
Social Precarity and Labor Markets Reforms in Europe

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The Need to Go Beyond

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2.1 Introduction

“Is precarity the only vision for the future?”: this question was posed to the participants at the end of a major three-day conference, 24–26 September 2014, on the theme “Europe at crossroads” organized in Brussels by the European Trade Union Confederation ETUC and its scientific institute of reference, ETUI, just in the politically critical stage of formation of the new European Commission, following the European Parliament elections, which took place in May 2014.

Obviously, given the objectives of the initiative (new development policies for Europe) and the nature of the promoters and participants (representatives of trade unions, economic experts, sociologists, policy makers), the basic reference to the interpretation of the phenomenon of social precarity has been made to the processes of change taking place in the workplace as well as in the economy. So, as it is common made—and rightly so, we can add—in the foreground were put issues related to employment/unemployment, the spreading of the many forms of partial, temporary, irregular jobs, the public policies of austerity prevailing for several years in the European system and their particular effects of weakening the social protection, the measures aimed at improving the quality of production factors, boosting investments, promoting a new growth phase.

This approach to the precarity problems is well summed up in the final words of Bernadette Ségol (2014), ETUC General Secretary, according to which the widespread insecurity “it’s not a solution either for workers or companies” as

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“having any job is better than none at all”. The fact is that the policies promoted in the European system to overcome the difficulties of the most serious financial and economic crisis after World War II have largely failed, as evidenced by the high levels of unemployment, impoverishment of the population (almost 25 % of European citizens are in risk of poverty, precariousness and social exclusion, cf. European Commission 2014). It must be clear that the top priority is tackling the growing inequality: that is not only a moral obligation but also an economic one. Defending Europe’s social model, she pointed out that Nordic countries already combine high levels of equality with economic success. For his part, the representative of the European managers association, Markus Beyrer (Reference is from [Etui.org](#), para 3), Business Europe Director General, took a different view, arguing that the EU had no alternative to the policies it has adopted. Europe needs to create a pro-business environment, and he hoped Jean-Claude Juncker’s plan for the incoming European Commission would be a step in the right direction. “Precarity is not the only way,” (quoted from [Etui.org](#), para 3) he agreed, but he wanted competitiveness to take top priority in the search for high quality jobs. He deplored Europeans’ “technology austerity”, which he claimed makes them unwilling to take risks in order to innovate. “Let’s assess and control risks. But if we try to exclude all risks, it’s the end of technological progress,” he insisted (quoted from [Etui.org](#), para 3). One thing both speakers did agree on was the importance of social dialogue in deciding the best way forward for both workers and companies.

Reminding this confrontation organized by European trade unions and the positions expressed by the most authoritative participants allows us to clarify well and confirm once again the kind of approach to the precarity problems that is mostly adopted by the main actors of development: policy makers, entrepreneurs, trade unionists. We can add: this approach prevails not only in Europe, but also internationally, as we can read, for example, in the documents and reports of institutions such as the OECD, IMF, WB, in the final declarations and action plans agreed by the major summits such as the G20. It is undoubtedly a valid and important approach, able to allow the identification of the most important critical situations on which to intervene (labor and economy). But however it is an approach showing precise limits because the phenomenon of precarity is indeed much more complex by its nature. In fact, more and more this phenomenon affects also other characteristic aspects of the evolution of contemporary society related, for example, to the influence of many other different factors than those just mentioned, such as cultural, ethical, psychological, social in the widest sense of the term, demographic, environmental. All factors that have increased their importance especially on occasion of the structural crisis that since 2008 has hit the industrialized Western world; but that, in general, have gradually revealed

very clearly their great influence under the growing pressure of the globalization processes over the people's lives and their communities.

For this reason we may add that a more correct and proper approach to the precarity issues requires a tight connection to the way by which the following problems are faced; those dealing with the *social quality of development*, and, more generally, with its *overall sustainability*.

