

Social policy in the beyond-growth debate: Positions of the German labour movement

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Outline

- Motivation and aim of the paper
- Beyond-growth debate
- Converging social policies & controversies
- Positions of the German labour movement
- Concluding remarks

Motivation and aim of the paper

Motivation

- Climate crisis, Corona crisis & growing social inequalities ==> beyond-growth debate ==> socio-ecological transformation ==> fundamental controversies, yet convergences
- “Jobs versus environment dilemma”
- German labour market: A dual labour market, ever decreasing union density, stagnating income inequality, one fifth of all employees are in low wage sector...

Koepp et al. (2015); Flemming and Brand (2017); Rätzzel and Uzzell (2012)

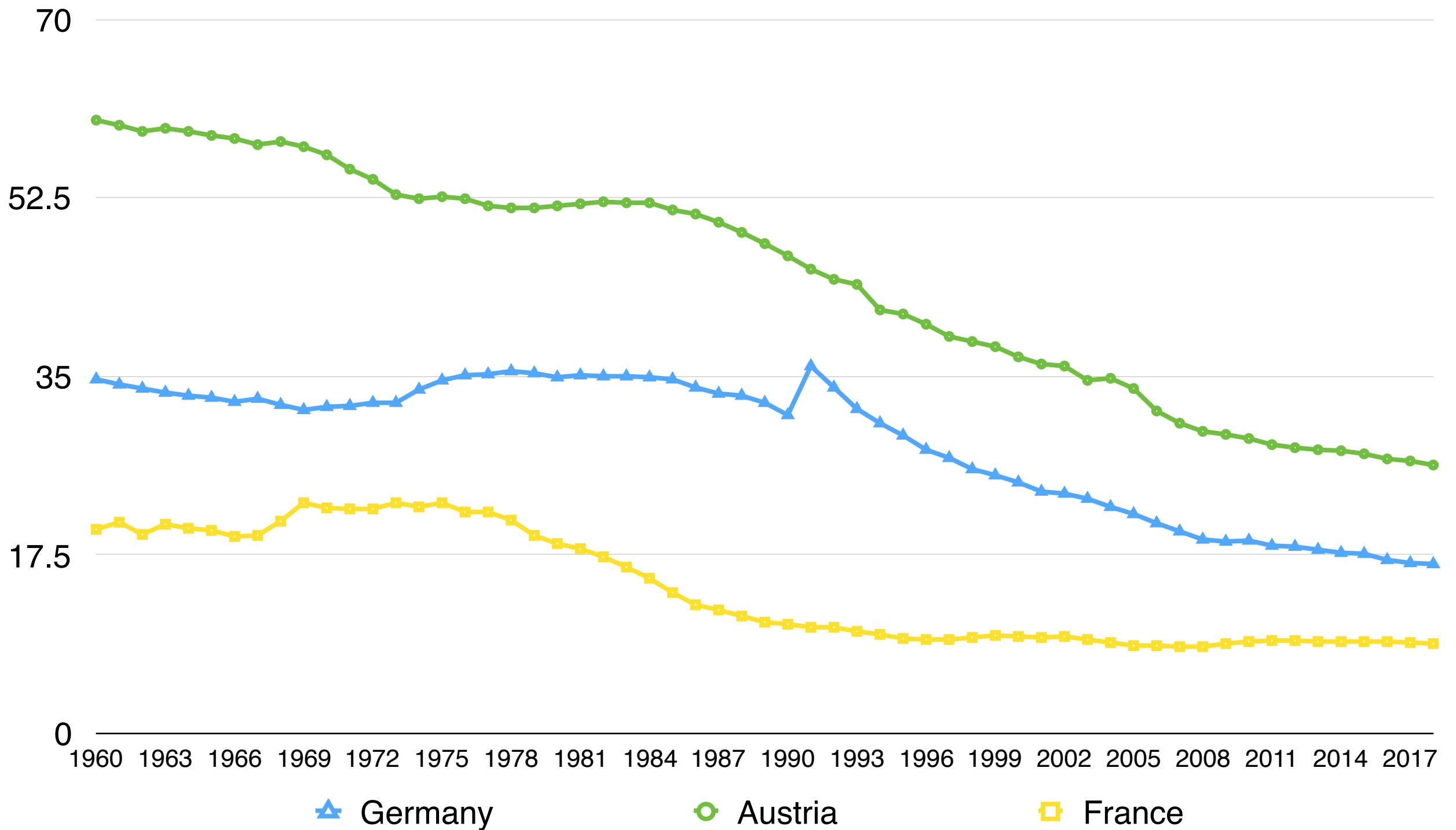
Aim of the research

Step 1: Desk research to highlight:

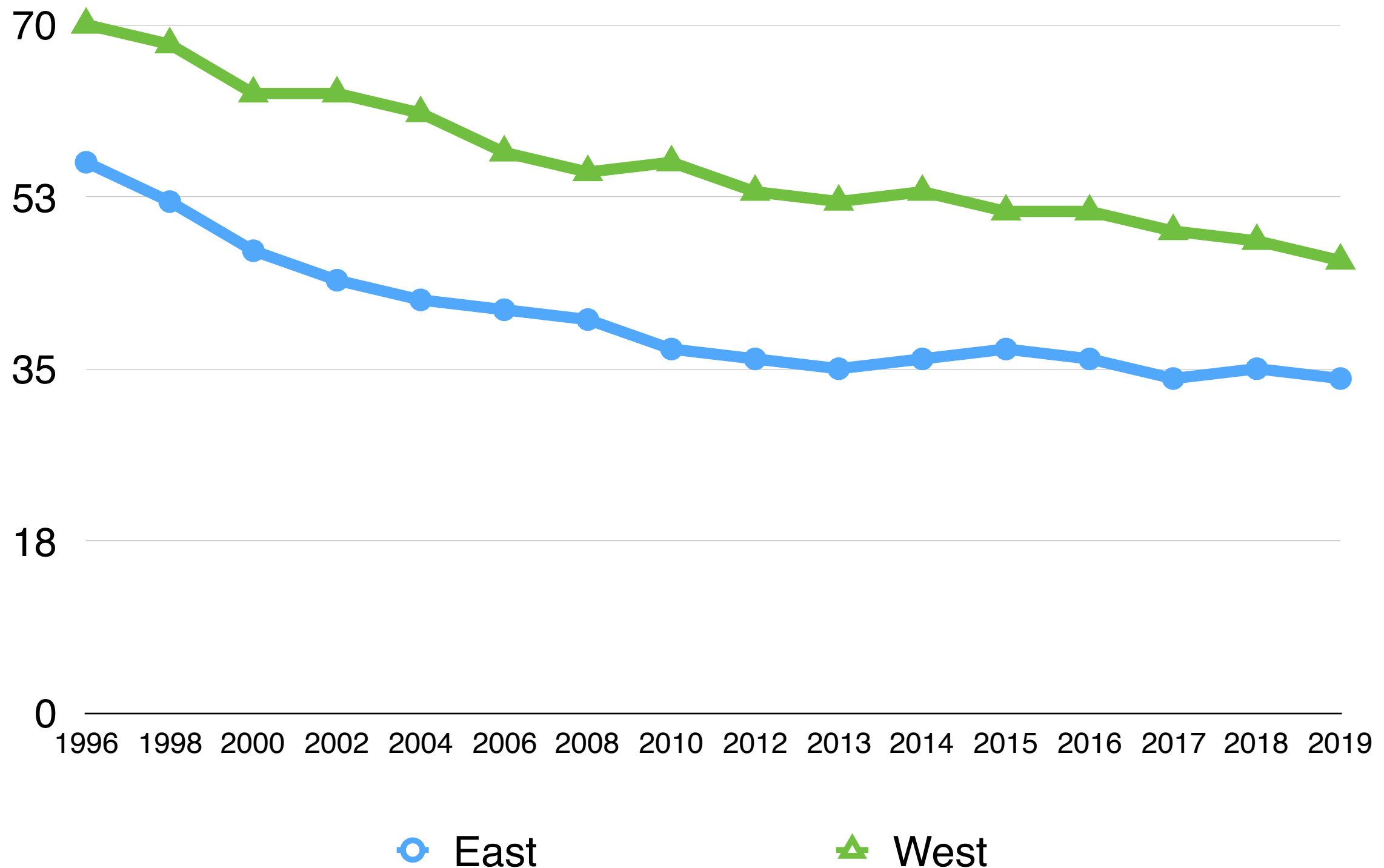
Whether and in what sense the commonly pronounced social policy measures in the beyond-growth debate are supported by the German trade unions

