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RESHAPING EUROPEAN DEMOCRACY

Democratizing Europe's Economy

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Most debates about democracy in the EU overlook a crucial dimension of reform: democratizing the global workplace. The EU's reform agenda must focus on the underlying political economy of democratic participation.

A SOCIAL BLIND-SPOT?

Since the 2008–2009 economic crisis, many Europeans have asked whether the EU can deal with economic shocks in a democratic way, and whether this response will avoid undermining social policies and protections that benefit the majority of the population.

The interventions by the troika—the European Central Bank, the European Commission, and the IMF—into the Greek economy as part of the European response to the sovereign debt crisis have left serious doubts that either of these questions will receive a positive response. The troika attacked collective bargaining agreements in the private sector and imposed drastic pay cuts in the public sector. Many European citizens perceived these moves as well as the various memoranda and economic adjustment

programs as undemocratically imposed. Greece may have exited the adjustment program in August 2018 but, its experience weighs heavily in the minds of many Europeans.

Italy's right-wing government has earned popular support for deliberately questioning the European Commission's budget guidelines in the name of addressing poverty. This shows how skeptical many Europeans are about the EU's commitment to social welfare and democracy, and it is precisely this skepticism the Italian right-wing is using to provoke a conflict and further undermine the commission's popular legitimacy. Such an approach has support beyond Southern Europe, and if the commission does not reconsider, it will find itself increasingly vulnerable to popular backlash.

Starting in 2015, the European Commission attempted to demonstrate its social awareness by resuscitating the long-dormant social pillar of the European Union. The [European Pillar of Social Rights](#) was signed by European leaders in 2017. While the document has no legal force, it seeks to better implement existing European law by



detailing twenty social rights and principles. They cover “equal opportunities and access to the labour market,” “fair working conditions,” and “social protection and inclusion.” The rights and principles are almost exclusively individual, with collective bargaining only weakly mentioned in terms of “social dialogue.” There have been other social initiatives led by the commission: the recently completed revision of the Posted Workers Directive, which notably ensures that posted workers—that is, workers temporarily laboring outside of their own country—benefit from collective agreements; the [European Labour Authority](#), announced by European Commission President Jean-Claude Juncker in his 2017 State of the Union address, to promote the spread of information; coordination and dispute mediation across borders in the single market; and programs on work-life balance and workplace conditions.

This renewed emphasis on the social dimension is supposed to be connected to the European Semester, which is the commission’s attempt to bring order to European economic governance. Thus the commission ranks the member states according to unemployment rates (especially youth unemployment), reduction in poverty, lifelong learning, access to childcare, and other social indicators. Yet it does not measure the meaningfulness of work. It also fails to assess whether workers have a say over the nature of their work, their relationships at work, their work’s relationship to the greater economy, or their working conditions. In an age when more and more people classify their work as “bullshit jobs,” to use the provocative phrase from the anthropologist David Graeber, something important is being missed.¹

Indeed, there is a huge missing link between economic governance and social issues where “economic democracy” should be. Democratic economic governance in Europe requires more than democratic institutions and procedures;² furthermore, stronger processes of social dialogue and negotiation are needed but also insufficient. Most importantly, deep economic democracy in Europe requires accounting for the

changes in the nature of work, what it does to the European system of political representation, and how individual citizens relate to it. The EU has not started this debate, but research suggests that it will be crucial for addressing threats to democracy and the deep causes of populism.

STRUCTURAL SHIFTS IN POLITICAL VALUES

A developing strand of sociological research studies the relationships between occupations and political outlooks and preferences, following groundbreaking work by Herbert Kitschelt and Philippe Rehm using the European Social Survey.³ Although sophisticated sociological modeling is required to demonstrate the relationships between occupations and political preferences, there is a basic underlying sense that what a person spends most of their time on conditions their political outlooks. This is too obvious to be ignored by policymakers.

In older class-based politics—which emerged from the Industrial Revolution and continued with the Fordist mode of production—governments and elites were aware of this fact, and a homogeneous working class could more easily be presupposed. Indeed, the alienation of workers from their work by the industrial mode of production was a central concern, not only for Karl Marx but for all early sociologists, trade unionists, and socialists. Traditionally, in Western European countries at least, trade unions and social democratic or socialist parties have provided intermediary bodies in which these issues could be addressed, promoting political representation for workers and fostering socialization and cooperation among workers. Moreover, the state itself, and in particular the welfare state, provides other areas for socialization: between doctors and patients, for example, or between teachers, students, and parents. During the Cold War, the omnipresence of the state in communist countries made it a primary space for socialization, while civil society played a similar role in

the West. As the structures of production, party support, and the state are now shifting, European democracy needs to develop new ways of reflecting such changes in the pattern of workers' social interactions.

