## Worker Participation 2030 Four scenarios

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A project of the <u>European Trade Union</u> <u>Institute</u> (ETUI) in cooperation with the <u>Institute for Prospective</u> <u>Analyses e.V.</u> (IPA)



# Welcome to Worker Participation 2030









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Dear reader,

With this publication we are undertaking an adventurous exercise: casting a long look forward into the future, namely the year 2030. Is it really possible to predict how things will be in 2030? Definitely not, and this is not the aim of our scenarios. Instead, we provide you with a 'future map' of what *might* be. This is why, inevitably, there is always more than one scenario. Scenario-building helps us to conceive alternatives and be prepared for several different futures and deal with the risks and opportunities lying ahead of us. Just as a regular compass is very useful for taking one's bearings in space, scenarios enable one to take one's bearings in time.

We are living in rapidly changing times, where the only constant seems to be constant change. We do not know how the future will look; we only know that it will be different from today. Moreover, whether it be the financial and economic crisis, depleting fossil fuels and other non-renewable resources, global warming, the loss in biodiversity or the increasing lack of drinking water in many regions, the challenges facing humankind are considerable and the prospects often worrying. Scenario-building has proven to be particularly helpful in situations of great uncertainty and discontinuity. Instead of neglecting these uncertainties, scenarios make them explicit and offer a framework for exploring them with others.

In line with these general remarks on scenarios, the project Worker Participation 2030 has a threefold aim:

- **1.** To exchange views on the long-term prospects and changing contexts of worker participation in its various forms in Europe.
- **2.** To develop various scenarios about possible futures in which worker participation structures and actors might have to operate.
- **3.** To strengthen a culture of long-term thinking, broaden our 'memories of the future' and identify/reflect on possible future strategies for worker participation in the EU.

The scenarios presented here have been developed by a group of people interested in the topic of worker participation, coming from various countries and different backgrounds (trade union officials, works councillors, HR staff, researchers). The term 'worker participation' is understood here in a broad sense, namely the different institutions and organisations, levels and mechanisms by which employees and their trade unions can influence the running and decision-making processes of a company. This broad approach also acknowledges the enormous differences between national systems of industrial relations, be it in terms of the trade unions, the institutions of workplace representation, collective bargaining or emplovee board-level representation. One key difference between member states, for example, is whether interest representation at the workplace level takes place through a single channel only (that is, trade unions) or within the framework of a dual channel system, with works councils and/or trade unions.\* Our idea was that the scenarios should work for all countries, leaving room for adaptation to specific national contexts.

Trade unions today face enormous challenges. Whereas companies often operate on a European or even global scale, trade unions have to rely largely on national tools for representing the interests of the workforce, despite considerable progress in cooperation within the EU in recent past. At the same time, trade union density rates keep on falling in many member states, not least due to changes in the structure of 'working society', such as the enormous increase in precarious work, job losses in sectors where unions traditionally have high membership rates and unemployment. Unions today have to ask themselves serious questions such as: Whom do we represent? How do we finance our services? How far do we want to be involved? Do we have to become more confrontational or act cooperatively? Where are our leverage points? These are not new questions, but many developments indicate that the trade unions have to find new answers. At the same time, worker participation is of course also not independent of the general developments in society. It is both an expression of a society's will to involve its citizens in the workplace and an important tool for shaping a social and democratic society.

This publication presents four possible futures. They incorporate broad developments at the macro-level, as well as the strategies and actions of people and organisations at the micro-level, first and foremost the actors involved in worker participation. However, the scenarios neither want to predict how unions will behave in (re)acting within changing contexts, not are they intended to tell them what they should or should not do.

Which scenario is the 'right' one? We do not know. For us, they are all possible from today's perspective and we see different forms of evidence emerging that might fit any of them. At the same time, none of them is inevitable. This is one of the key messages of scenarios: it is in our hands to shape the future, and scenarios are a tool for conducting a constructive dialogue about alternatives, uncertainties and the question of which future we want to live in. Each of the four scenarios is presented in three ways, thereby providing different modes of access to them: scenario summaries, full scenarios and short stories, which offer a personal perspective on each individual future. At the end of the publication may be found some first suggestions on how to work with these scenarios.

We would like to thank all those who have taken the time to set out on this future exploration (see list of persons involved on p. 72). It required us to leave safe ground and start to do something which we usually do not do: think about possible long-term perspectives and anticipate changes. It was a real pleasure to work together in such a committed, openminded, trustful and creative atmosphere. This publication is only an extract of all the discussions and thoughts developed within this project. In particular, we would like to thank the members of our 'scenario core group', with whom we met several times to refine the 'raw scenarios'. We would also like to thank Karl-Ludwig Kunze and Stephanie Böhm who embarked upon the difficult task of illustrating the dynamics of the different scenarios.

We hope you will enjoy reading them – your feedback is more than welcome!

#### Michael Stollt and Sascha Meinert April 2010

\* For a brief overview of the different systems of industrial relations in Europe, visit http://www.worker-participation.eu/National-Industrial-Relations

# Worker Participation 2030 Four scenarios





### Scenario 1. Life goes on...

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After a number of worrying years, the European (and global) economy seems to be back on track. The crisis has been surmounted and fears that the whole system would crash have gradually disappeared. Now it is time to pick up the pieces and make up for the 'lost years' of the crisis. Certainly, the crisis has not left Europe unscathed and, if economic recovery is to be achieved, some bitter pills will have to be swallowed in order to remain competitive and safeguard jobs. In particular, the dynamic emerging economies - such as China and India – are increasingly putting the screws on the Europeans. These are certainly not the vears for grandiose visions or social dreams: pragmatism and ad hoc fixes for the most urgent problems are the order of the day. Unions and works councils are closely involved in almost permanent structural change. Their constructive contribution to dealing with the consequences of the crisis makes them a sought-after partner for managing change and contributing to enterprise innovation. Overall, the competencies of local levels of interest representation have clearly been strengthened during these years. Concession bargaining is taking place almost everywhere.

Trade unions are also tackling their most urgent internal problem, halting the dangerous trend of falling membership rates in most EU member states. Many unions are undergoing a 'professionalisation process' and concentrating their efforts on offering better services to their (potential) core members. The strategy of becoming a professional service provider for employees proves to be a success, many unions report rising membership rates. At the same time, lots of new, small but highly effective unions pop up, representing the interests of workers in specific occupational groups.

Overall, it can be said that society as a whole and also the unions have managed the troubled waters of the more and more volatile world economy pretty well. One tragedy of this scenario, however, is that those who need support the most – be it the dramatically increased number of precarious workers or the jobless – are normally also those who do not receive any, even from the trade unions, which were founded to stand up for the rights of the weakest.

#### **Key questions**

Is there a risk attached to developing into a service provider rather than a broad movement for social justice and solidarity? How can unions and works councils take into account the interests of the growing number of 'atypical workers' and the jobless – especially when their current dues-paying members probably expect something else from them?



### Scenario 2. The grid



The second decade of the twenty-first century saw fundamental institutional changes gathering momentum, which are leading to a new balance between the economic, social and ecological spheres. The emerging era of global cooperation and regulation is driven by the acceptance that, on a planet which soon will have eight billion people and already has limited resources, there is, simply, no alternative. The growing pressures and day-to-day experiences of our mutual (inter)dependency have paved the way for a system which balances diverging interests and ensures long-term solutions.

Nevertheless, moderate and more qualitative growth remains possible. The old model of externalising costs and internalising profits is, in many cases, simply no longer available. Today, not only carbon dioxide has a price. However, business and commerce have managed to stay in the game and adapt, becoming the driving forces in implementing the 'transition' of the economy. It is a world subject to more constraints than corporations have ever had to take account of before, but most of them accept the necessary changes because everyone has to embrace change – in an increasingly transparent world, free riding is becoming very difficult. Based on existing global institutions and regimes established over the past six decades, many actors are participating in shaping the new global body politic – attaining, step by step, a critical mass of regulation and mutual responsibilities in and between the industrialised and developing societies. One key element of the emerging global legal sphere is the 'Grid', a clearing house mechanism for the fair allocation of resources, emission budgets and financial transfers. Within this system of mutual checks and balances, involving transnational regimes, governments, NGOs, trade unions and corporations, it is becoming increasingly difficult to identify the loci of power within this complex system.

In a historical perspective the speed of change is breathtaking. And many branches have been hit hard and one of the highest priorities of trade unions and works councils is to support a just transition and to bargain for fair compensation and to find new prospects for the 'losers' of the transition. They therefore play an important role for social cohesion in a turbulent time.

Many trade unions and works councils have developed over the years into key actors, promoting the necessary changes in a pro-active way, thereby becoming pillars of the new global governance architecture. This was originally not necessarily based on conviction, but on the urgent need for trade union renewal in the face of steadily falling membership rates and the danger of being perceived as a brake on the necessary transformation.

For example, they play a key role in connecting people – bringing together stakeholder voices – and have taken over important watchdog functions from governments. The transition was certainly not easy for them and required that they take on a broader perspective with regard to interest representation and undergo profound changes in organisational structure. Indeed, by 2030, the trade unions look quite different from today.

#### **Key questions**

Are unions and worker representatives prepared for becoming key actors in pro-actively shaping the changes needed for a sustainable future? Are they ready to integrate a broader notion of interest representation? What kind of organisational changes would be required?



### Scenario 3. Al(I)one



Today's multiple crises serve as a catalyst for personal change. A growing number of individuals are leaving the traditional paths and paradigms of the 'working society' behind them. It is not a homogenous group which is embarking in this way; indeed, their motives and routes vary considerably. However, for example, an overworked executive and a person frustrated with long-term unemployment have one thing in common: business as usual is not a tempting option. There have been fundamental changes in many lives, but the unions have not been part of it.

More and more people are turning away from the contradictory demands of a strifetorn world and are trying to give their lives a new direction. Many people do not want or simply cannot wait for institutions to change. Understanding, nevertheless, that we are all interdependent, people are choosing networks in which they can develop and share what they need. 'Renewed solidarity' shows up in the ways people deal with each other. By creating new forms of interaction and community, people are trying to find solutions to their problems and to create meaning for their lives in a world in which a simple 'I want more' is either not satisfying or not attainable anymore. Life is increasingly taking place in groups and networks based on shared values and trustful relationships. Very different forms and practices of participation are emerging, although membership is fairly fluid. By 2030, 'the Many' are still living within the old framework – but a substantial group in society has changed the rules of the game. Furthermore, the more opportunities they make available, the easier it becomes for others to join.

Most trade unions in Europe died away quietly in these years – almost unnoticed, like the fade-out of a song. The ongoing job losses in traditional union sectors and a simple 'No thanks' from former or potential members are the main reasons for this. The 'new world' is all about fluid individual relationships, while traditionally collectivist unions are withering away. Gainful employment is, for many, no longer the main focus and outside the workplace trade unions often have little to offer. Trade union structures have collapsed, in many cases, but the people formerly involved in the unions are now going on to establish or join other networks and initiatives.