Step 2 (in progress): Interviews with trade unionists to understand whether / to what extent ecological concerns play a role in shaping the work time reduction schemes of trade unions; their perspectives on public job guarantee program

Trade union density, %



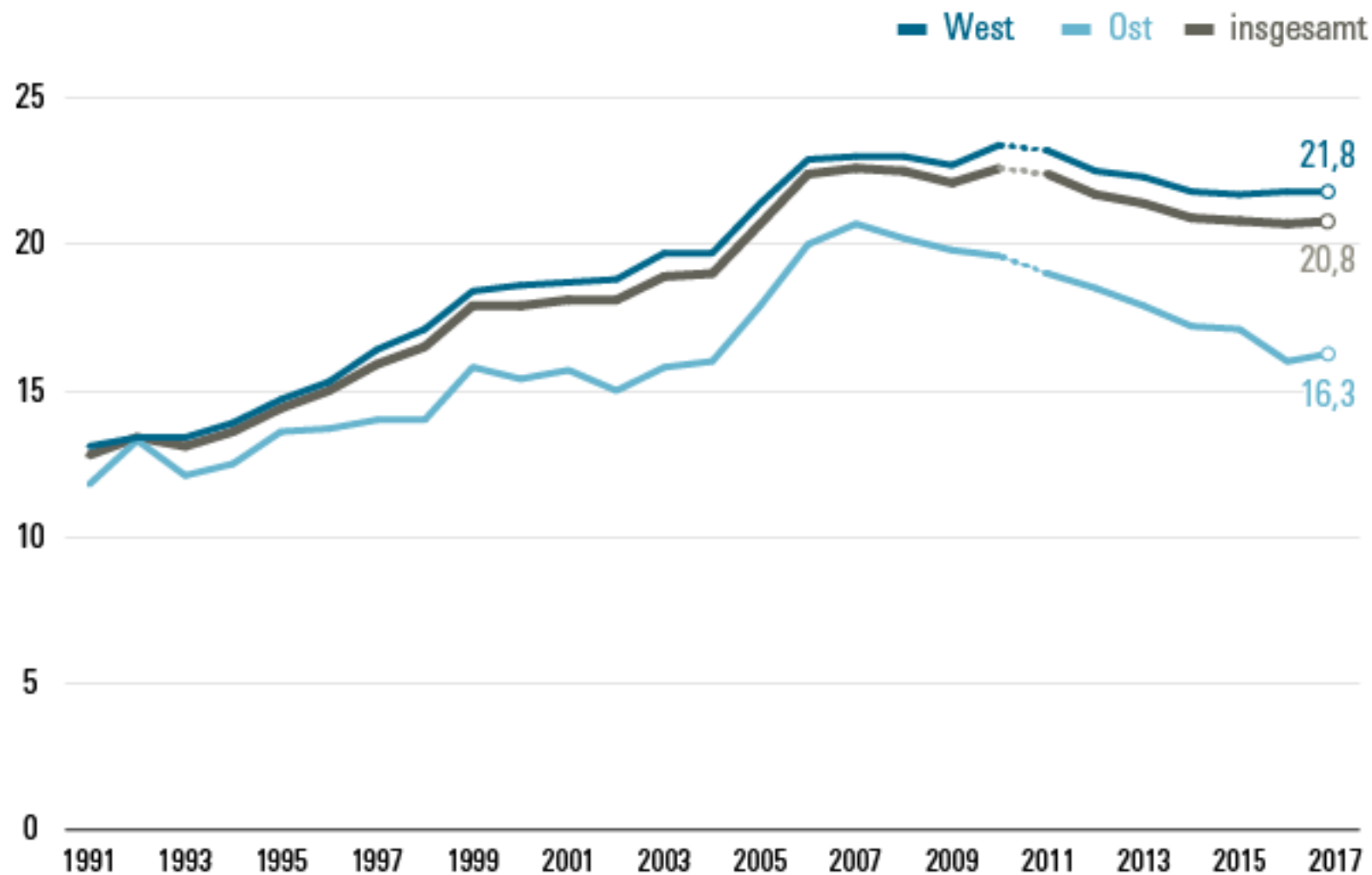
Employees covered by collective bargaining agreements in percent of all, Germany