More recently, in post-industrial economies, the membership and political power of trade unions has been declining. The socialist and social democratic parties are finding their traditional bases splintering to the populist right and left, and the state's capacity to promote open, tolerant, and democratic values has come under strain. No democrat has a long-term interest in significant parts of the European population being inadequately represented – this deficiency calls into question the legitimacy of the entire system.

Studies on the influence of occupations on political attitudes have made distinctions between technical workers (technical experts, technicians, skilled craft workers, and routine industrial and agricultural workers), administrative-organizational workers (managers as well as skilled and unskilled office workers), and interpersonal workers (sociocultural workers, skilled and unskilled service workers).⁴ Technical workers focus on engineering, design, and development work—which deals with considerable uncertainty about cause and effect—thus relying on peer review and experimentation. Interpersonal workers are concerned with the perception, development, and well-being of fellow humans. This means they also encounter uncertainty and depend on interpretation. Only the administrative-organizational field privileges authority, obedience, and domination above other aspects.

The studies of Herbert Kitschelt and Philippe Rehm using the European Social Survey show that in post-industrial economies, people involved in administrative-organizational occupations tend to have more authoritarian views, independent of their income status (although those at the top may be less inclined toward redistribution, and those at the bottom more inclined). Those involved in more interpersonal occupations, which involve communication and agreement on

norms and objectives, tend to have more liberal views independent of their income status.

These axial changes in workers' political attitudes cannot be dissociated from the globalizing tendencies that integrate markets while reducing the policy space available for individual governments. At the same time, multinational corporations play governments off each other to undercut labor rights and protections, placing workers in cross-border competition. If unprecedented numbers of production workers (mechanics, carpenters, assemblers, and so on) are looking to the populist far right,⁵ it is not only because of the nature of their work—which may be becoming more rigid and impersonal—but also because their work experience interacts with their perception of the larger political and economic environment and its insecurities. The personal sphere links these workers' affinity for authoritarianism to a preference for nationalism. It is this nexus of attitudes that Europe has a duty to address.

NEW FORMS OF WORKERS ORGANIZATION

While the economy will continue to require organizational, technical, and interpersonal workers, there are ways of addressing the attitudinal tendencies these occupations promote. Notably, some forms of trade union organizing and cooperative business models can promote interpersonal interactions, mutual recognition, and norm setting among workers, within and among sectors (though these models must genuinely promote horizontal interpersonal activity and not reproduce a hierarchical logic). Moreover, the interrelation of changing labor attitudes and globalization suggests that if these initiatives remain nationalized, they will fail to address the massive macroeconomic changes under way, unless they simply attempt to roll back globalization and break up integrated economies. But this extreme scenario would cause massive economic damage and is beyond the power of any individual government or the EU;



in all probability it is impossible given technological change in the means of production.

Although the current European Commission has made social dialogue one of the twenty social rights, it only says this dialogue ought to be held “according to national practices” and has taken no initiative itself. Previous commissions were more enterprising; under Jacques Delors, the commission created European Works Councils in 1994, which aimed to create transnational institutions to oversee employee participation in multinationals. In 2003, Romano Prodi’s commission introduced the legal category of European Cooperative Society, and in 2004 the category of *Societas Europaea* set requirements for mandatory negotiations on worker participation at company board level as outlined in the 2001 Council Directive on Employee Involvement. These initiatives were ambitious in comparison with many member states’ own efforts, and in comparison with the current commission. Their further development would be desirable for a more democratic economy.

Still, it is striking that these initiatives are bureaucratic, hierarchical, and unresponsive forms of worker representation. There is a danger that structures of this type do not promote the kind of self-reflexive, horizontal collaboration that reinforces open and generous political attitudes. Moreover, it is questionable whether workers in such bureaucratic structures can be as nimble and strategic in crossing borders as their employers. Perhaps, worker-led initiatives can inspire different approaches, particularly in parts of the economy most exposed to globalization and technological restructuring.