#### **Key questions**

How should the unions react to the increasing diversity and changing attitudes of their (potential) members? Are they prepared to offer people (in difficult circumstances) the support they really need? Is there a future for unions when 'gainful employment' is, for many, no longer the main anchor of identity or even an actuality? What should they offer to help people to develop their potential and fulfil their wish for a meaningful life?



#### Scenario

### 4. Lost cake



After a few years of relative recovery, the global economic crisis returns, driven, among other things, by overburdened national budgets, shortages of oil, gas and other key resources and an increasingly fraught natural environment. The fairly cosmetic reforms of the end of the first decade ultimately proved to be insufficient to pave the way for a sustainable future and partly even added fuel to the fire.

Social exclusion and even outright poverty in Europe are rising sharply - also among the formerly safe middle classes - and this is leading to a massive widening of the gap between the haves and the have-nots. The situation is characterised by a general lack of trust, be it in established institutions or the market system. Little hope remains and more and more people feel isolated and victimised. Most people act in response to fears of scarcity and only care about what they can influence directly. The rising anger in the population is creating a highly charged atmosphere and directed mainly against the perceived culprits and the 'winners' of the crisis, as well as against the ineffectual political elite. 'We won't pay for your crisis!' is a common cry of the growing number of protests.

Everybody is trying to get the best out of the situation for their group and, ultimately, for themselves. Under these circumstances, it is becoming very difficult to find support for long-term commitments and policies aimed at finding structural ways out of a bad situation. Big institutions in general and the European integration process in particular are being eroded because they operate on longer time-scales and require structures of social trust. There is no longer time for them and their pay-offs are too remote. Global resources – which were already scarce – are rapidly being exhausted as everybody tries to grab the last, precious remnants.

For unions, works councils and most other institutions, a major challenge is how to deal with a situation of scarcity and discontinuity after a time of relative abundance and stability. The unions have reacted to the new situation heterogeneously and on the basis of their particular predispositions. Some have tried to appease people and have become involved in the debate on how to save what can be saved. Some are fighting the most obvious and immediate consequences of the collapse and trying to organise solidarity and sharing, in the midst of hopelessness, through concrete projects for the most vulnerable. In other unions and works councils, the continuous worsening of the situation has led to a radicalisation or new factions, founded by members dissatisfied with the hesitant and helpless policies of their leaders and taking the lead with increasingly radical action.

#### **Key questions**

Are we prepared for a collapse scenario – do we have an emergency plan? What are the most challenging risks we are facing, and what are their implications? For example, is there a plan to cope with an era in which cheap fossil fuels are no longer available? What knowledge/competencies would be required in such a situation? How would unions and workplace representatives react to an increasing radicalisation of society (and, probably, of their members)?



## Life goes on...

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#### 2010

Today, Clara, my daughter, went to school for the first time. It was not easy, but I managed to get her there on time. In her welcome speech, the headmistress talked about a new period of life which was now starting for the little ones'. On the way to the airport I am thinking about the ideals I had when I was a young man. I wanted to make a difference. I have been working for the trade union for eight years.

Life is no walk in the park, and now with the crisis the challenges are enormous. Well, we can't change the world. But we try our best to stay in the game and make the best of the situation. I can't complain, I have an interesting job and a good income for me and my family. Every month we pay for Clara's school (and we have also opened an account to put money aside for her studies regularly). The monthly mortgage payments on our house also weigh heavy on our budget.

Of course, there are jobs which are better paid, with nice extras and even more financial security. But I am doing something which helps people – we are not selling ringtones to kids, as a colleague of mine said last week. In the morning, I can look at myself in the mirror without feeling ashamed.

We have just got the latest membership figures: still losing members month by month. How can we escape the vicious circle? Fewer members mean less power and resources ... and in the end less good results for our members which, in turn, leads to more people leaving the unions. And so on... Obviously we do not meet the expectations and realities of many workers anymore.

Recently, a friend of mine explained to me that she had been a union member for a year or so. At that time she needed advice on a specific job-related legal issue. The unions couldn't help her ... and she left after one year. We really need to listen to our members. We have to rethink our whole approach; we have to become more attractive. It must not be that young people come to think of us as an old people's club. Either we are innovative or we will slowly die. There are more than 200 million workers in Europe – we have to be their voice and make things happen.

#### 2020

Busy years! We are running quite a number of valuable projects which really benefit our members. In recent years, we have regained considerable ground and now are even witnessing a modest but constant increase in our membership rates. We are back on track! However, pressures have further increased, not least due to drastic cuts in public spending. Global competition is probably fiercer than it ever was. You have to be at the forefront, meeting the challenges pro-actively.

The employment situation has further diversified. We reacted by inventing individualised forms of membership and tailor-made service packages. Quite an internal struggle was needed. It's not like in the old days when you 'automatically' joined a union because your father was a member. Today, unions have to offer specific and direct benefits if they want people to jump on board. Also, people are much busier with promoting their careers, and don't necessarily want to volunteer their time for union bodies. Inconvenient truths for unions!

We now offer a wide range of schemes, including free three-month trial membership. Do you have a problem but you aren't yet a union member? No problem, sign up and we'll help you. Usually, people don't leave us once they know us! For some consultancy services, you don't even have to be a member; in this way, we can enable people to realise how beneficial membership is. Recently, my team invented a full-fledged premium membership system, which includes, for example, a supplementary pension scheme and 'no-job protection'.

But the competition never sleeps, either. Commercial job service providers have sprung up like mushrooms over the past few years. And in more than a few companies management works closely with workplace representatives to provide similar services for their employees in order to keep unions out.

#### 2030

Membership rates have been stagnating for years now. But we are still better off than many others. After all, the regular employment market is shrinking continuously. The uncontrolled growth of precarious working arrangements and the fact that 35 per cent of the working population are freelancers or self-employed doesn't put us in a comfortable situation. In recent years we have had to concentrate our efforts even more on the core workforce in the bigger companies in our sector. The others are simply too difficult to organise.

This year, the variable components of our salaries will be well below the fixed part. I am glad that, in two years' time, the house will finally be paid off. One year ago, Clara successfully passed the European Commission concours. She has taken up a job in the EHS department related to 'emissions and hazardous substances'. She is already complaining about the amount of work and the constant travelling. But at least her job is safe.

# The grid



#### 2010

Today, Sara, my daughter, went to school for the first time. What a sight! Thirty two small human beings, all with wide-open, excited eyes, ready to discover a new world. But what lies ahead for them?

We have created a flourishing global market in which, at the same time, more than a billion human beings are starving and more than three billion live in poverty. We spend enormous sums of money on our retirement provisions and our health systems, while oldage poverty increases and health care worsens. Climate change shows us once again that we can't solve problems with the same system which created them. The economic crisis, caused by the failure of financial markets and the irresponsible mortgages we took out, destroyed a lot of trust, not only in the system but also in its institutions. And yet we keep on with business as usual.

I have repeated this in many panel discussions: as unions, we are standing at a historic crossroads. Either we continue to function as a cogwheel in an eroding machine until we ourselves fall to pieces and become insignificant. Or we develop into a pioneer group in society to build something new. We know what to do, so let's have a go! Doesn't our strength lie in organising people and getting them on board for a profound change which today seems almost unachievable? This means, however, that we have to look beyond the rim of our teacups and accept that our job goes far bevond negotiating on wages and working conditions for a part of society which is shrinking. And is more economic growth – call it green, I don't mind - really the solution to our problems? For some decades, the unions have been pretty good at redistributing parts of the enormous surpluses to the man on the street. People got a small part of a quickly growing cake. But for more and more of us this deal is simply not available anymore, and the profits are accumulating in the hands of only a few people. Money makes money. We should stop talking about the crisis. Today we are witnessing many systemic crises, and quick fixes are tempting but they will not solve the problems. Sara must grow up in a different world!

#### 2020

These are the years of 'taking sides' - and indeed the huge challenge of building up an economy which functions totally different, so to speak, 'on the fly', triggered an avalanche within the European trade union federations. It involves nothing less than building a new model of human civilisation which also works on the global scale. I sometimes feel caught up in a Sisyphean struggle, involving infinite discussions and laborious efforts to convince people. What is the trade union position on what has been labelled the transition towards a post-carbon economy? Is the promise of millions of new green jobs just a delusion? Also, who will work in it, under what conditions? What do our members – not least in traditional industries - expect from us or society as a whole? Will the unions be pioneers in tackling this enormous challenge or are they doing the donkey work for others and digging their own grave? Shouldn't it be up to the highly-paid managers and politicians to find solutions? This was a controversial and sometimes exhausting search for a new selfconception for unions and works councils.

Fortunately, in many institutions – inside and outside the unions – there are many people who no longer want to wait for change or for others to act. Old cleavages are becoming less and less important in this respect. It's our 'Boston Tea Party': overcoming the colonialisation of an economic-expansion framework which is just not functioning anymore. Many, however, insist on privileges they have come to depend on. More than once we regretfully felt the power and determination of people pursuing their short-sighted interests and old habits.

#### 2030

Gradually, the contours of a sustainable development model are becoming clearer. In 2026, after long and conflictual negotiations, we finally witnessed the foundation of the GRID, the Organisation for Global Resources and Income Distribution. Of course, it didn't fall from heaven. The GRID connected many international agreements and institutions to a tight system of mutual checks and balances and the reconciliation of diverging interests. Also, the biggest and most powerful corporations have learned quickly that they had better accept the new rules. Not only not to jeopardise their licenses to operate but also simply to survive the competition on the basis of sustainable innovations. Over the past two decades, at historically unprecedented speed, institutions and a common legal framework have been created. Enthusiasm for these changes remains limited. But overall people somehow trust the system, not least because the rules are binding for everyone. Looking back, we can say: mankind has probably got off with a slap on the wrist.

Also, our own work has changed fundamentally. Today, trade unions look very different from how they looked, even at the beginning of the century. We are an important actor in limiting the conflict between economic growth and natural capital. We are part of the GRID and contribute to its functioning, but we are also more controlled ourselves. We need to take into account a broad range of interests, not only those of our members. And of course, for many it is not a soft transition. How could it be, when the stakes are so high, the challenges so big and time for change so limited? Unions have taken up their responsibilities. We have rolled up our sleeves and got to work. Like a snow plough, the transition machine is making a path towards a sustainable future. We try to help where we can to open up new prospects for workers whose jobs are endangered. I must admit that for many the phrase 'a just transition' must sound cynical in their personal situation. More than a few of our members have left, blaming the organisation for having spurned what were formerly some of its most fundamental values.