Source: IAB Betriebspanel

Atypical employment in percent of total employees

Quote atypischer Beschäftigung, 1991–2017
Atypisch Kernbeschäftigte in Prozent der Kernbeschäftigten der Region



Quelle: Sonderauswertung des Statistischen Bundesamtes, eigene Berechnungen
Anmerkungen: Vgl. Anmerkungen zum Appendix I.



Beyond-growth debate

Beyond-growth debate: two opposing discourses

Discourse	Economic growth	Climate strategy	Political program in practice	Nature perception
Green growth	Growth for well-being / GDP and new indicators	Ecological modernisation / internalisation of externalities / renewable energy / circular economy / EU target: zero net emissions by 2050	US Green New Deal / European Green Deal	Anthropocentric
Degrowth	Well-being without growth / Quality rather than quantity indicators	Downscaling resource use and output / renewable energy / small scale production / share economy / infrastructure moratoria / no numerical target	None / academic hotspots: Spain, France, Austria, Germany	Ecocentric

Source: Demaria et al. (2013), Kallis et al. (2015); European Commission (2019), European Economic and Social Committee (2020), European Environment Agency (2021)

Converging social policies & controversies

Social policies commonly pronounced by the beyond-growth discourses

Policy	Definition
Worktime reduction	Legally fixed reduction of paid worktime per day, per week or per annum
Unconditional basic income (UBI)	An unconditional regular income paid to every adult (and child) by the state, without means-testing or work obligations
Job guarantee program (JGP)	Economy-wide local public projects employing job seekers who cannot find jobs in the private sector; setting minimum labour standards

Source: Mastini et al. (2021); Kallis et al. (2015); European Commission (2020); European Economic and Social Committee (2020); Bündnis 90/Die Grünen (2019)

Worktime reduction

- “Triple dividend” (Fitzgerald 2018: 1858).
 - Unemployment reduction due to work sharing
 - Increased free time allocated to family, voluntary work or self-development, increasing life satisfaction.
 - Reduced environmental degradation: conditional on changes in production and consumption, income compensation and mobility (Rosnick 2013; Liebig 2019; Eichmann 2017; Rousseau 2011; Schor 2015)

Unconditional basic income (UBI)

- Digitalisation and climate emergency: UBI debate took a momentum
- Supported by diverging political positions from neoliberal to radical left: various UBI models
- Highly controversial
- Supporters: poverty reduction, overcoming social exclusion, promoting social equalities, emancipation from undesired paid-employment, recognition of unpaid work, time for self and societal development, an instrument of climate emergency politics, promoting entrepreneurship, decreasing employment costs of firms and increasing competitiveness (see Standing 2020; Blaschke 2020; Straubhaar 2017; Spannagel 2015).