2.2 The Social Quality Approach

Specifically, the application of the social quality principle to the dynamics of development above all requires the adoption of a shared, unitary interpretation of the development itself, the overcoming of the supposed duality between economic and societal in order to bring back the same economy to its societal dimension, i.e. as a functional activity that can be assessed for the contribution it may give to the self-realization of the people primarily as social beings, to the formation of collective identities, therefore to the production and reproduction of social relations (inclusive concept of “societal”). In this regard, the social quality theory, methodological approach and practice, which is currently spreading in Europe (IASQ-Eurispes, Rome, 2014) as in Asia (Hangzhou Declaration, China, 2014), provides academics and decision-makers the opportunity to bring back to synthesis what is currently fragmented, to recover, in fact, a unified interpretation of the development and to assess the complexity of the change factors with appropriate tools: profiles, indicators, criteria. Specifically, it should be highly appropriate that the European Union, while defining its programs and activities, show the capacity to overcome those utilitarian and individualistic approaches by which are traditionally interpreted the references to the quality of growth, quality of life, promotion of social capital (an individualistic approach that may be found, for example, in the famous report on the quality of life by Fitoussi et al. 2009).

Precarity, ultimately, is nothing but a gauge of social deterioration and all the negative consequences that it entails in the broadest sense. Therefore, actions to contrast insecurity require to integrate the economic paradigms with new paradigms that affect people's lives, their actual ability to connect and interact the one with the other, i.e. people's ability to produce social relations, not to live locked in their own particular; finally to create a more cohesive society, not a society that is increasingly atomized and therefore more and more exposed to the risks of fragmentation and breakdown. These type of concerns and doubts arise, for example, with regard to the modern urban programs related to many “smart city” projects, according to which the spread of many new technological equipment is

certainly finalized to facilitate the mobility of traffic, security and information to people, etc. But in the same time it is really hard to say whether such projects will succeed to promote a more cohesive and integrated community, if they really succeed to promote the many human cultural, ethic values of its people. In relation to the overall goal of cohesion, the target of policies based on the social quality principle are, therefore, the *objective conditions* of people's daily lives (socio-economic conditions, social inclusion, active participation to the community) as well as their *subjective conditions* of their daily life (sense of responsibility, security, ability to contrast forms of exclusion, degradation, alienation, exploitation, confidence in the future, ability to process perspectives). From all this it follows that the social quality of development is the way by which we arrive to set up effective actions to reduce insecurity through the affirmation of values and programs in support of human promotion and social justice, an operation of re-orientation of the development policies which requires, among other things:

- the strengthening of social investments to be understood as investment in social quality, able to affect positively the relationship between culture and welfare, overcoming the prevailing trend to the commodification of such services;
- the use of new criteria and evaluation tools which are very different from the cost-benefit analysis traditionally used in the reorganization of the welfare system.

2.3 The Sustainability of Development

The other general reference for the contrast to the social precarity concerns the global sustainability of development, which by now since for time is no more a principle linked only to the resolution of environmental issues, nature protection, a correct relationship between man and the surrounding nature. In fact, in recent decades, namely from a first phase, when two important reports have been published as the report on the "*Limits to Growth*" (Meadows et al. 1972) and the Brundtland report "Our Common Future", the principle of sustainability has gradually enriched with new meanings: the original idea dealing with the respect for the limits of the natural environment, step by step has come to include news meanings concerning the social, ethical, cultural, urban development. In addition, to include the principle of sustainability among the fundamental principles of the United Nations as well as of the European Union.

It is a fact: the main problem of sustainability is that it is still today a vague concept, not well defined, in particular when it refers to the social and cultural dimensions of development and to what these dimensions imply: the social dimension, with reference to an equitable distribution of resources, inclusion, development of human resources; the cultural dimension, with reference to cognitive aspects of people, their conventions, values and attitudes. As a result, as demonstrated by many scholars, this concept is often used for different purposes and in different situations.

Recently an increasing attention has been put on the urbanization processes for their relevance just to the point that many authoritative scholars recognize a sustainable urban development as a condition for the overall sustainability, the real new frontier of the sustainability.

More and more this topic of the urbanization processes are becoming a key condition for any meaningful discourse on sustainability.

In any case, we must have clear that acting for a sustainable development means ensuring the continuity of a society and the duration of its growth, to proceed without too many tensions, divisions, risks of rupture, to progress in stability, to work better in the medium-long term. Sustainable development requires a systemic culture and a planning capacity, to get over visions, methodologies, analysis which at the present are too partial, fragmented, unrelated to the multiple dimensions that currently define the idea of sustainability, as, we repeat: environmental, economic, social, ethical, cultural, urban. A sustainable development requires, by its nature, policies able to promote balanced interventions in these dimensions and, in particular, with regard to the specific socio-economic dimension, to reduce inequalities as well as to support the inclusion processes.