Recently, at my 60th birthday celebrations, Sara gave a speech in which she said that she was very proud of what her parents' generation had done to provide a future for her and her own kids, which has little in common with the grim outlook people were afraid of no more than two decades previously.

# Al(l)one

#### 2010

Today, Anna, my daughter, went to school for the first time. Of course, we took her there. And now...? Jo has driven on to her work. I think I'll have a coffee in the new café on the corner. Damn it! People say that trade unions stand for solidarity. That's what I thought as well. Yesterday, I and a number of my colleagues received a communication that our contracts would expire at the beginning of next year, ... and that it is time to take our remaining days off. During the past five years I have worked tirelessly to promote our trade union work and to fight against the trend of falling membership figures. And now? 'Practical constraints have reduced our room to manoeuvre to a minimum. We don't see any other option, unfortunately. It's not an easy situation for us', the letter said. What is my room to manoeuvre now? And what shall I say to Anna?

#### 2020

Inflation has at least partly reduced our debts. We can't fulfil many of Anna's wishes but overall we're not doing too badly. I like working with people. After I lost my job in 2010, it turned out that the outlook for finding a new one was very bad. By the end of 2011, I finally went into business for myself. Better than standing guard over a building site at night, as my 'job manager' had offered me. You don't feel what the crisis means ... until you lose your job. Then you are suddenly part of it. The way down is a quick one. Most of the new jobs they offer are precarious ones. But how can you call it 'atypical work', if for so many it's their everyday working experience?

It was my family and a few good friends who kept me grounded during these difficult times. First, it was the usual stuff: my selfesteem plummeted; I often became angry; I just stayed at home watching TV; and I tried to get through the long days by opening the first beer at 11 o'clock. Without a job, you are a nobody in our society, a kind of lazy misfit. If you can't find a job, it must be your fault. You have to be more active! You need to develop your skills to find a new job! Lower your expectations! And so on and so on.

I think that, without Paul, who for me was more than just a mentor, I wouldn't have kicked the habit. Somewhere along the way, I realised that I had something many of the stressed people around me were obviously lacking: independence and time. A lot of time. My first initiative – a non-profit day-care facility which was supported by the municipality – received great feedback. And not only because the coffee was free! It was a place which brought people together, with their problems and their 'lone gunman' strategies. Quickly, new ideas and initiatives spread from this place.

#### 2030

Yesterday, I saw a show on a public billboard screen, on which a number of prominent guests appeared, entitled 'What comes next after working society?' I remember that such programmes were already being broadcast some 30 years ago. Has nothing really changed since then? In the short piece they played at the beginning of the show they mentioned that, for the first time, less than half of the working population has a contract with a term of more than 12 months. Only 8 per cent of Europe's working population are members of a trade union, mainly privileged occupational groups. And the share of freelancers has increased to more than a third. The non-profit economy and social networks are playing an increasingly important role for large parts of society. I have the feeling that the world these prominent guests are talking about ceased to exist more than 20 years ago – at least for me. And I was certainly not the first...

But, fortunately, life is much more than a matter of what kind of job you have. My family, Paul, and many other people I have encountered in my life have helped me to understand this. It's true: not knowing how things will stand in one or two years' time is a major challenge. But I also know that I am not alone. As the song thrush once put it: 'I trust in us'.

### Lost cake

#### 2010

Today, Ella, my daughter went to school for the first time. Unfortunately, I couldn't take her myself. Next week we are organising a demonstration against the latest reductions in employment protection. And there is still a lot of work to do.

'We wont pay for your crisis!' I fully share this view. Our members expect us to react. Many are calling for more dramatic action. But is confrontation the right strategy? Shouldn't we try to make the most of the disastrous situation for our members by negotiating? During these difficult years we shouldn't throw out the baby with the bath water. And can't we already see the light at the end of the tunnel? Once the economy is back on track things will also improve for us. I can understand people's anger, but we shouldn't rush things. We have to try to satisfy our members' demands; only together can we find a way out of this situation. And we shouldn't forget: at the end of the day, the employers have more pull than we do. If our jobs move to cheaper locations, we all lose. We all have to pay our rent at the end of the month and we are responsible for our kids.

#### 2020

How is it possible that things have gone down the toilet like this? Over the past ten years, billions and billions of euros have been pumped into the same sick system of greed, short-termism and arrogance. The banks are not lending money to companies anymore? OK, let's flood the market with cheap public money at least we know where the next bubble will come from. By the way, what exactly are the risks for which a bank makes its customers pay, if they themselves are covered by fully comprehensive insurance? Just inflate the sums you are juggling with. Be smart, think big! If you're one of the big guys, our politicians will consider you 'crucial to the system' and meekly provide you with fresh money in order to avoid a 'Game over' message. Our young, dynamic investment bankers soon went back to their cocktail parties and raised their glasses to their latest bonuses. The bill is of course paid by us, the man in the street. You don't have an account in the Cayman Islands? Oh, that's too bad. You are losing your job? Sorry, but we all have to tighten our belts in these difficult times.

This makes me sick! We are not going to accept this any longer. Our policy of holding our peace and working hard for a recovery didn't get us anywhere. They took everything we had. The sun shines on the just and on the unjust, but the rain pours down only on the just, because the unjust stole their umbrella.

So if we go down, OK – but with champagne, please! And as long as the Chinese continue to pollute our atmosphere and play dirty tricks to push their products into our markets it doesn't pay to be a do-gooder. Help yourself; no one else will help you. Most of our politicians should be sent packing. We will now take matters into our own hands!

#### 2030

Our prosperity was an illusion. Today we know about the uncovered cheques which formed the basis of our economic model. We all chased after orders and higher turnover, whether to get a better return on our investments or to safeguard at least some jobs, at whatever price. Until a few years ago I thought it couldn't get any worse ... but that was a fatal error. It doesn't make sense to fight when there is nothing you can win. We have to start clearing the ruins, stone by stone. Maybe Ella's children will find a way into a new, better future. Many say we have to start from the beginning. But that's not true. The young have to make something out of what we passed on to them. I feel ashamed of what we have 'prepared' for them. Let's at least make a start while we still can.





### Life goes on...

'There ain't no such thing as a free lunch.' colloquial saying

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Waters became troubled after the European countries were hit by the global financial and economic crisis towards the end of the new millennium's first decade. All over the world, governments – at least those which had the financial means to do so – invested billions of euros and dollars in their severely damaged economies. Certainly, people didn't feel good about all the money being poured into the very system that had caused the problems in the first place. But was there an alternative?

The European economy recovered – slowly but steadily – from the crisis. Up to the mid-2010s, most EU member states saw a modest increase in their GDPs. The optimists proved to be right: the global economic system was more stable than many had thought and the political measures to regulate the financial markets helped to restore trust to a certain degree.

The worst seemed to be over and the time had come to pick up the pieces. Indeed, the crisis had left some scars, such as huge increases in public debt and a significant rise in unemployment. Also, the next few years saw ongoing waves of restructuring which company managements deemed necessary in order to be prepared to get back on track and to reduce the significant overcapacity which had been built up in many branches over the past few decades. The use of flexible working time arrangements and temporary agency work was further expanded as it has proven a valuable tool for companies seeking to adapt to quickly changing market situations in the crisis.

People were aware that the system had still not fully recovered and accepted that, at least in the first few years, some concessions were necessary in order not to endanger the miniboom which followed the difficult years. Wage increases were fairly modest during these years, but at least partly compensated for inflation. Moreover, the rising profits of many companies raised hopes that the end of the 'drought' would soon be over for the workers, too.

However, Europe's competitors were not sleeping. The recovery of the global economy also got the emerging economies in Asia and South America back on track and many new, highly competitive global competitors were challenging their opponents from the traditional industrialised countries. Additionally, the companies still had to pay back the huge debts they had accumulated, mainly over the past decade. There were also constraints on public spending in order to balance the enormous deficits of the past decade. At least the relatively high inflation of these years made it a bit easier to repay bonds, loans and mortgages. There were no mass protests against the salary cuts for public servants, reduced social budgets and a further increase in the pressure on the unemployed to accept lower paid jobs. It was widely accepted that these measures were needed to get the economy back on track. For the same reason employment protection was downgraded in a number of countries. 'We need to ensure that our companies remain competitive under the new global realities', as governments usually explained the need for these measures.

The 2010s were certainly not the time for bold visions of society and reflections on fundamental change. It was a time to act! Works councils and unions were actively involved in shaping the post-crisis working environment. They managed to get long-term job guarantees for the workers and, where unavoidable, they negotiated social compensation plans to mitigate the effects of job losses for individuals.

In the media, the image of worker participation improved considerably. The constructive role played by works councils and many unions during and after the crisis had also convinced some of their original opponents. Especially at company level worker representatives cooperated with the management side more closely than ever before. This dayto-day collaboration to find solutions to the existing challenges led to a closing of ranks between the two sides of industry: an action day to demand more free CO2-emission certificates for a company; an online campaign to explain the need for further state subsidies; or a joint declaration to speed up legal procedures for the rapid licensing of new products - management and workers often spoke with a single voice.

Over the years, a shift of power towards the local arena could be identified. By 2020, worker participation was significantly more prominent at company level and the relevance of collective bargaining at sectoral level had decreased in most EU member states. The higher responsibilities of local works councils or unions was in general welcomed and supported by company managements. Using the potential of the workforce to further increase competitiveness and as a driver for innovation became widely acknowledged, not least with respect to 'greening' one's business. Also, financial participation regimes saw a new rise in many countries, partly compensating the modest wage developments over the past few years.

It became normal for many managers to contribute voluntarily to local worker participation structures. They considered it a good investment in productivity and 'peace at work'. It was not always entirely clear who was financing the different employee representatives' groups and whom they were ultimately representing, however. Some called them 'Fake-unions', but they saw themselves as a 'pragmatic, non-ideological alternative' and some of them were pretty good at presenting their successes to the workforce.

A remaining key challenge for the trade unions was the reversal of falling membership rates. Membership losses had even speeded up during the comprehensive restructuring of the economy during and after the crisis and the resulting job losses in traditionally strongly organised sectors. Ongoing individualisation, higher (job) mobility and the decline of voluntary activities contributed to this menacing development. Demographic change put additional pressure on the social sphere and became increasingly problematic for unions, too.

It was time for a trade union renewal! In particular, their image among the young (with such common perceptions as 'I don't have time to get involved in union or works council work; it also might slow down my career') needed a boost. Gradually, many unions changed their business models. Alongside the traditional tasks of wage negotiations and campaigning for better working conditions they developed additional services to enhance their attractiveness and bring in new members.

For their members, they provided legal advice, acted as brokers for private pension schemes and car rental, organised child care, helped with tax declarations, offered leisure facilities, such as holiday flats and tour packages for major sports events, and much more. 'A different kind of union' became a popular advertising slogan.