Job guarantee program (JGP)

- State as the “employer of last resort”: public employment program for socially or ecologically oriented local projects
- Mainly developed by a strand of Post-Keynesian school of thought: Economic, social and individual benefits (Minsky 1973; Wray 1999; Papadimitriou 2008; Tcherneva 2012; among others).
- Controversial in the literature
- Supporters: poverty reduction, individual and societal psychological health, socially and ecologically beneficial output, low unemployment leading to stronger bargaining power of workforce, reduced inequalities, buffer against price and demand instabilities, putting the minimum labour standards and wage level, improving the labour standards in the private sector

Controversies in the literature

Policy	Major controversies
Worktime reduction	Environmental impact highly conditional on work time reduction schemes
UBI	Financing feasibility, labour market effects, social effects, environmental effects
JGP	Financing feasibility, labour market effects

Umweltbundesamt (2019); Bothfeld (2018); Flassbeck (2017); Palley (2018)

Positions of the German labour movement

Positions of the German labour movement

Worktime reduction:

strong support, great heterogeneity

German trade unions: Work time reduction schemes

Trade union	Worktime reduction	Scheme	Income compensation
IG Metall	“Verkürzte Vollzeit” (optional): Up to min. 28-hour work week up to two years; subject to renewal +	Worker sovereignty	None
	Certain employee groups with life time needs (optional): replacement of supplementary income with free time (deal)	Worker sovereignty	None
	20% of full time work week (proposal)	4-day work week	Partial
Verdi	Full time: 14 days off per year (aprox. 2 hours per week) + Optional for part time: 2-hour increase per week, then 14 days off per year (proposal)	Worker sovereignty	Full
IG BCE Potsdamer Modell	Collectively defined at workplace: 32-40 hours work week or 1.5 hour reduction per week +	Partial worker sovereignty	Full (up to 38.5-hour week)
	Optional: Min. 32-hour to above 40-hour week (deal)	Worker sovereignty	None
EVG Wahlmodell	Optional: 1 hour per week or more holiday or more income (deal)	Worker sovereignty	None

Source: IG Metall (2020); Erb und Sternheimer (2020); Verdi (2018); IG BCE (n.a.); EVG (2020); Wassermann (2017)

German trade unions: Work time reduction schemes

- Work time sovereignty is strongly supported by the unions, yet ecologically not beneficial due to mobility effects
- The schemes do not match with the ecologically “best case scenario” of German Environment Agency (Umweltbundesamt): 4-day work week with no income compensation
- Income compensation can consumption demand and composition of consumption: have adverse ecological effects
- Yet, without income compensation, work time reduction would not be supported by lower income groups

Positions of the German labour movement

Universal basic income:

widely opposed, rather social state 4.0

Arguments against UBI (by IG Metall & Verdi)

- Financing feasibility: huge tax increase; reduction of disposable income; politically not desirable
- Adverse labour market effects: weakening worker bargaining power; UBI is no emancipation from paid work
- Adverse social effects: not redistribution oriented, not fair, rising inequalities, hampered social integration and rising gender inequality, psychological side effects...

Positions of the German labour movement

Public job guarantee program:

no explicit position

- Nevertheless, some examples of public supported employment programs:
 - Germany: „Öffentlich geförderte Beschäftigung NRW“
 - Austria: „Arbeitsinitiative Bezirk Feldkirch“
 - Switzerland: Dock-Gruppe Schweiz

Concluding remarks

Concluding remarks

- A convergence in terms of social policy in the beyond-growth debate: work time reduction, UBI and JPG
- German trade unions:
 - strongly support work time reduction, yet “ecological effects” is a question
 - rather than experimenting with UBI, a focus on social state 4.0: Social security for all, higher minimum wages and pensions, fair distribution of good and paid work, higher collective bargaining coverage, more public services such as education, healthcare or public housing projects (Verdi 2017; Smolenski et al. 2018).
 - positions on JPG remain to be explored

Next step

- Interviews with trade unionists to understand their position on:
 - ▶ ecological dimensions of worktime reduction schemes
 - ▶ public job guarantee program