The persistence of the contradiction that currently exists at the international level between the need for economic growth and the spreading of social insecurity, will inevitably lead to produce increasingly prominent tensions and dangerous situations of breaking both at global level and within individual regional and national communities. Member States need to ensure their communities a sustainable growth, i.e., stable, balanced, long-lasting; and for this purpose, they cannot avoid to address the need to reduce the phenomenon of social insecurity and precarity which is, by its nature, likely to be the true element of rupture of each consolidated balance.

2.4 Social Precarity: A Definition

In 2010, a group of specialized experts, members of the European Research Network SUPI (Social Uncertainty, Precarity, Inequality,) met in Ankara in an international conference and approved a Memorandum in which may be found a proper definition of the precarity phenomenon and its complex nature. After having stressed the importance of spreading a common awareness with regard to the radical changes taking place in contemporary society, the Memorandum also stressed the need to work to identify the terms of this phenomenon; then proposed the following definition of *social precarity as a lack of people's ability to participate on in the social-economic, cultural, juridical and political life of their communities under conditions which enhance their well-being and individual potential for contributing to societal development as well* (S.U.P.I. 2010, para. 4).

This definition draws the attention by experts and decision makers especially on the negative phenomena of social exclusion and marginalization, on the ability or inability of the individuals to react in a positive way, to understand, adapt and be protagonists of the change processes taking place in the contemporary society, on the opportunity to play an active role in the community of reference, on the meaning attributed to work as well as to social relationships, on the participation in democratic life, on the individual and collective vision and sense of life.

In this regard, it is interesting to note that this kind of approach to the precarity problems emerged recently even in important documents by an international institution such as the OECD (2014) which tackled in particular the problem of the barriers of the most diverse nature that hinder people, in particular young people, their integration into the labor market; as well as in the documents by the Community institutions that examined the growing phenomenon of NEET (Not in Employment, Education or Training), dealing with the self exclusion of those young people who facing the life-work difficulties simply close up in themselves, becoming estranged from social and professional context, simply becoming passive, ending up not seek neither work nor other opportunities of cultural improvement.

More in general, both institutions, while tackling the employment problems, pay a great attention to the processes of structural change of the society ("go structural", "go social", "go green", "go institutional", following the indications of the specific initiative "*Better Skills, Better Jobs, Better Lives*" (OECD 2012). Emblematic, for example, are the references by the European Commission to the *demographic changes* and *aging population* as well as the implications of the *knowledge society*.

In any case, to proceed successfully in the evaluation of the social precarity phenomenon is appropriate and correct, as a premise, to present a proper interpretation of some key aspects of the changes taking place in contemporary society, concerning, for example, the structural crisis that hit the major industrialized countries as well as the complex nature of the globalization processes. It will be as much important to draw the value of the fundamental principles that underlie the current system of the European Union (cf. Treaty of Lisbon) to assess the consistency, or not, between principles and actions, that is to understand whether and to what extent these principles are applied in strategies and concrete policies promoted by the European authorities to contrast the phenomena of social degradation and exclusion, all linked to widespread precarity.

2.5 What Means Really a “Structural” Crisis, a “Structural” Change ?

As a preliminary reflection, let’s consider the real meaning of the word “crisis”. As the ancient greek language, is the following: “decision” from the verb “krino” “to select—to judge—to decide”. In modern times, the classic economy interpreted this word as “change” (the change of an economic cycle). Having this in mind, we can put the following questions: “what kind of crisis/change are we living currently? What kind of decisions are we able to take?”

The crisis affecting Europe since 2008–2009 started as a financial crisis, but evolved later as economic crisis, then productive, then employment and social, finally as political and institutional crisis. With that, we are dealing with a process that has come to invest many areas of European society: the economy, the level of income and consumption of the citizens, social conditions, life style and life projects, public confidence in the institutions as well as in the development actors, the basis of political consensus.

All agree, European Union and member states that the experience of these years is dealing not just with a cyclical but with a structural crisis. In EU-documents, the statements of policy makers as well as the assessments of the experts often presented this situation as the most serious crisis that Europe experienced after World War II and even up since 1929.

Surely, when structural crisis happen, it may be possible to have a proper interpretation of the causes that led to such type of crisis. But it is not clear at all, indeed it is nearly impossible, to get an idea of the way out; and this because when the crisis are structural, the various systems come into a new situation,

influenced by many imponderables and heterogeneous variables, of the most different nature. Consequently, it is also very difficult to make sound and valid predictions about the future; it is virtually impossible to imagine what will be the final outcome of this new situation.