The idea was working out: The concentration on the interests' of their (potential) core members and professionalisation helped to slow down the sharp falls in membership. Joining a union, for most people, represented the result of a clear cost-benefit analysis. You were lucky if you managed to join on the basis of one of these special union offers (BIG DEALZ), where a union remitted the first year's membership fee and you could choose from a selection of introductory gifts or a free upgrade in your individual union service package.

The reprofiling which took place in many unions also resulted in organisational reforms. New small, but effective unions popped up in many branches, representing the interests of workers in a specific occupational group. You had pilots' unions, engine drivers' unions, teachers' unions, nurses' unions, software engineers' unions and even some unions for freelancers. As they were so specific they really knew what their customers expected from them. And they needed to be good and innovative because they had demanding members and their competitors – be it other unions in the company or private service providers – were not idle. In particular, the huge variety of recruitment agencies which had emerged over the past 20 years were gaining ground over the trade unions: they were bringing people into work and were taking – to a certain degree – care of their basic working conditions and other work-related support.

The economic recovery did not take place at an equal rate and scope in the different EU member states, not to mention in the different branches. It was a bumpy ride. Many corporations became insolvent, others gained strength and market power. In particular, the economies of the Central and Eastern European countries were hard hit by the consolidation process. The 31 heads of state met regularly to look for joint approaches, but the focus remained on national paths in pursuit of growth and employment. After controversial negotiations and enforced by a coalition of the larger net contributing countries, the European Council decided, for the EU financial period 2020-2026, to freeze the level of the EU budget ('No more increases!' was the oft-repeated claim of the net contributor countries). Common policies and some of the structural and social funds of the EU had also been renationalised because member states could not agree on who was to pay and who was to profit from the funds. Also, European levels of interest representation increasingly fell victim to national, regional or even local interests. Of course, in 'Sunday speeches', international solidarity was highlighted as a very important goal pursued by all organisations, but in practice a rather different path was followed.

Success was judged mainly from a local perspective. What would have been good for other workers in the same sector or even for society as a whole was not considered a viable argument in a situation in which jobs were in danger. This development was also felt by many European works councils. Some managed pretty well in mediating the interests of workers from different member states. Quite a number became increasingly dominated by a slight feeling of mistrust between worker representatives, however. Nevertheless, cooperation was considered useful for obtaining information which one could use at home. The European trade union federations had increasing difficulties explaining to their national affiliates the added value of working together at European level and transferring part of their limited resources to the EU sphere.

Now it is the year 2030 and, looking back, many would say that Europe has managed pretty well through the crisis. No, the collapse did not happen as predicted by some fatalists. Indeed, GDP has even grown over the past two decades, not least as a result of the hard work of many people.

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This seems to be all the more important as the future challenges are not getting any smaller: competition for the world's different forms of 'gold' – whether it be the black gold of oil, the blue gold of water or the green gold of recycled scarce raw materials – is increasingly being fought with gloves off. Demographic change also showed its effects on European labour markets. Specialised recruitment agencies leased significantly more temporary staff, contracting workers from abroad. Some specialised in the highly skilled, other in workers with few skills. This development also affected the working conditions of
trade union representatives and established works councils. But they were able to cope with the new realities and concentrated their resources on the remaining core employees. The soft climate protection agreements of the past few decades had kept the costs of combating global warming reasonably low for a long time. In the past few years, however, the increasing costs of adapting to global warming were tving up resources in both the public and the private sectors. Nevertheless, especially when compared to other regions, the economic prospects are not too bad for 'Good old Europe'. At least, if it doesn't rest on its laurels. There is no such thing as a free lunch ... The same can be said about the unions, which managed successfully to stabilise their membership numbers and are now viewed. together with the works councils, as a key element in highly productive and innovative workplaces which are able to compete on a global level.

In one area, however, the unions did not play a part: today, a large segment of society is involved in what was once called 'atypical work' (and always heavily criticised by the unions), often provided with contracts that were to be renewed every 2-3 months. Indeed, unions basically did not recruit members in this heterogeneous group at all. To put it simply: How do you organise someone who has three jobs at the same time, who is sent to different workplaces by his job agency every year and basically can't afford to pay any membership fees, not to speak of engaging in voluntary union work? To organise this group, unions would have needed an abundance of resources. Additionally, the needs of these people were quite different from those of traditional union members. Unions simply didn't feel strong enough to tackle this huge challenge and there was no time. So one dilemma of today is that those who need support the most are normally also those who don't get any, including from the unions, which were originally founded to stand up for the rights of the weakest. Also, the unions' willingness to pursue aims such as ecological sustainability and social justice in a broader sense is rather limited in 2030. This was the result of a strategic choice: losing further members and slowly dying, or concentrating on the supposed core business to preserve their influence. And their (new) members made it pretty clear what they expected from their membership fee: personal benefits. Those activists who did not agree with this approach left their trade unions during the 2020s and joined or founded NGOs.

Broader societal questions are today often dealt with by the unions' social responsibility units and include, for example, scholarships and projects for homeless people. Unions were regularly criticised for this policy, which were considered by their opponents as mere lip service to the notion of solidarity, mainly to keep up the special legitimacy of trade unions as a social movement. But, as one prominent union leader recently put it in a speech: 'It is a difficult job to organise solidarity in a world in which everybody is busy meeting the next deadline.'



# The grid

'It is folly to think that the changes needed in the coming years will not involve fundamental shifts in the way institutions function, individually and collectively.' Peter Senge

'When it's time, it's time.' colloquial saying



The first years following the spillover of the financial crisis to the global economy proved to be very difficult and a time of great uncertainty. Although we had seemingly managed to avert a major collapse, a certain unease was felt throughout society. A simple return to business as usual - which many in the aftermath of the crisis apparently did - seemed to a growing number of actors to be a very dangerous option. The crisis had clearly demonstrated how vulnerable the financial and economic system had become. Globalisation is not only about selling products all over the world or investing in foreign markets, but also about shared risks and responsibilities. As a consequence of cynical attitudes in the developed world and similar to the effects of climate change, it was the people in the developing countries who probably felt this the most. They had contributed little to the generation of the multiple crisis but were shaken all the more by its effects. But also in the industrialised world, people were surprised by the complexity and sensitivities of what was called a globalised world.

It was this feeling of having barely escaped a major tragedy which created new possibilities for profound change. What certainly also helped were the mantra-like warnings of researchers to the effect that we were running out of time if we were to act effectively against and prepare for climate change, which led to a rising consciousness of the costs of global warming. The disappointing results of the Copenhagen Summit proved once more that the old structures of international bargaining were simply not up to meeting the global challenges we were facing.

A basic and widespread feeling during this time was 'We need a new Boston Tea Party' - to jettison the ballast from the old, vicious habits and the structures which keep them alive. And that is what people increasingly did. It was a time of posing questions about things which had not really been questioned before, such as: 'How can it be that societies which trumpet democratic values seem to be blind to the fact that their most powerful institutions - business corporations - operate much like authoritarian regimes?' 'How is it that those who provide the money have more power than those who actually create the wealth?' 'What responsibilities does ownership bring with it?'

More and more, daily experience was proving that our way of living would hit the

wall if we simply tried to carry on as usual. How can eight or more billion people live together on this planet in a sustainable fashion? And there was no trust at all that this might be possible on the basis of the existing political and economic framework. A profound change in our basic institutions seemed to be the only alternative.

Another key lesson from the financial crisis was governments' realisation that also in times of globalisation they were able to shape the way in which companies operate, especially in cooperation with other governments. People realised that corporations are artefacts of history. They were born in response to the specific needs and circumstances of a certain time - and ves, societies can change them. The years of the crisis (and afterwards) had also shown that sustainability-oriented companies were, in general, managing better than their short-term-oriented competitors. Corporate Social Responsibility was considered by many companies to be an important PR tool to show the public how 'PC' the company was. In some companies, however, being green and socially aware was seen as the superior business strategy – especially when times were hard. These companies opted for a fairly pro-active approach instead of merely hoping that people would never discover any skeletons in the cupboard. The introduction of so-called 'common welfare balance sheets' in many companies created more transparency. Naturally, at that time these companies were in the minority, but their business model was much debated, envied and frequently copied. In addition, it now bore fruit that government stimulus packages to reflate the economy also pumped a lot of money into the 'ecologisation' of the economy and thus also created incentives for further investment.

The success of businesses taking real steps to become less dependent on scarce resources was appealing to legislators, a growing segment of consumers and, not least, to investors. Indeed, a major impulse for change surprisingly came from the very people from which the problem started. Of course, there were still many hedge funds chasing quick profits, but many investors and their customers had lost serious amounts of money during the crisis and were now valuing lower but steady returns on their investments. Pension funds in particular were seeking safer investments, as a growing number of customers were afraid to risk the basis for their retirement. Sustainable business was successful not primarily because it was 'virtuous', but because it was increasingly better off. Whereas traditionally, company managements were afraid of incurring a competitive disadvantage if they concerned themselves too much with social and environmental questions, the pressure suddenly started to come from the opposite direction. You could easily be punished by the market if you fell behind the standards set by the front runners in your branch. Indeed, many corporations played an active role in shaping the new institutional design. The returns on financial capital (arguably the most abundant input of production) became only one of various indicators for measuring success.

Worker representatives played an important role in helping their companies to become more sustainable. They gathered the enormous knowledge and creativity of the workforce with regard to how companies function and where they could perform better. This was certainly nothing new. It was just that, for a long time, managements' focus when listening to the workers had been more on how to raise productivity, reduce costs and develop new, 'cool' product features. As the road to sustainability was fairly unknown, management now in general rather favoured involving employees in this process and was open also to unusual ideas and concepts. The workforce and its inherent interest in the long-term well-being of the company proved to be an important ally.

There was no master plan, no ultimate solution (by the way, no one had a plan for the Industrial Revolution, either - there was no ministry responsible for it). But countless actors and institutions worked together, thereby creating a critical mass of unstoppable changes. There was simply no alternative to the transformation of the traditional approach to industrial development into a highly efficient and low-carbon economy, with circular use of resources (some called it 'cradle to cradle'). And it became very clear that it would be a huge task to manage the transition in a fair way. Many traditional and well established branches were hit by this fundamental structural change. New developments needed public support. And many initiatives required



a global approach because the challenges were too interconnected to manage them on a nation-state level. And it was very clear that it was not only about lowering emissions and safeguarding the stability of global (financial) markets. The new approach also had to tackle the grotesque economic inequalities in and between societies, if it was to be successful. The industrialised countries had to make a real effort to assist the developing countries with regard to how and where to develop under the constraints of a world with eight or nine billion people.

Over the years, a global body politic emerged in response to global and interconnected challenges, such as economic stability and environmental protection. Colloquially, it was known as the 'GRID': the Organisation for Global Resources and Income Distribution.