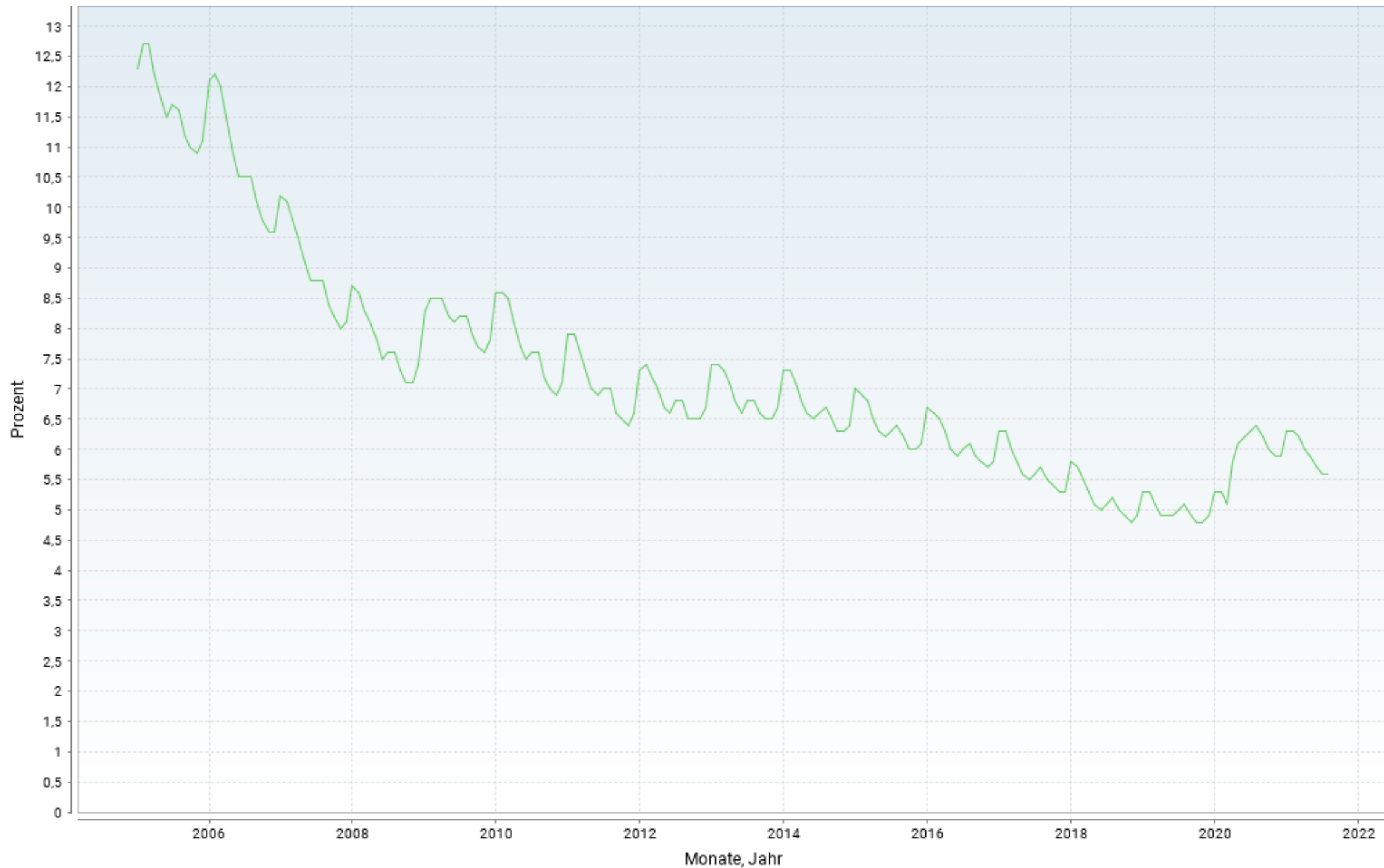
Thanks!

