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Trade Unions and New Economy

Discussion results from the int.unity project team
“Trade Unions and New Economy” (TUANE)

Final Symposium of the int.unity Project
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New Economy – not a simple topic ...

- **New Economy – a term changes through time**
 - Rise and hype - 1996 to 2000
 - Fall and early demise - 2000 to 2003
 - Renaissance 2004 ff. (?)
- **New Economy – a difficult field for trade unions**
 - Ideological battle cry
 - Real access problems
 - Short-lived fad (?)
- **New Economy – a complex phenomenon**
 - Linguistically demanding documents / communication
 - Limited LT/AT suitability
- ➔ **In spite of all these problems: intense and productive discussion in the TUANE int.unity team**

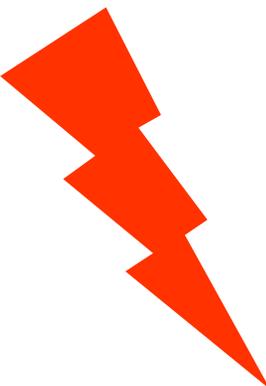
Some data on the team discussion



- 10 discussion participants
- 49 contributions in the BSCW
 - 33 documents
 - 16 messages
 - 39 originally in German
 - 10 originally in English
- 4 newsletters
- 401 “hits” (15/03/03 - 26/01/04)
- Intensive e-mail communication (approx. 300 e-mails from moderation in 2003)

The New Economy

- mere fiction or a real transformation?

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- “In retrospective, major parts of the New Economy were **fictional**. It revealed itself to be a Manchester Capitalism playground with a narrow fun factor ... Tempi passati ...”
- Alexander Kluy, *Frankfurter Rundschau* 15/01/2004 -
 - “The New Economy is here to stay ... it was and is the kind of profound **transformation** of all industries that happens perhaps twice in a century. Such a change is equivalent in scope and depth to the rise of the manufacturing economy in the 1890s and the emergence of the mass-production, corporate economy in the 1940s and 1950s. ...”
- Robert D. Atkinson, *The 2002 State New Economy Index* -
 - Two perspectives of the New Economy:
 - In a narrower sense: market segment of new (ICT) enterprises
 - In a broader sense: cipher for a new stage of capitalist economy
- ➔ Trade unions need to “grasp it”

The five leading questions of the TUANE team



- What is still important about the **New Economy**?
- How do **work and employment** change in the New Economy?
- Are there new / other **employees** in the New Economy?
- How do **employment relations and interest representation** change in the New Economy?
- What demands does the New Economy make on the **trade unions**?

What is still important?

- Meta-economic dimension:
Expansion of the service and knowledge economy
 - Changed employment structures and value-added basis
 - Macro-economic dimension:
Increase in national economic productivity – only in the USA?
 - “Jobless growth”
 - Micro-economic dimension:
New types of enterprises, new evaluation principles
 - “Start-up culture”, relevance of volatile capital markets
- ➔ The New Economy – flanked by neo-liberal deregulation policies and entrepreneurial flexibilization – has fundamental and permanent consequences for labour and employment and hence for the trade unions.

How do work and employment change?

■ Relevant trends

- Feminization – more female employment
- Tertiarization – more service rendering work
- Informatization - more digital, networked work
- Knowledge-based - more knowledge work
- Marketization - more “independent” work
- Flexibilization - more “atypical” work

➔ New problems, changed conditions for trade unions

■ The working hour example

- Lengthened working hours (“work without end”)
- Increase in burdens (“work-life balance”)
- Ineffectiveness of old rules (“time clock”)

➔ Need for new rules

Are there new / other employees?

- Increase in new groups of employees with specific interests:
 - Employed people in “atypical”, discontinuous variations (part-time, temporary, ...)
 - Freelancers and self-employed
 - Knowledge workers
 - Spatially dispersed, mobile employees (teleworkers)
 - Increase in importance of employee groups not traditionally organized in trade unions
- ➔ Crisis in the “social representativeness” of the trade unions
- ➔ Need for new services, new forms of organization and involvement

What are the trends in employment relations and interest representation?

- Weakening of trade union presence and representational power
 - Drop in rate of organization
 - Germany: minus 35.7% (1980-2000) / 2001 - 21% (net)
 - UK: minus 43.5% (1980-2000) / 2001 - 29% (net)
 - Decrease in enterprises with “union recognition” (UK)
 - Decrease in bargained wage obligations
 - Expansion of “co-determination-free zones”
- New forms of direct communication (management - employees) and informal participation in the New Economy
- ➔ Intensification of union recruitment
- ➔ New grounds for union company policies
- ➔ Modernization of union forms of communication (e-union)

What challenges confront the trade unions?

- The trade unions must
 - **“Grasp” the New Economy**
 - **Find new approaches to regulating work**
 - **Make new offers to new employee groups**
 - **Test new forms of organization and involvement**
 - **Intensify their recruitment efforts**
 - **Put their company policy on new grounds**
 - **Modernize their forms of communications**
 - ...

- The trade unions are no longer at the beginning of the process; there are a number of innovative concepts and projects
 - **“New Unionism”, “Structure for the 21st Century” ...**
 - **Connex.av, Mediafon, OnForTe ...**
 - **“e-union”**
 - ...

A preliminary summing up ...

- **“The problems of dependent and exploited labour that led to the formation of trade unions still exist in new and old manifestations in the New Economy. The trade unions must develop new forms and policies, in order to respond to changed working and living conditions and demands. They must adjust to the greater flexibility and variety of conditions. ... It is a matter of new connections for collective rules and asserting individual creativity.”**

- Ralf Krämer (ver.di) / TUANE Document Team -

- **“We simply cannot go on as we are now. Our structure will have to be altered to support our move into the new areas. If rule changes are needed to facilitate our move then so be it.”**

- Jeremy Baugh (CWU) / TUANE Document Team -

**TUANE Final Report
(English / German) in February 2004!**

**Thanks to the members of the
int.unity TUANE project team!**

**Many thanks to “the technicians”
- IAI and orbiteam!**

Thank you for listening!