Looking back from today's perspective there were a number of milestones and moments which will be regarded as 'historic' by future generations. The signing of the GCC treaty was certainly one of them. After years of deadlock in the negotiations on a global and binding climate protection agreement the international community finally adopted the decisive Global Climate Compact in 2015, also under pressure from many civil society initiatives. The long, difficult and sometimes contradictory process provided good practice in establishing further regulations for more sustainable use of our global commons and procedures for a fair balancing of interests. In difficult negotiation situations, people referred to this cutting of the Gordian knot, asking: 'If we were able to find a compromise on global CO2 emissions, shouldn't we also be able to tackle this problem?'

Of course, the GRID did not emerge out of the blue. Existing international organisations, which were established after the Second World War under and alongside the United Nations, the European Union and other institutions of regional integration, served as 'initial materials' for constructing the new bodies. And of course, national governments still have an important say in the global agora. In particular, the supranational law approach of the European integration process served as a partial blueprint and the EU became an important building-block in these new structures of global governance. Where necessary, common rules are agreed upon at the appropriate common level – which for many of today's questions is indeed the global level. Meanwhile, the local level – that is, administrations, corporations, works councils, trade unions and NGOs – are responsible for implementation. The fulfilment of norms is monitored by a huge web of interrelated actors and procedures. For example, corporations which are not able (or willing) to meet the new standards of the GRID lose their license to operate.

Just as the nation-state in the course of the Industrial Age was able to balance social inequalities, now a global era of cooperation and social transfers began to take shape. For example, people and companies have a certain eco-budget at their disposal. If they 'spend' more, they have to buy credits from those who have used less. Based on a Global Inequality Index, the international community has started to implement global balancing policies, financed by new structural policy funds.

Another 'feature' of the new system is a more long-term-oriented policy approach. Every legislative proposal must, for example, contain a long-term assessment. New technologies are implemented on the basis of a precautionary approach which makes it possible to readapt or step back, if problems occur. In the six decades since the first NASA pictures of our beautiful, but vulnerable planet appeared in the media, many have developed - besides their national and regional identities – also a sense of the existence of humankind, including an understanding that what we humans do matters on a geophysical scale: today, 'there is no abroad anymore' - we have this one planet which we all populate. Indeed, the search for an identity when there is no 'other' is one of the huge challenges of our time, and for many it is one demand too many.

The majority, however, began to support – or at least to accept – change because the common norms set so far were regarded as more or less fair and, above all, as without an alternative. And the trust placed in the new organisations and mechanisms to ensure that free riding is much more difficult has made people accept these limitations on their personal freedom. The general attitude was: 'If others also have to do it, I can live with it.' Of course, the devil is in the detail and certain

groups fought strongly for their vested privileges and 'old habits'. And of course, much of the reform is still in its infancy in 2030.

One of the main reasons why the new system is able to work is that we have achieved a new degree of transparency – made possible especially by technological progress in the field of information flows and communication. The tracking of emissions and other environmental impacts has become technically fairly easy and is a normal procedure. The EU member states, for example, introduced a European tax system in which a person's or a company's taxes are connected to their individual ecological footprint. If your footprint is too large, you have to contribute in other ways.

To be clear: in 2030, too, making a good profit is OK – on condition that you act responsibly and take other stakeholders' interests into account. This might not always be so simple to achieve and often delays decisions and rapid action. But CEOs, politicians and NGO officials alike know that there is a high probability of being found out and held responsible – and they take this into account when contemplating dastardly deeds.

For trade unions this was not an easy process. They had to renounce many paradigms and familiar habits which had constituted core parts of their identity for a long time. There were indeed a lot of 'culture clashes' inside the unions - as in every group, there were procrastinators and go-getters. Trade unions' members expected them to defend their job interests, whereas the road to sustainability was full of uncertainties and risks. Defending existing jobs was a much clearer task than waiting for the announced millions of new green jobs to appear on the horizon. However, as many unions were losing members day by day, changes - in whatever direction – seemed to be the only alternative. Greater individuality and diversity of interests of the working population further altered the organisational culture and structure of the trade unions.

The central claim of the trade unions was to fight for a 'just transition'. And indeed it was (and still is) a lot of work, speaking for and taking care of the branches hit particularly hard by the transition. Reducing the financial and social hardships of the transition process and fighting for the adjustment of costs and benefits were among the highest priorities. However, you can't make an omelette without breaking eggs. By no means everyone felt prepared for the coming changes and the transition produced more than a few losers.

Some trade unions and activists fell into the trap of blocking change in general and losing sight of the larger challenges. Trade unions needed to learn to shift from collective bargaining on wages and working conditions to making a broader contribution to social cohesion and ecological resilience. They learned to take more consideration of the needs of the young, the unemployed, people in premature retirement and senior citizens.

Collaboration at EU level (and, increasingly, also at global level) has become a natural issue for the unions and other workers' representative bodies. Decisions which affect the company as a whole today need to be approved by the company's European works council, which meets regularly - albeit mainly by way of holographic video conferences and Net meetings - in which representatives from other world regions are also sometimes integrated. Many engaged actors inside and outside the trade unions helped to shape the new architecture. When the first NGO representatives took their seats in the reinforced control bodies of companies - right next to the representatives of the shareholders, the workers and the public authorities - the enthusiasm of the unions and the workforce was rather limited. Different cultures and interests clashed and especially the first meetings were often a far from enjoyable experience. On the other hand, among the public, this certainly strengthened the legitimacy of such bodies.

For some markets (including the banking and insurance sector), a maximum company size was introduced to limit the power of individual firms and global risks in case of insolvency. However, large transnational companies play an important role in meeting the necessities of the transformation process – especially in the fields of energy, transportation, sustainable basic materials, construction and infrastructure. In some cases/ countries, they were renationalised in order to meet short-term opportunities for change; in relation to other companies, private ownership was seen as better able to promote innovation. Nevertheless, trade unions and works councils and other forms of representation managed to acquire a voice in stateowned companies, too.

Due to the rise of the regionalisation of material flows, other parts of the European economy are today being shaped more and more by networks of small and medium-sized companies. Backed by European legislation, trade unions were successful in setting up representation structures and/or works councils in most SMEs, too. Effectively channelling a stakeholder group's interests and ideas is needed more than ever and considered a key qualification. They form the backbone of the company-level units whose task is to ensure a fair balancing of the values of people, planet and profits within the company.

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Much research and many panel discussions in the year 2030 deal with the question of whether trade unions today have more or less influence than they had at the beginning of the century. And indeed this is not easy to answer. In 2030, membership fees constitute only one (and a declining) source of income of the trade unions. For taking over public functions (for example, being a watchdog, further vocational training, consultancy) they receive money, as they do for participating in multi-stakeholder projects financed by public and/or private funds. Also, some Green Unions (so-called 'Greenions') have appeared with a specific emphasis on environmental issues, for example, helping members to reduce their CO<sub>2</sub> emissions, both at work and in their private lives.

The focus of responsibilities today is much broader than before. Moreover, government bodies and NGOs have more influence on the activities of trade unions. On the other hand, trade unions have managed to increase their presence in society, the media and political parties. The unions' increasing ability to ask new questions, and to review and refine their own positions were just one by-product of this development.

# Al(l)one

'There are at least two kinds of games. (...) A finite game is played for the purpose of winning, an infinite game for the purpose of continuing the play. (...) Finite players play within boundaries; infinite players play *with* boundaries.' James P. Carse

Two ants meet on the street. One of them asks: 'So, what do you do?' 'You mean – professionally?', asks the other. *Brand eins* (Cover 09/2009)



First, we thought – or hoped – that the crisis would end soon in any case and when the economy had recovered we could go on the way we had before – but that turned out to be completely false. Slowly, it was beginning to dawn on people that 'limits to growth' ceased to be mere prognoses, but were manifest everywhere. Even going further into debt could not buy growth anymore. Instead, there was daily proof that we were about to hit the wall – and that there were not 'fifty simple things you can do to save the world' – and probably never had been.

The hope that some groundbreaking technological invention might do the job for us disappeared almost entirely. Most technological 'solutions' in the past had entailed unintended negative consequences (remember the bio-fuel episode, for instance) and many media-hyped technologies had simply not fulfilled their promise. There was nothing like an 'ecotech-triumph scenario', no matter what politicians had promised.

The crisis had many faces: people with anger and distress in their eyes, stunned that things had got this far; people who had lost their jobs; private investors who had lost all their savings; burn outs and systemic diseases resulting from unhealthy lifestyles and work overload; the growing number of people affected by the consequences of climate change; older people hidden away and others left to live alone ... sad stories for them and their beloved, and sometimes voyeuristic 'news' for the late night shows. Most of these personal crises did have one characteristic in common, however: those affected couldn't go on as they had before.

But crisis always also harbours potential for fundamental change. And looking back, fundamental change in many lives was exactly what happened. For many, transmuting the experience of crisis into life-affirming action turned out to be something advanced and meaningful. The crisis inspired them to look at what really mattered to them and to create positive change in their lives. A growing number of individuals, step by step, changed their lives – and by doing that, were gradually also beginning to change the rules of a society that was coming apart at the seams.

To be clear on this point: it wasn't only the accumulating amount of individual crises, failures and fears which changed how the game was played. For many of the luckier ones who still lived in abundance (after all,





in Europe this still represented more than a quarter of the population) there was a deep wish for fulfilment. But learning to cope with abundance is also not easy and many were lost in a sea of choices and triviality. Others, however, learned to give their daily life new meaning, direction and purpose. For them, wanting 'more' was no longer enough. Getting a house, filling it with furniture and the latest electrical devices to make your life easier and save you time, buying a nice car ... this was no longer a satisfying prospect. They were simply fed up with gadgets and the modern lifestyle.

The change started with small, bottomup networks. Easy access and a wide range of choices were their crucial strengths. As different as the groups were (from ecological to philosophical networks, through community initiatives and 'helping your neighbour' to spiritual groups) they had one common premise: 'If you want change to happen, start by changing yourself.'

More and more people in Europe started to form groups driven by values and basic necessities. Nevertheless, participation in these groups or networks was quite fluid, lasting only as long as individual and group objectives were in sync.

Reward was here no longer regarded merely in external – that is, material – terms; rather, internal rewards were receiving more attention, such as fun, appreciation, respect, being responsible, getting a boost from growing insights or the simple feeling of belonging to a group. These groups – overestimated in the short term and severely underestimated in the long, as is so often the case – were sowing the seeds for a very different future. And the more people got involved and the more often their stories were told the easier it became for others to join and engage with these groups.

Indeed, these changes had little to do with institutional reforms or a 'new deal' in the realm of governance. Overall trust in established institutions – be they labour, political or corporate – had hit rock bottom. 'What the hell can these dinosaurs do to solve the growing cascade of problems we are facing today?' That is how many people saw it in 2015 – they simply didn't believe in their leaders anymore.