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Unemployment rate - Germany

Arbeitslosenquote aller zivilen Erwerbspersonen:
Deutschland/Früheres Bundesgebiet/Neue Länder, Monate,
Geschlecht und weitere Personengruppen
Arbeitsmarktstatistik der Bundesagentur für Arbeit



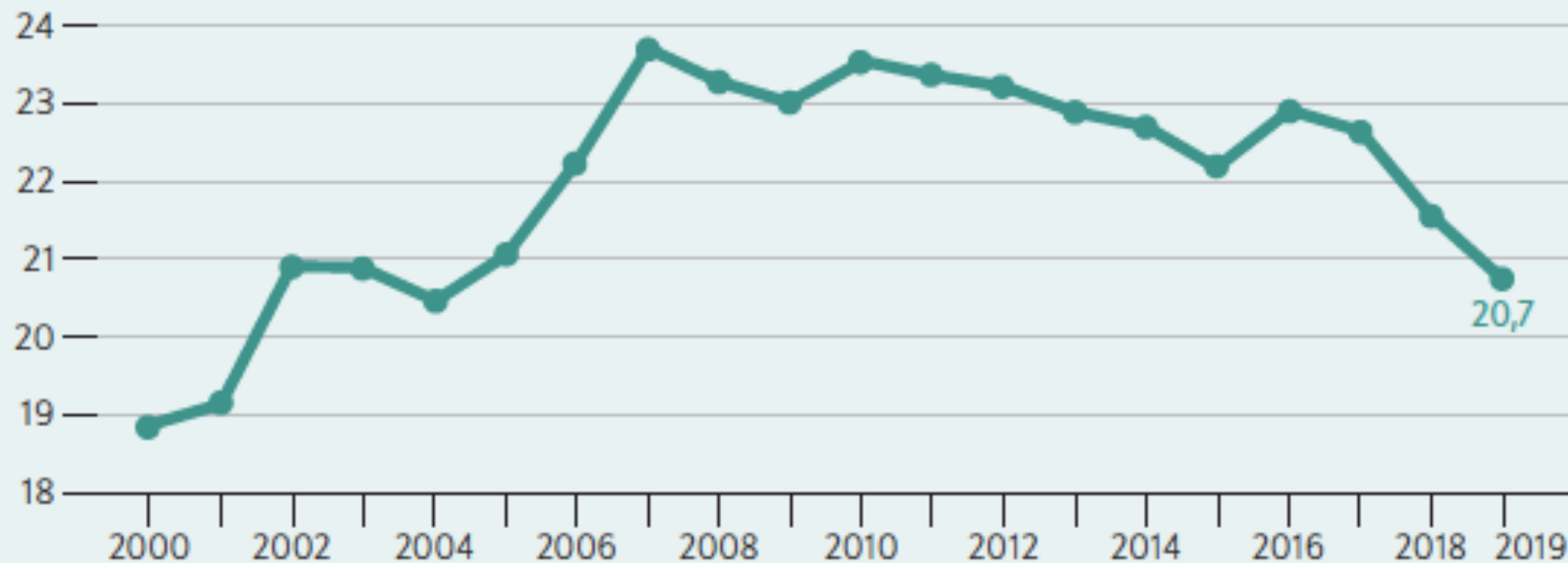
— Arbeitslosenquote aller zivilen Erwerbspersonen (Prozent); Insgesamt; Insgesamt