One thing is certain: history teaches us that all systems involved in this type of crisis come out deeply transformed in comparison to the initial conditions. Always, structural crises led to the emergence of completely new and unexpected situations, indeed very different from the starting conditions. Structural crisis, in short, are always characterized by a *discontinuity* that deeply changes the previous order as well as the balance of a society.

In this situation, only the recovery of an interdisciplinary and systemic approach, only the coordinated contribution of the most different scientific disciplines may help in having at least a proper understanding and assessment of such evolutionary processes; in fact, even if this kind of crisis are caused by purely economic factors, the contribution of the great economic science is no longer sufficient to indicate the possible solutions and should do as a step backwards because the re-regulation of a system involves the reconstruction of a new order of relationships between factors, interests, subjects who express complex needs, old and new, and especially of a very different nature. Only politics can acknowledge, represent and try to reassemble into a new balance all these elements, on the basis of a different and more appropriate interpretation of the values and rules that govern the civil coexistence of a society.

2.6 Let's Clarify Some Basic Aspects of the Globalization Processes

The framework within which to include the evaluation of the phenomena concerning employment/unemployment and social precarity is constituted not only by the structural crisis we have particularly in Europe, but also by the current globalization process; a complex ongoing process which deals with economy, sociality, culture, politics, institutions; a process generating changes which calls into question many well-established values and situations: ideas, ethical principles, preferences, habits, lifestyles of individuals and communities, economic balances, employment, institutional traditions, and so on. Globalization's impact is all over the world, and this process is very different from the previous one of the internationalization, which was identified with the increasing dimension of the international trade.

The global era generates costs and benefits. The costs are all that human beings are suffering as well as the damages caused by a structural change. The benefits are represented by the extraordinary growth of some economies (the countries of the Pacific area, China and India, some countries of South America), their increasing role in the world arena, the spread of wealth (still far from being distributed equally to all), the spread of social protection in a general situation of modernization.

As an ongoing process, globalization is continuously changing its own structure and its points of balance. A systematic and organic collection of many information and data available about, shows clearly, for example, that during the 90s the driving forces of this process had drawn a worldwide system similar to a solar-system, with United States and Japan at the center as the most important players, while in the first decade of the new twenty-first century, the world system has changed structure and results much more like an archipelago for the set-up of distinct geo-political and geo-economic areas, concentrated mainly on the dynamics of internal development and the prominence of new active players (e.g. the BRICS). In any case it deals with a process under a further evolution and it is currently difficult to forecast what kind of new structures and points of balance it will be able to build; and this because both the effects of an increasing number of innovative factors (i.e. new technological revolution, demographic changes, migration flows) as well as the influence of the forces of resistance (e.g. the emergence of new forms of protectionism).

Recently, an important study by Deaglio (2012), a senior economist at the University of Turin, which has long held a great research system on the globalization phenomenon, seems to confirm precisely this new trend: the world scenario is increasingly characterized by a preference for bilateral rather than multilateral and global agreements, by progressive limiting access of foreign investors to the domestic state markets, by the set up of new geo-economic areas almost closed and still very protected. According to Deaglio in the world currently are being built many new gates ready to close when difficulties occur. All that also legitimizes the Following question: are we entering a phase characterized by an unexpected process of *de-globalization*?

Faced with these characteristics of the globalization process, one of the basic questions is the following: this process reflects an “*order*” or a “*disorder*”? The fact that even at the international summits of heads of states and governments constantly emerges the need to give an order to the development—the issue of the new governance—means that what we are experiencing is rather a period at least of great disorder. Globalization, in short, reflects a *chaos*—a chaos that can be

also creative, not just destructive—because in this process it is difficult to predict and control the consequences of plans, programs, actions.

To this first consideration, a second may be added: usually, is just the weakness or, worst, the lack of an order that let emerge what might be described as the struggle for power, that is, the attempt by some subjects to abolish the existing order and to organize a new order, a new system of rules to impose on others. This attempt always produces *winners* and *losers*.