With this development, many consumer markets began to change too, experiencing the rise of the 'economy of enough' (and a slowly commencing decline of the 'economy of more'). Shopping sprees as the weapon of choice to combat everyday frustration were increasingly a thing of the past – hugging is the in thing. There are actual hugging zones in public areas ('vou need a hug – just go there'). Many consumers are increasingly asking for things they never asked for before: whether the product is designed 'from cradle to cradle', if the manufacturer was paid properly or if it was done on a fair trade basis and so on. Goods produced with little energy input are favoured and more accepted and, of course, for those who do not have much, the only products which are affordable. Unsustainable products are in steady decline as they are not only less reputable but now barely affordable by many. Goods are increasingly produced as close as possible to the place of consumption, not least to avoid high transport costs. Allotments are booming, home slaughtering and domestic farming have experienced a resurgence in many regions. Here, too, people's motives couldn't be more different: whereas for some, gardening represents a retreat from their normal working life, for others, growing vegetables and fruit is part of their daily survival strategy to save money.

On the internet, open source solutions were becoming quite common and many groups were working to adapt the idea from the virtual to the real world. If something is functioning well, resist having it registered with a trademark but make it accessible and develop it further, together with your peer group. Many technological approaches today are indeed about accessibility rather then ownership.

One clear trend was the diminishing significance of large corporations and the growing importance of small and medium-sized companies. However, it was not only companies' size that was changing, but increasingly also their purpose. The 2020s saw a renewal of the idea of cooperatives, set up by various groups to achieve their very specific common goals, be it energy supply, health care centres, car sharing, banks to support local business, childcare or whatever. Finding the suitable size according to a company's aims instead of growing as an end in itself also limited the risks of overstraining yourself and becoming enshrined in a 'grow further or die' spiral. More and more non-profit companies are organising jobs and production conditions and a fair supply with sustainable products.

All over Europe, regional and local currencies emerged in the 2020s. These were organised and managed by social networks, sometimes with very different goals and visions. But all of them contributed to a regionalisation of the economy (except the new currencies of more internet-based communities). They also provided space for social and economic experiments. For example, many local currencies accord their members an 'unconditional basic income' – that means a basic credit from the respective community which allows the person to satisfy some of their essential needs without requiring a return service.

Another trend was that collective property, such as public housing, recreation facilities, public space and so on, has for many become a value in life. Voluntary community work became quite common and socially recognised, not least to compensate for the decline in the amount of public money available. Often it started with very concrete problems: either we have to close the community swimming pool or we organise ourselves and engage in renovating and sustaining it.

Also, strategies for investment shifted, although it is a long road from 'shareholder value' to 'shareholders' values'. Interest rates still count, but increasingly people care about what they invest in and not only about how much of a return is promised. Lending money to projects in one's own region became quite popular because you see your money contributing to the region's development. Besides, it can also be reassuring to know the people to whom you entrust your money, instead of giving it to an anonymous bank to invest it all over the world.

Looking back, Peter Senge was right when he wrote in 2008: 'Just as the Industrial Age has been the era characterized by the growth and spread of large, hierarchically controlled organisations, life beyond the Bubble could be characterized by a variety of business and non-business organisations based on cultures of relationship rather than cultures of control.'

Nevertheless, old structures are dying very slowly. Power structures (for example, global companies, such as oil companies), fundamentalists of all kinds (religious or other), autocratic leaders and governments offered little support to bottom-up movements. But in the end, more and more people paid them less and less attention.

Initially, trade unions had nothing really to offer the 'new meaning-seekers'. They concentrated their efforts on managing the crisis, which was here to stay and giving rise to permanent structural change. Many union leaders were very sceptical about this bottom-up movement. But there were also concrete conflicts of interest: for example, if a municipal swimming-pool is renovated by volunteers or the unemployed in their spare time, this means that the job was not done by a specialised company - which could, in the end, result in more dismissals. Many trade unions in Europe were dying quietly in these years - almost unnoticed, like the fading out of a song. The ongoing job losses in traditional union sectors and a simple 'No thanks' from former or potential members were the main reasons.

But the people who worked in the field of worker participation and representation, of course, did not disappear. Many spin-offs, social projects and NPOs (non-profit organisations) evolved from the former trade union community. And the formerly existing informal networks and contacts between these pioneers of the new realm, of course, also did not cease to exist.

Moreover, threatened by extinction, some trade unions started to pose themselves serious questions: 'Can we offer people something which would suit them better?' It was a time of asking and listening to people: 'What do you need; what do you want?' For many trade unions, the shift from 'organising the working class' to supporting the individual was too demanding. A few trade unions managed to stay in the game in this way, but they had to change profoundly. Previous organisational structures and hierarchies were transformed into something more like a network and partnerships. Accumulation of bargaining power became less relevant; authentic relationships and individual support much more. They developed new business models, beyond the traditional 'money for membership', to reflect the multitude of interests of people in different life phases, with different biographies, different paths of education and a range of wishes about their working worlds



and lives. One of them was the 'life coach' approach: help people to develop their full potential and to find out more about their gifts and talents.

Much of this is based on peer group work. Many people engage voluntarily in their company to coach their colleagues. But the involvement of retired colleagues is also welcomed. Moreover, these unions invented ways to involve people who do not want to make a permanent commitment. Open union work also means learning to offer greater scope and tolerance to people for whom traditional union practices are not self-evident. Membership here usually means something very different. A more open union culture, marked by tolerance and involvement, adds new weight to the old trade union values of solidarity, mutual aid and democratic selforganisation. It is in some respects more like being an active member of Facebook or the Wikipedia Community - everyone has a say and can contribute to the whole.

The ability to connect people played a crucial role in the survival of these trade unions. Just as Amazon.com organised and made accessible the 'Long tail' of millions of books to their customers, a new role for the trade unions lay in connecting people with each other. Especially at workplace level they had some good results. Union activists and other workplace representatives were supporting people after job losses and helping them to develop new and positive perspectives.

Professionals of all kinds – teachers, lawyers, business entrepreneurs, coaches, journalists, architects, engineers – engage voluntarily in the field of working relations, for example, vocational training. On the other side, trade unions also inform consumers about sustainable products; look after local ecosystems; work to green inner cities; and operate as watchdogs with regard to the unsound policies of corporations.

Today, there is significantly more diversity in the labour market. It's much easier to alternate between individual purposes (for example, building a career, whatever that means for you) and more collective purposes (helping with community tasks). There is a work guarantee (because every helping hand

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is welcome), but not a job guarantee. Doing even very simple work is accepted by many highly educated persons. If your work is driving you crazy, your group supports you in finding another job. The age of workaholics is over. Psychological balance is 'in'. The separation between the private sphere and work is much less present than in earlier times.

Life is taking place much more in groups and networks based on trust and relationships. Participation is not a must – and this is more and more true also for the networks which were once initiated to allay scarcity – but arises from the desire for exchange and a sense of belonging.

In 2030, the majority are still living within the old framework – but a substantial group of individuals has paved the way for something different. Twenty years ago, the most important thing was to win this or that finite game. Today we are learning to play infinite games.

#### Food for thought What could unions learn from Facebook?

- **1.** Facebook is simple to use and cheap to acquire without being simplistic. That is, you can go back and acquire different benefits each time.
- 2. There is a common platform that allows for constant evolution but also for tailoring by individuals or groups.
- **3.** Low (or non-existent) entry costs for members. There is no real pecuniary penalty to leaving Facebook either, which means you are more likely to give it a try.
- **4.** Pay-as-you-go systems, like those adopted by Facebook, are quite appealing to new users, unsure of the potential benefits and with fears of lock-in.
- **5.** Strong network externalities (so-called bandwagon effects) whereby the more users there are on Facebook, the greater the individual benefits to existing users and new adopters looking to join the site.

From: Rafael Gomez, Alex Bryson, Paul Willman (2008) From the Two Faces of Unionism to the Facebook Society: Union Voice in a 21<sup>st</sup> Century Context, *LSE Working Paper*, pp. 10-11.



## Lost cake

'We won't pay for your crisis.' An angry man



When the financial crisis engulfed the real economy, governments reacted quickly and decisively. Emergency parachutes were opened, economic stimulus packages introduced, banks (partly) nationalised and some market regulation was introduced, as well. It was not the time to think and act 'small'! In the following years, politicians and economic advisers on several occasions had to act to prevent economic collapse. And the financial crisis followed the debt crisis. It was like an annoying health problem which somehow simply didn't want to go away, although the symptoms were addressed with higher and higher doses and the doctor reached his wit's end. By 2014, however, the economy for the first time for several years seemed really to have recovered from the disastrous developments of the past few years. From every direction, you could hear sighs of relief. 'The bulls are back' or 'Yes, we made it!', as some newspaper headlines enthusiastically put it.

However, the hope that the crisis had been well managed and the cyclical downturn successfully bypassed ultimately turned out to be an illusion. A few years later, the crisis was back and stronger than before. The slowdown in the global economy in the aftermath of the financial and economic crisis had obscured the existence of several problems which, now that globalisation seemed to be back on track, popped up again. Beginning in 2016, the OPEC countries shocked the world by adjusting the estimated amount of their oil reserves dramatically downwards. Peak oil had arrived! Immediately, a self-reinforcing run on the 'last reserves' of black gold started. Prices per barrel went up to 250 euros within a single year, putting an enormous burden on slowly recovering economies. For other raw materials, the situation didn't look much better.

While sales figures fell dramatically, unemployment and debts shot up in the opposite direction. A lot of the employment (re)created in the past ten years had been precarious jobs. Now that the crisis was back large numbers of people were laid off from one day to the next. The Europe 2020 agenda – adopted in 2010 – seemed to be from a totally different era. Some commented sarcastically that we were heading towards full unemployment rather than full employment. Consumers' decreasing confidence in the future set off a downward spiral of shrinking sales and jobs.

People started to look to their governments, but this time it soon became clear that nation-states did not have the power to redo what had been done some eight years previously. This time, governments were not able to organise fresh money: their creditworthiness was already exhausted. By 2017, several EU member states had to announce their illiquidity. But even some of the biggest economies quickly got into big trouble due to the dramatic shrinkage in state revenues. At the same time, many of the loans they had guaranteed during the last crisis were due and it was unlikely that companies would be able to pay back these loans themselves. Debt servicing soon constituted one of the biggest parts of the annual budget in many countries. Basically, all countries reduced their transfer pavments, be it to the unemployed, families or the retired. For many people, the crisis constituted a real trauma. Existing securities, certainties, values, life plans and paradigms seemed to have gone within the blink of an eye. Many refused to accept these facts. As in a state of shock, they waited for things finally to return to normal. Although not trusting their political and economic leaders, they nevertheless expected them to clean up the mess.

