

Research frontiers in Economic Sociology and Labour Studies (ResFron ESLS)

Seminar

The new EU economic governance and the regulation of labour

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Room A, h. 13.00-14.30

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After 2008, and especially 2011, significant changes have been introduced in the EU economic governance in response to the economic and sovereign debt crisis. The paper sketches briefly these innovations (European Semester, Six Pack, Two Pack, Fiscal Compact) and analyzes their effects on the regulation of labour in the EU countries. In particular, it discusses the implications of such changes on the three scenarios that have been traditionally depicted in the literature as potential adaptations of labour regulation systems to the process of economic and monetary integration: Americanization, Europeanization and Renationalization (Marginson and Sisson 2004/2006).

The experience shows that these scenarios are not mutually exclusive, but they can co-exist, although in different combinations and with varying degrees of relative importance. However, since the outbreak of the economic crisis in 2007-08, and especially after 2011, trends in line with the Americanization/negative integration scenario are apparently prevailing. For instance, the multi-employer bargaining system, a traditional element of the European social model, is not only strained by the economic crisis, but is often openly under attack in the private sector (Marginson 2014; EU Commission, Industrial Relations in Europe 2014, chapter 2). Similarly, in the public sector a strong revival of government unilateralism is crowding-out social dialogue institutions and practices in many countries (EU Commission, Industrial Relations in Europe 2012, chapters 3 and 4; Bach and Bordogna 2013).

The paper analyses whether and to what extent the characteristics of the new EU economic governance are favouring or mitigating these trends, by reinforcing on the one hand the internal devaluation logic allegedly inherent in the EMU institutional architecture, or, on the other hand, by correcting and contrasting the original institutional imbalances. In this perspective, attention is paid to the potential effects of the most recent developments at EU level. The latter include: the first steps towards the European Fund for Strategic Investment; the “interpretative” Communication of the Commission of 13 January 2015, which provides new guidelines for a more flexible use of the Stability and Growth Pact, under certain circumstances; the Opinion of the Advocate General of the European Court of Justice (14 January 2015), on request of the German Constitutional Court (BVerfG), stating that the Outright Monetary Transactions (OMT) programme of the ECB is compatible, in principle, with the European Treaties, somehow opening the way to the Quantitative Easing programme of the ECB; the Analytical Note “Preparing for Next Steps on Better Economic Governance in the Euro Area”, for the informal European Council of 12 February 2015, signed by J.C. Juncker, in ‘close cooperation’ with D. Tusk, J. Dijsselbloem and M. Draghi.

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