The annual strikes by Amazon workers on Black Friday and Prime Day (Amazon’s annual sale)—which have now happened for four years running—are a good example of workers organizing for their political agency. The highly alienating, disciplinary working conditions in Amazon distribution centers are widely documented. In 2013, striking German Amazon workers realized that their strikes were not as effective as they could be since Amazon simply reallocated distribution to centers

across the border to Poland. By 2015, the established German trade union Verdi and a new trade union in Poland, Inicjatywa Pracowicza, partnered, whereby workers would strike simultaneously or work slowly in support of the strike across the border. Now, Black Friday strikes are coordinated in most European countries. Strikes and other labor actions among food delivery drivers, which have spread across the continent, demonstrate similar transnational organizing. What is more, organizing in the gig economy and the new reactive, fluid, and horizontal trade unions (which are being formed in response to the gig economy) are often spearheaded by migrant workers and women who are finding agency amid a changing workforce. Here is, perhaps, one new example of European integration being led not from the top but horizontally, prizing diversity and collaboration.

The current European Commission has rightly targeted multinational corporations for tax avoidance and monopoly behavior; the next commission could perhaps consider targeting multinational corporations to improve working conditions, pay, and the right to organize. Such actions should be part of a broader strategy to democratize the European economy as a whole, from its governance to the ability of individual workers to organize and make decisions together about their work. For all the new talk of social dialogue and social rights, the overall approach of European economic policy continues to structurally undermine worker representation and gives more rights to companies than to trade unions. The Viking and Laval [judgments by the European Court of Justice](#) in 2007 have become totemic symbols of the tendency to severely restrict the right to collective action and prioritize freedom of establishment for companies. Concretely, this means companies have strong rights to establish themselves in any member state of the single market, but workers have limited rights to conduct collective action to influence the practices of these companies. Reversing this dynamic will require both rethinking how workers’ representation should function in a globalized economy and finding a new balance between the right

of companies to move across borders and the right of workers to organize across borders.

TOWARD A DEMOCRATIC GLOBALIZED ECONOMY

It is no surprise that the European Commission has not managed to fully connect economic, social, and democratic concerns. Doing so would require the commission to challenge the dogma that economic growth is the basic answer to all social problems, to face up to its own role in undermining social cohesion and democracy simultaneously in the many parts of Europe that have been exposed to austerity programs, and to acknowledge that a technocratic approach exacerbates anti-democratic tendencies and sentiments. With the upcoming European summit in May 2019, the European Parliament elections, and the new European Commission, the union needs a much deeper and more nuanced appreciation of the changing dynamics of

the global economy and its implications for political preferences. In so doing, it should follow the lead set by some of its most politically active working citizens.

Thus, in addition to considering a revised framework for protecting the rule of law and introducing a new European Values Instrument to foster a healthy democracy through civil society organizations, the European Union should set itself a new mission for democratizing the globalized workplace. It has everything to gain by showing it's on the side of workers, improving their everyday workplace experience, and fostering collaboration with others; by doing this, the European Union would do much to lessen the alienation currently exploited by the populist right. If it is too much to expect the entire union to do this given the balance of political forces, at the least the Party of European Socialists needs to help promote economic democracy without borders. It would be returning to its original interests in the context of a new global industrial revolution, and might even find new credibility with its electors.

ABOUT THE AUTHOR

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NOTES

- 1 See David Graeber, *Bullshit Jobs: A Theory* (New York: Simon and Schuster, 2018).
- 2 This is a discussion Europe has just started. French President Emmanuel Macron's modest proposals around a European finance minister have already been deemed a step too far. See "Judy Asks: Is Europe Behind Macron?," *Strategic Europe* (blog), Carnegie Europe, April 2018, 26, <https://carnegieeurope.eu/strategieurope/76190>.
- 3 Herbert Kitschelt and Philippe Rehm, "Occupations as a Site of Political Preference Formation," *Comparative Political Studies* 47, no. 706–1670 :(2014) 12.
- 4 Following the lead of Swiss sociologist Daniel Oesch in *Redrawing the Class Map: Stratification and Institutions in Britain, Germany, Sweden and Switzerland* (Basingstoke, UK: Palgrave Macmillan, 2006), and Daniel Oesch, "Coming to Grips With a Changing Class Structure: An Analysis of Employment Stratification in Britain, Germany, Sweden and Switzerland," *International Sociology* 21, no. 2 88–263 :(2006). See also the overview provided by Colin Crouch in *The Globalization Backlash* (Cambridge, UK: Polity, 2018).
- 5 See Daniel Oesch and Line Rennwald, "Electoral Competition in Europe's New Tripolar Political Space: Class Voting for the Left, Centre-Right and Radical Right," European University Institute Working Paper MWP 02/2017.

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