Who is trying to assert its own order, starts always by the devaluation of the existing order, weakening its rules, taking advantage of its contradictions and limitations, enhancing its contrast elements; and all this with the aim to impose his own rules. One of the main factors on which he acts is that of change. A change bound to a mobility pushed to the extreme of the nomadism, to overcome any possible tie and relationship system, for example, with a community or a territory. In this new space-time dimension, relationships become occasional and ephemeral, the constraints and long-term bonds lose any value, the benefits are meaningless if they are caught immediately, the ideas have worth only if they produce income, everything is transient, fragmented, “liquid”. In the globalized world we must travel “light”, without the burden of particular conditions, we must avoid to have lasting ties with our goods; we must be mobile and flexible. The *culture of the present* is going to cancel the past and the future, with all the risks and contradictions that this fact implies.

The global élite, the global market players committed to take the opportunities of the “disorder” have no boundaries, are not tied or constrained by certain situations, such as the policies of nation states or trade union agreements, etc.; they may, or try, to abandon them at any time, de-localizing the activities as the opportunities they see or the new situations they are able to build in the most different areas of the world. These global élites, in short, are acting with strong mobility in a dimension of space and time which is quite different from that in which the majority of citizens lives and works, in which the traditional institutions act. Herein lies the source of the uncertainty prevalent in contemporary society; in the large *asymmetry* between the capital, that is increasingly global, and the labor and the politics which remain bounded to the local scale. An employee is tied to his community, the company for which he works always less. A public authority is bound by definition to the service of its territory, but the strong economic actors with whom it faces have very different and wider scope for their action. Therefore, the conditioning capacity of the economic players on the public institutions is much stronger today than ever before. Consequently, the uncertainty generated, by this new system of relations between the development actors—institutions,

workers, business—end up to widespread and to affect the entire system, whether national or local level. Indeed, the more this uncertainty becomes widespread, consequently, the more the players in the global market have the opportunity to take advantage by their action. The break with the previous order is just in this unprecedented and unexpected situation; a situation, it should be added, which looks at the increasing uncertainty as at the constitutive element of the new global disorder, to which it is very functional. For these reasons it become urgent to find proper solutions in terms of governance of such processes; to avoid the risks of rupture, already experienced with the last financial and economic crisis.

To this aim, it should be relevant—it is a suggestion—to reflect about this quotation by one of the founding European fathers, the German chancellor Konrad Adenauer: “We all live under the same sky, but we all do not have the same horizon.”

In our societies, what is the horizon of people experiencing a hard precarity?

2.7 Precarity and Working Conditions

All surveys and statistics confirm that over the past years the national and the European labor markets have changed dramatically, and the number of poor-quality and insecure low-wage jobs has risen drastically. The types of employment generally associated to precarious work are the following: part-time work, fixed-term work, temporary work, on-call/casual work, seasonal work, agency work, bogus self-employment, posted work, subcontracted work, service contracts, abuse of apprenticeship and traineeship programs.

All economic sectors are affected by precarious work, the public and the private sector, the service sector as well as manufacturing are facing a growing casualisation of work (conversion of permanent to precarious jobs, failure to create permanent jobs even if employment is growing). Austerity measures and reforms of labor markets undertaken in many Member States, often upon request of the European Union, which considers deregulation and more flexibility as the only remedy to overcome the economic crisis, have aggravated the problem. Precarious work is generated by employers seeking to minimize labor costs and to shift the economic risks of their businesses onto their workforce. The specific elements contributing to precarious work are constantly in transformation, as employers always find new ways to do so. (One extreme case, is the reappearance of zero-hours contracts in the UK, which allow employers to hire staff with no guarantee of work. Statistics record that almost 600,000 people are on zero-hours contracts,

representing about 2 % of the UK workforce, and there are 1.4 million contracts with no guaranteed number of hours, as one worker could hold more than one contract (cf. Leonardo 2013)).

Precarious work generally implies: low and unsecured/irregular wages, flexible terms and conditions of employment, lack of protection against dismissal, critical working conditions, limited or no access to social protection schemes such as health care, pension contributions and unemployment insurance, absence or limited access to trade union rights, absence of collective bargaining power, lack of control over working hours, low chances of promotion, uncertainty about future employment, limited or no access to education and vocational training.

Obviously, not all forms of non-standard work are automatically precarious, in certain periods of life or under specific personal circumstances workers might wish to temporarily abstain from full-time permanent work. However, non-standard work has to be considered as precarious, if it is not voluntary but imposed by the employer, and if the worker does not have the choice to go back to regular employment. Full-time, permanent work used to be the dominant form of employment relationship and still largely structures entitlements to social protection and welfare, therefore the significant growth of non-standard forms of employment relationships means that growing numbers of Europe's workers are excluded from employment protection and welfare benefits.

