national to European or global economies.
- a shift of style – a process from industrial economies to knowledge economies.

These two economic shifts => two new requirements to workers:

- knowledge
- flexibility.

1. Introduction (III)

1.1. Globalization and its effects (II)

The social effects of these new ways of producing and working have been:

- a) Increase in vulnerability (higher risks of social exclusion),
 - middle and low classes.
- b) New forms of marginalisation
 - the *black holes of capitalism* (Manuel Castells)

At the political level, two phenomena are relevant in the European context:

- a) The lose of power by the Nation States
 - The Welfare State can't fight so strongly vulnerability and social exclusion.
- b) The construction of the European Union
 - A special intensity since the fall of the Berlin Wall.

1. Introduction (IV)

1.2. The EU: manifestation and solution

The European Union

is a manifestation of political globalization

can be the adequate solution...not any idea of the EU

The Berlin Declaration (2007):

“We are facing challenges which do not stop at national borders. The European Union is our response to these challenges. Only together can we continue to preserve our ideal of European society in future for the good of all European Union citizens. This European model combines economic success and social responsibility. The common market and the euro make us strong. We can thus shape the increasing interdependence of the global economy and ever-growing competition on international markets according to our values. Europe’s wealth lies in the knowledge and ability of its people; that is the key to growth, employment and social cohesion”.

1. Introduction (V)

1.3. Plan of this exposition

2) Changes in the labor market and in social cohesion

2.1. The dynamics of a national industrial economy

2.2. The dynamics of the global knowledge economy

3) Alternatives in the European Union

3.1. The copy of foreign models

3.2. The refuse of reform

3.3. Build your own multi-level model inspired in the

Welfare State

3.4. Labour market and social policies.

4) Conclusions

2. Changes in the labour market and social cohesion (I)

2.1. Dynamics of a national industrial economy.

2.2. Dynamics of the global knowledge economy

2. Changes in the labour market and social cohesion (II)

2.1. Dynamics of a national industrial economy (I)

b) Economy

- Capital as a key production factor
- Bureaucratic organization of companies
- National concurrence (same labour laws)

c) Labour market

- Managers: Diploma, low mobility
- Workers: faithful to schedule

d) Social Cohesion

- Salary + Social Security = Middle class societies

2. Changes in the labour market and social cohesion (III)

2.2. Dynamics of the global knowledge economy

c) Economy

- Knowledge as a key production factor
- Flexible organization of companies
- Individualization of the labour contract
- Global concurrence (different labour laws)

d) Labour market

- Symbolic analytic workers
- Routine production
- In-person services

e) Social Cohesion

- Included
- At risk of exclusion
- Excluded (Black holes)
 - = > Different proportions in “First” or “Third World”

3. Alternatives in the EU (I)

- 3.1. Copy of foreign models
- 3.2. The refuse of reform
- 3.3. Build your own model
- 3.4. Social and labour market reforms.

3. Alternatives in the EU (II)

3.1. Copy of foreign models

- *The import of foreign models becomes*
 - *Alienation*
 - *Reproduction of previous unjust social structures (M. Eboussi)*

China

- Long term socially unsustainable (2025: 430 million in retreat)
- Serious ecological problems (Beijing and Olympic Games)
- Human Rights conflicts (Tiananmen and Sudan)

The USA

- Country of opportunities? Lower social mobility than in Europe!
- Globalization increases the inequality and poverty in the USA.

3. Alternatives in the EU (III)

3.2. The refuse of reform

Unchanged national economic and welfare model?

a) Dualities in the labour market: privileged vs. Non privileged

- Men vs. women
- Skilled vs. Non skilled
- National vs migrant
- Old vs young.

These dualities = > Increase of the group at risk of social exclusion.

b) Too small national companies for global concurrence

Air France+KLM = OK!

Airbus = OK!

Big companies are the economic and fiscal bases for the Welfare State.

3. Alternatives in the EU (IV)

3.3. Build your own model (I)

c) Inspiration in the principles of the Welfare State

- The center of the system is the person
- Market Economy + State Intervention
- Efficiency + Equity (do not forget Equity!)

- 3 pillars: Market + State + Civil Society
 - Market: Anglosaxon
 - State: Scandinavian
 - Civil Society: Latin

3. Alternatives in the EU (V)

3.3. Build your own model (II)

b) Application

- A third social contract (Market, State, Civil Society)
- At the local/regional/national levels
 - under the subsidiarity principle
- In an European Frame
 - European united market (efficiency)
 - European re-distribution between States (equity)
- In a Europe open to the World.
 - Non protectionist Europe (Agriculture subsidies!)
 - Defending global high social standards (WTO, ILO, CSR).

3. Alternatives in the EU (VI)

3.4. Labour market and social policies (I)

- a) In the world division of work, Europe's success is high technology, skilled workers (majority of symbolic analytics)
 - From bureaucratic to learning companies.

- b) Europe in the global competition:
 - Not in low salaries and low social protection
 - Yes in high skills and high social standards

- c) All social actors in Europe should be involved in education and training.

3. Alternatives in the EU (VII)

3.4. Labour market and social policies (II) Examples.

Models (= coordinated actions = social contracts) are possible at the local and regional levels.

a) Danish Labour Market: *flexicurity*.

- Increase in labour flexibility
- Unemployment net... with incentives for formation and reemployment.
- Social Contract: State, Companies, Civil Society.

b) Catalan Model of Vocational Training (my Ph.D dissertation!)

- Social contract: Companies + State + Schools + Students
- Foster training and skills
- *Catalan* Public Administration: regional/national level.

4. Conclusions (I)

1. Globalization = > double shift in developed countries
 - Industrial to knowledge economies.
 - National to global economies.
2. Effects in the labour market: knowledge and flexibility
 - Symbolic analysts
 - In-person services and Routine production
3. From middle class societies to higher risk of exclusion.
...especially for In-person and Routine workers

4. Conclusions (II)

4. Two temptations

- Import a model (China, USA)
- Refuse reforms and close in the National Welfare State.

5. Build your own model

- Inspiration in the principles of the European Welfare States
 - Center in the person
 - Subsidiarity
 - Social contract: Companies, Public Administrations, Civil Society
- In an European frame (Market-efficiency + State-equity)
- In an open Europe
 - Competition in high skills and high social standards
 - Education and training: learning organizations.
 - Justice and solidarity with poor countries.