One fifth of all employees in Germany are in low wage sector

Abbildung 2

Entwicklung des Niedriglohnsektors

Anteil der NiedriglohnbezieherInnen an allen abhängig Beschäftigten in Prozent



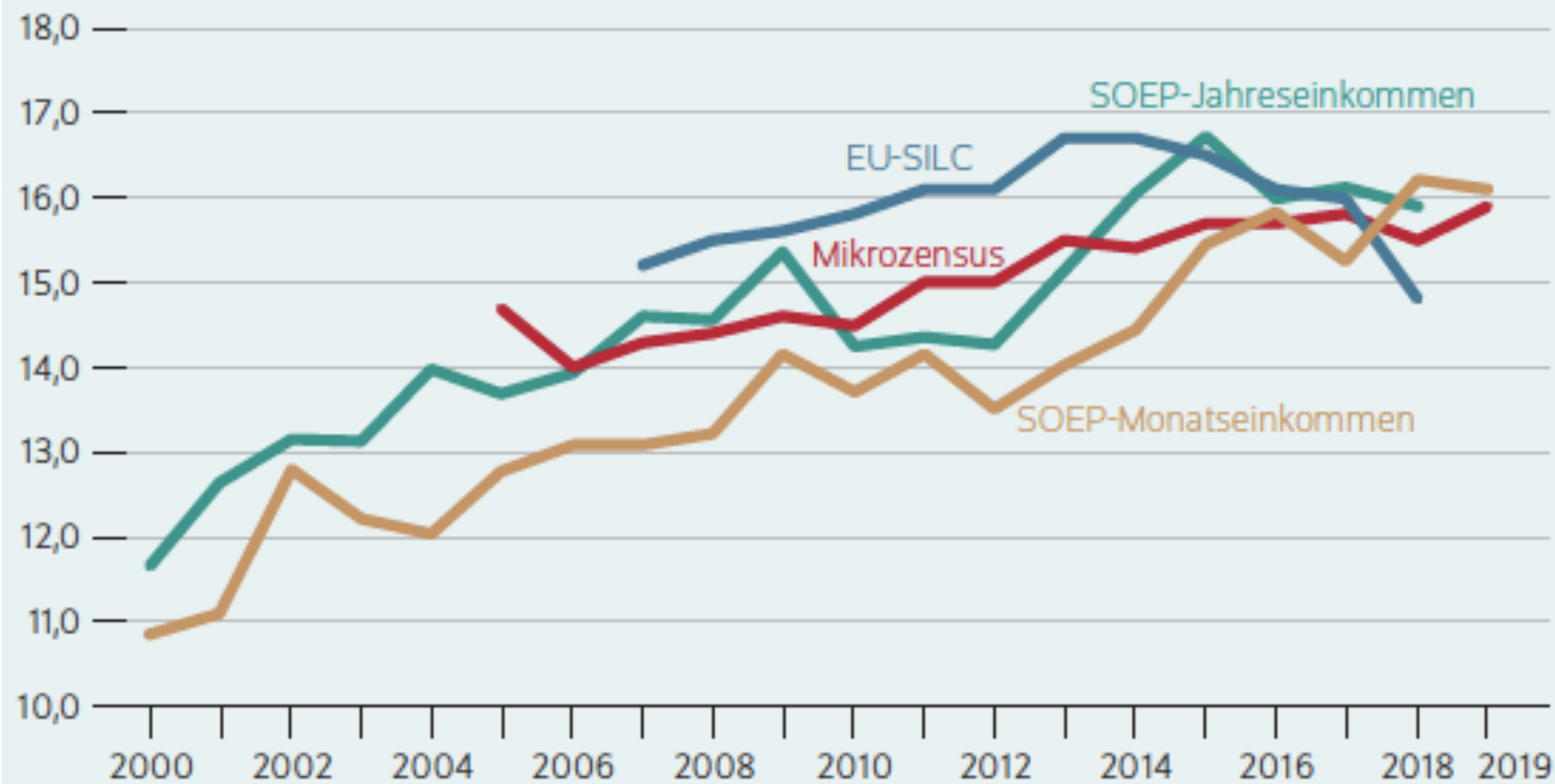
Anmerkungen: Abhängig Beschäftigte in Haupttätigkeit in Privathaushalten, ohne Auszubildende, PraktikantInnen, Selbstständige.

Quelle: SOEPv36; eigene Berechnungen.

Growing percent of population in risk of poverty

Niedrigeinkommensquote

Anteil der NiedrigeinkommensbezieherInnen¹ in Prozent



Anmerkungen: Personen in Privathaushalten, SOEP-Jahreseinkommen: bedarfsgewichtete Jahreseinkommen im Folgejahr erhoben; SOEP-Monatseinkommen: bedarfsgewichtete Haushaltseinkommens des vorangegangenen Monats; bedarfsgewichtet mit der modifizierten OECD-Äquivalenzskala.

1 Personen mit weniger als 60 Prozent des Medians der verfügbaren Einkommen

Quelle: SOEPv36; eigene Berechnungen. Angaben des Mikrozensus und EU-SILC: Statistisches Bundesamt (2021): Sozialberichterstattung der amtlichen Statistik.