A precarious job often implies a precarious life, precarious relationships and therefore the impossibility to plan a conventional existence. A lack of job continuity does not allow workers to improve their skills, it therefore becomes even more difficult to obtain a secure job. Individuals in precarious work are more likely to be excluded from social rights, such as to decent housing, medical care, pensions and education. Exclusion from these social rights pushes individuals into precarious work. Work precariousness thus feeds into other situations that cement individuals into precarious lives. Precarious work also incurs the risk of individuals lacking adequate social protection in old age. Increasing precarious employment is one of the causes for the growing poverty in Europe. What is more, an extensive use of precarious work determines the progressive destruction of workers' individual and collective rights, it undermines collective bargaining and it weakens trade union action. In all its forms, precarious work draws disproportionately on the most vulnerable groups of workers; it deepens poverty and insecurity, undermines solidarity and entrenches inequality. Precarious employment has also fostered segmented labor markets, which obstruct the movement of workers to more stable employment, particularly for vulnerable groups including migrants, women, young people and the disabled. More and more often, workers

do the same job at the same location, but benefit from different wages and employment conditions. This seriously violates one of the fundamental values of the EU: the principle of equal treatment and non-discrimination. But also employers may suffer from these developments, as companies which behave in a socially responsible way, provide their employees with secure jobs and respect all labour and social legislation often see their competitiveness jeopardised. Therefore, the fight against precarious work is also a contribution to strive for fair competition in the EU.

In summary, the widespread precarity in the labor legitimizes the question that recently has been set by a group of Italian scholars, historians, sociologists, lawyers, engaged in a great research on the history of work in Europe: Are we going back to the early twentieth century when the work was precarious, the rights reduced to a minimum, the pension protections almost non-existent?

2.8 The “Great Correction”

On the basis of the previous elements, the “great correction”, as it is usually called, affects more the development policies at European, national and local level, than the labor market reforms. To this aim, the following issues have to be carefully considered:

a) New conditions for the pursuit of profit

In a different framework of relationships between ethics and economics (solidarity-based vision of development), the pursuit of profit, on the one hand, should be inserted into a virtuous circle, able of producing widespread benefits in terms of reduction of social imbalances, and, on the other hand, should be re-evaluated with respect to unearned income (especially financial), by measures supporting the quality of entrepreneurial projects as well as by the productivity collaboration of the employees (a different system of relations between capital and labor: wage/productivity, merit recognition, participation in the choices);

b) A new development project

An effective application of the sustainability principle involves the adoption of a consistent orientation to promote a profound change in the relationship between *quantity and quality* of the growth, in the lifestyles of the people, in the consumer dynamic. In this regard, just on the basis of the active role recovered during the crisis, the public operator (the Union, member states,

regional authorities) should seize the opportunity to promote the transition from a production system like the current one, mostly aimed at production of individual consumer goods, tangible and intangible, to a system primarily oriented towards the production of consumer goods of public interest. Such a strategy enhances the support of productions related to the concept of the collective well living (e.g. land, water, health, mobility, education, cultural heritage, etc.), on the basis of a new synergy between the main public and private development actors. The Union and the member states should use the tools of the medium and long term planning, taxation, contributions and incentives to attract progressively the enterprises of this sphere of productive activity, by defining rules and conditions of profitability for this specific market.

c) *The re-organization of the welfare state*

In this case, the strategies for a renewed European social model should be steered on the basis of the following economic references:

- the recognition that the social expenditures and the related services are not just a cost to the community, but are instead a real production factor, which is essential to encourage new development dynamics (human capital, social inclusion, levels of consumption, etc.);
- the recognition that equality is also a growth factor. The statistics clearly indicate that the six European countries with less economic and social inequality (Germany, The Netherlands, the Scandinavian countries) are also the countries with the highest GDP per capita. The transition from the traditional welfare state (oriented to cover the risk of life) to the state of well-being (which occurs on income distribution, market regulation, social inclusion, etc.) requires full and consistent implementation of the subsidiarity principle, for the organization of a different kind of social service provision, more qualified and participated in by citizens: in other words, the organization of a real *social market economy*, in which the private initiative, under certain conditions, complements the public initiative of the state.