Trade unions were hit hard by the crisis, too. Quickly disappearing (formerly safe) jobs were leading to one membership all-timelow after another. Most unions were heavily involved in internal discussions on the right strategies to react to the crises outside and inside their organisations. The culture of consensus between governments, employers and trade unions quickly disappeared, even in countries which had a long tradition of social partnership. Basically, there was no trust in the old institutions and better ones were not on the horizon. For weeks and weeks, general strikes hit economies. People were on the streets protesting and shouting 'We won't pay for your crisis!' and 'Stop the greed! Make the guilty ones pay!' The initial public paralysis was soon followed by anger, when it became clear that the situation would – at least in the medium term - not change positively and led to an increasingly charged atmosphere.

The trade unions reacted heterogeneously to the new situation. Some of them tried to appease people, offer immediate help and involve themselves in discussions on how to save what could be saved. In other unions, the continuous worsening of the situation led to a radicalisation or new factions were founded by members who were displeased with the hesitant and helpless politics of their leaders and took the lead in more and more radical action. Like the 'machine breakers' in the late eighteenth century they saw all other means of protest against the destructive forces of capitalism as having failed. Some trade unions in countries with a more confrontational tradition led the way, but soon more confrontational strategies spread all over Europe.

In some member states, it became quite common to include threats of violence - such as blowing up a factory, acts of sabotage or physical violence against the CEO - among the (more or less) 'legitimate' repertoire for conducting negotiations with companies announcing collective redundancies. And increasingly it was not only a threat... In many cases, the strategy worked. Management met their demands (at least partly) due to the pressure and the increased public interest. These successes contributed to the diffusion of these methods, also to countries where it was least expected. The position of the unions differed from organisation to organisation and also from case to case. Sometimes they led the action or at least supported it; sometimes they tried to calm the situation. Often, however, they simply had no control over the angry workforce or their local representatives, who had taken matters into their own hands.

Although not everybody agreed with the radical activists, especially within the most disadvantaged groups of society their demands and actions found a lot of sympathy and support. It was a time when it was better not to wear a tie in the streets, especially if you were entering a bank, an insurance company or even parliament. Some financial companies allowed their executive staff to work from home and to have video conferences to limit the rising cost of security.

Some took the demands to punish the culpable literally, resulting in 'villa nappings', pillaging of stores (ironically labelled 'Allyou-can-carry-offers'), destruction of first class train carriages and other forms of violence against the perceived culprits or relative winners of the crisis, such as top managers or rich people, who are always easy targets. In the wealthier parts of cities, private security firms ensured that their clients were still able to sleep. The media reported almost non-stop on strikes, eruptions of violence, bad economic news, increasing poverty, national bankruptcies and so on. Signs reading 'I will take any job!', held up by people who were trying to find a job no matter what the conditions in order, somehow, to muddle through – were so much part of the daily scene that no one looked at them anymore. However, most people did not go onto the streets to protest, but simply stayed at home – if they were lucky enough to still have one – depressed that their life had taken such an unexpected direction.

Cooperation at inter- and supranational level suffered a sharp setback as every country struggled to salvage what it could. 'Help vourself and the ones closest to vou', became the dominant - and certainly understandable - strategy, especially after social security systems collapsed almost entirely in the first years of the 2020s. For decades, unions had tried to build up solidarity and activism at European level. Now many of their members demanded 'Our jobs for our citizens' and 'No to illegal immigrants!' Some unions found themselves in occasional coalitions with national or regional right-wing parties. It was certainly not a time of great solidarity but rather of 'take the (remaining) money and run'. Also for many unions and works councils the motto seemed to be: 'There isn't enough to go around, so if we're going down, we might as well go first class.' And more than a few began to see violence as a legitimate last resort.

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In 2030, the situation looks rather bleak. The economy in most countries is still depressed, in comparison to what people now refer to as the 'golden decades of globalisation'.

As if times were not already difficult enough, the effects of climate change have now developed from a topic for congresses and declarations into a daily life experience, also in the northern hemisphere. Although greenhouse gas emissions globally shrank over the past decade, the sharp growth in the world economy during the 1990s and 2000s made global temperatures rise further. Estimates were saying that some 500 million people – mostly in the developing countries - had left their homelands to resettle somewhere else, due to droughts, land erosion, flooding, hurricanes, drinking water shortages, diseases and other disasters. Measures to adapt to global warming were eating up a growing part of the very limited financial resources governments had at their disposal.

Clearly, we have undermined the basic means of livelihood for future generations. The biosphere on which we depend has been polluted and depleted. Fossil fuels gave humankind an enormous economic and technological boost over the past two centuries. No one knew the long-term bearing capacity of Planet Earth with regard to humans - without cheap fossil fuels, but it turned out that it's a lot fewer than eight billion people. So we witnessed a hardening global triage. In a global perspective, there were indeed only two options, and both happened: (i) a population reduction - through starvation, regional wars and epidemics, and (ii) a widening of the income gap between rich and poor, so that a tiny minority of the human population can continue to enjoy the dwindling resources, while everyone else has to struggle for an increasingly tenuous hold on existence. The world's impoverished became more and more trapped in a system that institutionalises inequality. You can see it every evening on the screen. Many of us look back at the old times with yearning but also anger at how politicians and society as a whole could have been so blind as not to see the iceberg coming. Twenty years ago, people were told that qualifications such as a capacity for teamwork, communication skills, conflict management capacity, motivation and selfreliance represent key skills in modern economies. In 2030, in a cynical way, these qualifications are still helpful when fighting for your own piece of the cake ...

Some, however, did not accept the attitude of 'take the money and run' and the growing brutalisation around them. They started to operate within the new realities and to motivate people to take life back into their own hands. Enthusiasm is certainly not the key emotion, but they no longer accept the omnipresent paralysis and moaning, which had resulted in a broad withdrawal from the public sphere. Only by making a choice to fight the most obvious and immediate consequences of the collapse were they able to create meaning





and promote sharing in the midst of hopelessness. Like the rubble women who, after the Second World War, cleared the ruins in destroyed city centres to make rebuilding possible, this minority started to act in desperate times. Many people either smiled at them, telling them how unwinnable the situation was or criticised them for not joining in the action to punish those who were allegedly responsible for the whole mess. But they continued their work, trying to organise solidarity in a difficult situation and to help the most vulnerable, even if these small things didn't seem to make a big difference. Some unionists played an important role in cultivating these few rays of hope. Their old knowledge of how to organise solidarity in various forms proved to be a valuable resource when there was a general lack of everything.

#### Food for thought What if trust is melting away? A perturbing outlook by Brian Eno

'Human development thus far has been fuelled and guided by the feeling that things could be, and are probably going to be, better. The world was rich compared to its human population; there were new lands to conquer, new thoughts to nurture, and new resources to fuel it all. The great migrations of human history grew from the feeling that there was a better place, and the institutions of civilisation grew out of the feeling that checks on pure individual selfishness would produce a better world for everyone involved in the long term.

What if this feeling changes? What if it comes to feel like there isn't a long term—or not one to look forward to? What if, instead of feeling that we are standing at the edge of a wild new continent full of promise and hazard, we start to feel that we're on an overcrowded lifeboat in hostile waters, fighting to stay on board, prepared to kill for the last scraps of food and water? (...)

What happens then? The following: Humans fragment into tighter, more selfish bands. Big institutions, because they operate on longer time-scales and require structures of social trust, don't cohere. There isn't time for them. Long-term projects are abandoned—their payoffs are too remote. Global projects are abandoned—not enough trust to make them work. Resources that are already scarce will be rapidly exhausted as everybody tries to grab the last precious bits. Any kind of social or global mobility is seen as a threat and harshly resisted. Freeloaders and brigands and pirates and cheats will take control. Survivalism rules. Might will be right.'

Brian Eno, 2008



# Scenariobuilding

## A brief introduction to scenario-building

'Scenarios are stories about the future, which motivate people to take action.' Ulrich Golüke

#### What are scenarios ?

A scenario is the presentation of a possible future situation in narrative form. It is a story or an analysis of something that has yet to happen. Thinking in scenarios is innate: every day, we <u>anticipate possible *futures* and prepare for them as best we can.</u> We think up scenarios on personal issues, such as an upcoming job interview, mulling over all sorts of potential questions and answers, and we ponder over scenarios related to all-encompassing challenges, such as global warming or energy scarcity, perhaps wondering uneasily what the future might hold for our children.



Scenarios help us to deal with the uncertainties of an open future and allow us to compare development alternatives which *could* shape the course of events. Scenarios are distinct from prognoses because <u>they do not try to predict</u> <u>the future</u>. They are also distinct from utopias, which are liberated from path dependencies and concrete linkages with the present. While prognoses are suitable for questions dealing with the near future (where trends can be 'calculated' with high probability), utopias deal with the far-off future (which is hardly bound by the current reality's rules). Scenarios occupy the space in between – the 'field of tension' between today's certainties and tomorrow's <u>uncertainties:</u>

#### Ingredients for good scenarios

A good scenario is:

- **Novel:** The future is not just an extension of the present, it contains elements of surprise.

- **Multifaceted:** The present is neither onedimensional nor black and white, so why should one impose such limitations on the future? Every scenario developed in one process should be equally complex, likely and ambiguous.

- **Believable:** A scenario should be surprising and unexpected, but it has to be consistent in itself and logical, showing relationships

of interdependency, cause and effect or selfreinforcing backward loops (for example, vicious or virtuous circles).

Comprehensive: It should combine trends and developments on several levels and on various issues, as individuals, communities, business and government can all affect and are all affected by social, political, economic and cultural trends and developments.
Never right or wrong: A scenario by definition analyses that which has not yet happened: we are projecting, speculating, guessing. So there is no single correct scenario, only potential alternatives, which should be expressed in a logical and consistent manner.

### Evolution of the scenario-building method

The scenario-building method originated in the military sphere, but was adapted by large companies, such as Shell, which were confronted by the challenge of having to make long-term investment decisions in an ever more rapidly changing market environment. The method then entered public conscience through 'Limits to Growth', the now famous 1972 report to the Club of Rome analysing possible economic and population trends, poverty projections, resource consumption and environmental pollution on a global scale.

Since then, scenario-building has been increasingly deployed for political deliberations (foreign policy, regional planning, long-term infrastructure projects) and for dealing with complex social challenges and conflicts. The 'Mont Fleur Scenarios' of 1991, for example, looked at a post-Apartheid South Africa, involving many actors and generating wide public interest and response. The future-directed and understanding-oriented approach of the scenario-building method also makes it an effective tool for communal, interdisciplinary and intercultural dialogue projects.

