CLR News

Fight for economic and social equality!
In the coming months, an important file that has been discussed in several CLR-editions will be on the political agenda of the EU Council of Ministers. The Ministers of Labour have to decide whether the proposed Enforcement Directive, which is aimed to better enforce the current posting legislation, will enter into its final phase or not. The proposal should improve the interpretation, implementation and application of the existing Posting of Workers Directive 96/71EC, which at the moment causes serious problems of cross-border social dumping and worker exploitation. Posting of workers in the case of the cross-border provision of services is more and more (as has been demonstrated in several CLR-studies) an alternative way to recruit cheap labour. In order to avoid social dumping and the distortion of competition (for domestic service providers) and with the aim of establishing a level-playing field for these service providers a policy of prevention of fraud and anticipation of undesirable practices is needed. Therefore, the instruments to monitor the process of posting and to control the regular character of the cross-border provision of services have to be strengthened, not weakened. The EFBWW has made a firm statement that says that the proposed Directive in its present wording is completely unacceptable and that the current proposal will make it even harder for the Member States to control foreign companies. The political struggle will be tough.

Another item that has figured prominently in recent issues of CLR-News is the impact of the economic crisis on industrial relations, collective bargaining processes and wage relations. Several contributors have touched upon the effects of the crisis and the way to recovery. A significant side path in some earlier contributions has been the further increase in inequality over the 1990s and 2000s. Besides the inequality in income from wealth, rising inequality in earned incomes is a major cause of income disparities. Inequality as measured by the Gini coefficient of household incomes has risen substantially in several countries. The impression is that these changes
have been very drastic for the bottom decile, where average real income is far below the level reached at the end of the 1970s.

In this issue of CLR-News outstanding experts and CLR-members contribute with subject articles dedicated to the item of redistribution, a theme brought on the agenda by the Swiss trade union movement and the Swiss think-tank ‘DenkNetz’. Jörn Janssen has acted again as the subeditor and delivered the introduction to the themes of this issue. Hans Bauman introduces the 1:12 referendum initiated by the Swiss unions that seeks to counterbalance the growth of inequality by anchoring a simple principle in the Constitution (‘no one in a company should earn less in a year than the highest paid executive earns in a month’), whilst Özlem Onaran pleads for a wage-led recovery in Europe. The (translated) contribution of Bernard Friot takes up his notion that the destructive character of the capitalist economy has to be challenged by a radical reorientation of what he calls ‘the anti-capitalist institutions’. Francesco Bogliacino contributes with a synthesis of a project that dealt with inequality and with the question of whether or not the GINI-coefficient misses out on important changes. Also in this issue Jörn Janssen has included an appeal to support the initiative for a European Tax Pact of a broad coalition of trade unions and NGO’s. The subject articles in this issue are combined with the usual reports and reviews.

Enough food for thought and I hope you will enjoy this issue.

Note from the editor