In all Europe, the definitions of what the new welfare system should be are the most varied and articulate as well as the concrete experiences to which they refer to. Surely it is a sign of a great attention to the issue. Numerous are the proposals aimed at fostering an injection of market into the public system (the *Financial Welfare*, *Mixed Welfare for Family*, *Private Welfare*), to make welfare system an instrument to promote economic growth (*Active Welfare*, that should finance those who want to shift gears), to improve the interpersonal relationships,

human capital and social cohesion (*Welfare Community, Subsidiary Welfare*, to strengthen the civil economy), to rationalize health care (*Welfare of shared responsibility*).

2.9 The New Attitude of the International Summits

The spirit, if we may say so, of what has been defined as a “great correction” of the current development processes, the recognition of its objective need, seems to emerge with an increasing clarity even in the decisions taken by the international summits of Heads of state and government as the G20, as well as in the documents—already above mentioned—concerning the review of the *Millennium Goals* approved by the United Nations in 2014.

In fact, in the framework of the international policies and actions aiming to a general re-regulation of the economic processes, a prominent position is assigned to the labor problems as well as to the main issues related to the validity of the employment models, labor market efficiency, human resources management, social exclusion-inclusion. In some respects, this particular attention to the labor and social exclusion problems by the international summits as well as supranational institutions (in particular IMF, WB, OECD), is a novelty in comparison with the advices of previous commitments and documents, even in the recent past, in which these problems and issues were recognized to play as a secondary and subordinate role as regards the priority need to define proper macroeconomic development policies. This new attitude on the labor and social exclusion problems is, at present, indicative of a general willingness to address one of the main crucial issue of the current globalization processes, one of the structural constraints that limit the practical possibilities of pursuing a balanced, sustainable development. Also the approach to the labor problems records, in such international commitments and documents, some profound novelty because their solution is always more clearly linked to the way in which the sectional policies and the related factors are defined and managed, such as, for instance, social policies, education and training policies, the institutional regulation systems, the social dialogue between the main development actors. Of fundamental importance is, in this new approach to the labor problems, the proper application of the subsidiarity principle between the public institutions and the civil society structures, such as professional manager associations and trade unions, the only way to guarantee both a real participation in the common choices and its effective implementation.

2.10 New Frontiers in Fighting the Social Precarity: Politics, Psychology, Science, Technology

The great complexity of the social precarity phenomenon, illustrated so far, requires, as we have seen, the organization of a series of coordinated actions aimed to reduce it, actions that go beyond the labor market and economic development. The structural changes taking place in contemporary society, at the base of the widespread instability, uncertainty and insecurity, are requiring on the one hand to scholars and academics to expand their field of study and to strengthen their interdisciplinary and systemic approach to the problems; on the other hand, the representatives of institutions and civil society organizations are required the intelligence, the courage, the far-sightedness to put on the table of the political decisions, programs and action plans new elements of reflection, other than the traditional one, new elements, more proper to better guide the decisions to be made, than it happens at present. Never than before, facing with the effects caused by the new situations, it become necessary to apply the recommendations by the international institutions concerning the horizontal working methods and action plans (this imply to overcome a lot of institutional borders as well as to promote the organization of more useful common working and decision tables, at least for a better sharing of responsibilities facing with this risky issues).

The current change processes, this is a growing common opinion, are asking politics to regain its essential role of leadership and guidance, to operate according to a vision of perspective and a culture of the whole. But what is true for politics, is also true for many organized structures and societal bodies. Among the elements of reflection to be placed on the table of public and private-collective decisions—elements that have become increasingly important for the phenomenon of social vulnerability and that are intended to have more and more influence in the future—special attention should be given to two specific change factors on which to intervene: the psychological factor and the science and technology factor.

a) *The psychological factor*: there is no doubt that social precarity, as already said, is based in the attitude of people facing with the major changes. For the spread of precarity in the living conditions the psychological factor is highly influential, in many ways decisive, as it is shown, for example, by the phenomenon of young people called NEET, who exclude themselves from the whole social context. It is clear that in this case an action to fight insecurity requires the coordinated mobilization of many different organisms: educational institutions, in parallel with those of work, media structures (e.g. see media education

plans supported by UNESCO, “Paris Declaration” 2014), as well as civil society organizations. All engaged in the reconstruction of a positive context with the aim to produce beneficial effects in people’s behavior. Positive experiences in this respect are spread throughout the world, such as for instance in Australia, where programs of “trust” have been organized in the schools for children and young people. These are examples indicating possible ways forward.