## Reasons for engaging in scenario-building processes

#### 'The best way to predict the future is to invent it.' Alan Kay

Scenario-building has three main components: (i) acquiring orientation in situations of great uncertainty, (ii) developing several consistent scenarios and (iii) reflecting upon consequences and options for action derived from the scenarios. The scenario-building method offers participants (and readers) the following:

- It raises awareness of <u>different future-al-ternatives</u>, as well as of the possibility that these future-alternatives can be shaped. It also broadens our perceptions of the present and of future opportunities as conscious or unconscious constructions, which have both limiting and empowering potential.
- It enhances the analysis of issues, situations and trends holistically and in all their complexities, as it <u>encourages systematic think-</u> <u>ing</u> at different levels and across different spheres, highlighting interlinkages, interdependencies and self-reinforcing backward loops.
- It provides a means of <u>thinking prospective-</u> ly (that is, future-oriented) in medium- to <u>long-term timeframes</u>, when habitually our learning and thinking are retrospective and our day-to-day decision-making often deals with rather short time horizons. In a fastchanging, fast-paced globalising world, we need increasingly to learn how to anticipate and deal with uncertainties just around the next corner and far beyond.

## The process

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The project brought together, in two workshops, a group of 'experts' in the field of worker participation – academics, trade union officers, works councillors, consultants, human resource staff and so on – from several countries to discuss the long-term prospects of and changing contexts for worker participation in its various forms in Europe. The workshops included an open reflection on current trends, driving forces and key actors which are likely to shape the future of worker participation in Europe and the implications of this.

In order to ensure a common ground for the scenario group, it was agreed to look at developments which go beyond national perspectives. The timeframe 2030 provides enough space for significant changes relevant for worker participation. The group of participants (assisted by a small facilitating team) developed a set of four scenarios, working alternatively in small groups (expansive phases) and as one large group (reflection and compilation of results from the small groups' work). The raw scenarios developed at the workshops were afterwards refined by the 'scenario core team'. The group's work was divided into five basic phases:

- **1.** Clarification of the question and approaching the time horizon 2030, 'collecting voices and perspectives'
- **2.** Identifying and ranking of influential factors (important and uncertain)
- **3.** Identifying and analysing basic development alternatives
- **4.** Scenario development (plot, protagonists, relationships, title)
- **5.** Reflecting, improving and discussing the scenarios, drawing conclusions for action

In order to structure the analysis of possible future developments and to make different alternatives directly comparable, the scenario-building method uses two main 'mental aids'. As a first mental aid, we divide factors (or trends) identified by the participants as likely to play a role in shaping the future development of the topic at hand into 'Drivers' and 'Givens' (and rank them by order of importance).

*Drivers* are those factors of which we know with reasonable certainty that they will influence the future, but with regard to which we cannot yet tell in which direction they will develop. One example of a Driver (in respect of which the importance of the Driver of course always depends on the question under examination) could be the question of the significance of different levels of political action: will decisions in the future be taken consistently/centrally or fragmentedly/decentrally? Another example of a Driver might be the trust of investors in the government bonds of a particular country: high or low? The stability of a currency or future global distribution of wealth. For the future of a trade union, important uncertainties might lie in the development of the labour market, the future expectations of its members or its role in society. Drivers must be controversial: in other words. they can develop in very different directions.

Givens, on the other hand, are those factors of which we know with reasonable certainty that they will influence the future and whose direction of development we can also assume with reasonable certainty (at least for the time horizon of the scenario-building process). One example of a Given is demography: we know that the population of our country or our city will grow over the next two decades and can even reasonably estimate the magnitude of that growth. We can do this because demographic changes are usually slowpaced (although of course there is the small risk of unforeseen disasters totally changing the situation). Another example of a Given could be the energy mix of a certain country over the next decade. As the supply of energy involves long-term and large-scale investments, it makes the energy mix path-dependent (that is, a country is most unlikely to be able to switch from oil to windpower in only 10 years).



The second mental aid we have used for this variation of a scenario-building process is the 'future compass':

In order to develop a future compass, participants have to decide on only two Drivers (or overarching bundles of Drivers), which they perceive as fundamental for the future development of the topic. After having decided on these two Drivers, participants have to identify the extreme ends, or opposites for each Driver (for example, in the case of the Driver 'form of governance' these could be 'centralised' versus 'decentralised'). By arranging the two chosen Drivers as a coordinate system, their respective opposing ends become our four future directions, resulting in four different scenario spaces.

Thus, while the Givens (any number of them can be considered as long as it is still easy to grasp, ideally about three to six) are the same for all four future spaces, the respective combinations of the Drivers' directions are unique for each future space, within which participants then proceed to develop their scenarios with a plot, protagonists and a title.

#### Key uncertainties as identified by the scenario team

During the workshops the group identified the following two drivers as, in their opinion, the most important uncertainties for the question of what conditions worker participation (unions, works councils and so on) will have to operate under in 2030.

#### 1. What is the dominant mindset of society and of worker participation actors in particular?

This Driver is directed towards the fundamental question of social cohesion. Two developments are possible: the first represents a very narrow perception of community in terms of which everyone is trying to get the best out of a given situation for his 'group'. This mindset can also be described as <u>'US'</u>, which means 'my group'. In practice. this group can be defined differently, ranging from 'my family' to 'our company', 'our members' or 'our nation'. The important point here is: where there is an 'us' there also has to be a 'them', that is, the others outside our group, with whom we are competing in zero-sum games. This is a world of little sharing, high individual autonomy and interest-driven groups, with rather limited resources for values such as sustainability, fair wealth-distribution and participation.

In contrast, development in the opposite direction is also imaginable. Here, a broader sense of belonging to a larger entity evolves ('WE'), resulting in a strong quest for trust, citizenship and a cooperative environment. The trigger for such a development can be different and might result, for example, from the simple fact that, in our globalised world, there simply is 'no "over there" anymore', and the evidence is becoming clear (and climate change is probably the most evident example) that we will all hit the wall if we go on as we did before. One consequence of worker participation in such a world is the need to open up to encompass broader perspectives of interest representation.

#### 2. What room to manoeuvre will worker representatives have in the coming decades?

When we reflect upon the long-term context for worker participation, can we assume a relative <u>continuity</u> of the general societal framework? Or could the multiple crises and huge challenges humankind faces today indeed lead to a situation of collapse?

The first alternative provides the actors with the relative stability needed to adapt to changing contexts by <u>incremental change</u>, aimed at improving existing institutions and processes.

In contrast, <u>collapse</u> is a time of fundamental crisis and abrupt changes, triggered by increased economic and/or environmental pressure, new shortages and scarcities and an increase in the number of resource conflicts. It is the time of paradigm shifts, both at the organisational and the individual level: existing securities and certainties vanish practically over night (although a collapse can also take place over decades), the old recipes are not working anymore and new answers must be developed. It is the time of crisis management, with little trust in the old institutions (perceived either as culprits or at least not able to improve the situation) and room for new actors and networks. However, crisis does not necessarily mean the end of solidarity. It is less important what happens to us than how we deal with it. It is the story we tell ourselves about what the change is going to mean for us in the future.

#### Worker Participation 2030 - Four scenarios



The combination of the two drivers and their ends provides us with a <u>future compass</u> for navigating through possible futures of worker participation. It is the basis for the four alternative scenarios elaborated in this publication. The starting point is always the year 2010, and the four 'story lines' depict behaviour over time with regard to the two drivers until the year 2030.

## First suggestions for working with the scenarios

The scenarios 'Worker Participation 2030' are presented in three forms, offering different ways of approaching the four worlds. Which one suits you best depends on specific purpose, time available but also personal preferences: the scenario summaries integrate the key developments and dynamics of each scenario, whereas the 'full scenarios' explain in more detail what happened and why. Finally, the 'stories' provide a more personal way of approaching the scenarios by listening to someone who lives in this future.

The principal aim of the scenarios is to encourage people to join in discussions about what may come in the future, the implications of this and strategies for today to contribute to positive developments.

#### Explore

The first step is to <u>explore</u> the four 'futures' of worker participation 2030. What happens in the scenarios and why? What are the key differences between the scenarios? How do the actors behave? Do you consider all four scenarios plausible and likely to happen; if not: why? Which of the scenarios would you consider positive developments, which ones negative? Try to <u>find evidence</u> for the scenarios, for example, events, trends, stories or personal anecdotes, which point to a development in the direction of scenario 1, 2, 3 or 4. Look for examples of *all* four scenarios. Which, in your opinion, is the scenario most likely to happen and why? Do others share your view?

The scenario summaries include some key questions at the end which could serve as a starting point for a <u>discussion of each scenario</u>.

You may also work with a matrix to explore the scenarios with regard to different levels and aspects. Of course, the topics compared can be adapted to the specific interests of the group.

#### Adapt to national context(s)

The scenarios are written in such a way that they can be adapted to specific national contexts. Try to concretise the scenarios for your national context(s). How could the four scenarios take place in your country? What would be specific compared to other countries?

	Life goes on	The grid	Al(I)one	Lost cake
Key challenge(s)				
Economy				
Environment				
Society				
Technology				
Politics				
Values				
Trade unions				
Companies				
EU				

#### Think further

Of course, the scenarios can also be developed further, for example, to explore the consequences for a given industry sector or a company group. What would be the implications for your union, your (European) works council, your company? How would they behave in the different scenarios? What would you do? Where do you see important leverages?

#### **Build strategies**

Scenarios are not intended to provide immediate advice for action. However, they are extremely useful as a starting point for thinking about and discussing possible strategies in order to be prepared for different futures, both as an individual and as an organisation:

- Develop a 'strategic plan' for your organisation: How can you prepare proactively for the implications of the different scenarios? How would you (re)act in the scenarios? How could you contribute to a positive development? How does your organisation have to change today to be well prepared? Try to prioritise the measures.
- **2.** <u>Develop a 'success scenario'</u>: Starting from today, develop an ambitious but achievable positive future for your organisation (or your country) for the year 2030.

<u>Step 1:</u> What would you consider a positive development by 2030? Identify several criteria for measuring success.

<u>Step 2:</u> Identify the leverage points for achieving these goals. What are the key measures needed and which actors need to be involved in what way.

<u>Step 3:</u> What obstacles have to be overcome on your way (for example, resources, time, power, conflicting interests)?

<u>Step 4</u>: Write a short story depicting your success scenario (from today to 2030), explaining what and why this development happened.

<u>Step 5:</u> Identify and prioritise measures for today.

#### **Develop your own scenarios**

Writing good scenarios is much more difficult than criticising them (not least because 'longterm thinking' wasn't a subject at school). We certainly do not have a monopoly on writing scenarios. Scenario-building is a powerful tool for open but structured discussions on long-term perspectives and challenges. It can be adapted to very different questions, time frames and settings. If you want to know more about how to set up a scenario-building process in practice, feel free to get in touch with us.

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<u>Find more information</u> on Worker Participation in Europe and Worker Participation 2030 at: worker-participation.eu

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