But more in general there is the need for a collective effort aimed to spread a new culture of the future, as background to the specific actions to fight the psychological insecurity.

Today in the world, a growing number of scholars focuses the attention just on the effects of the prevailing ideology of the present, according to it everything is must be produced, consumed, lived in the same time; a present that already has erased the past and is quickly wiping out the value of the future. Popular culture is changing under the combined effect of globalization and communication technologies. In this process; past and future are as compressed and flattened into a present which is extended and obsessively simultaneous. For Remo Bodei (2010) “the capability to think in terms of a collective future is drastically reduced, to imagine it outside of our private expectations [...] We are facing the desertification of the future—a condition in which prevails—the strategy to deal with the present as with an intensive cultivation, looking at the immediate advantages it can give, without worrying about what will happen in the future [...] Certainly we have neither to regret the past nor ignore the outweigh benefits we received in terms of widespread equality, but we have to realize which new problems are posed when the life plans of individuals become even shorter and the institutions show a clear decline of their capability to project themselves in to the future” (translated by Marco Ricceri).

The prevailing of this kind of ideology and society marks what is commonly identified as the sunset of an era and the transition to a completely new era in which, for example, becomes essential: (a) to have a real ability to project the future (and the strength to impose it on others, even if such prevailing does not account for victims who causes), (b) redesign its own personal identity inside the system of social and working relations (how to build its own work identity in a world characterized by “the end of work” (Rifkin 1995) and a “liquid modernity” (Bauman 2000).

The psychological challenge of precarity is right here: in the most diverse support that the community can give people in building their own positive identity, and the ability to project it into the future. Utopia? No, it is a scenario that

has been open for some time but which now require urgent and really aware interventions.

b) *The science and technology factor.* We are in a transition stage, more and more many authoritative voices say, towards models of society entirely new. We can add: we have entered a new scientific and technological revolution and we are only at the starting of this process. Again we find here a decisive factor for the spread of social precarity: the science and technology factor. The science that operates on the frontier of the infinitely small, on the border of life and death, is certainly a factor of progress but also of spreading uncertainty and insecurity that are placed on the bottom of the psychology of our communities as of the individuals, forming as an substratum, a humus that in any case is affecting their way of thinking and behavior.

Even the current technological revolution has the same effect, even more immediate and direct, that can disrupt the lives of people, their way of thinking, to organize, to relate, to work, to organize their free time. Many examples can be done at this regard, more and more rich of multiple meanings. It is the case, for instance, of nanotechnology, i.e. the development of the infinitely small and the use of new materials in the production system; as it is the case of ICT innovation in automation of the manufacturing industry.

In this regard, there is no doubt that, for instance, by the spread of industry 4.0 system, all the usual way to work and produce in the manufacturing sector is bound to be upset. If, on the one hand, this new system will make possible a great leap forward in competitiveness, the creation of new products and services, on the other hand the entire traditional working system will be subjected to the most radical changes. With the introduction of what is called the “Internet of Things” (IoT), every material object inside of a factory is set to achieve its own “digital identity”, as experts say, and thus can be used to better meet the needs of both the real and the virtual market. Basically, after years in which the greater flexibility was requested to labor, now this demand of flexibility involves the whole factory (from labor flexibility to company flexibility) with big implications and effects induced not only in the workplace but outside of them, in the entire system social.

“The Internet of things, the engine of this revolution in how we produce and consume, Jeremy Rifkin (2014) stated by drawing the new scenario of the economy of commons”, is intended to create a whole new economic system, based on “collaborative sharing”, in which consumers are expected to become increasingly also producers and thereby changing fundamentally the way people live. The main consequences will be, it is the hypothesis by the scholar, a drastic reduction of income inequality, the democratization of the global economy and

the opportunity to build a real sustainable society. It is a fact that there are long-established methods of analysis and study of these processes—the economic and social effects of technological changes—as there is a firm commitment, in particular by the EU, to involve businesses in the field of CSR, an element that in the new scenario is bound to assume more and more a fundamental importance. All this kind of initiatives have to be strengthened with the aim to guide the new scientific and technological revolution on the tracks of a common positive growth and progress, avoiding that the advances in the economy go in parallel with the spread of an unsustainable social precarity, putting at risk the same existence of the democratic systems.

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