

# The Scenarios »Worker Participation 2030« – Changing Contexts for Trade Unions and Employee Representation in the Future

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The scenarios »Worker Participation 2030« – published in August 2010 – represent the outcome of a joint project of the European Trade Union Institute (ETUI) in Brussels and the Berlin-based Institute for Prospective Analyses (IPA e. V.). At several workshops, an interdisciplinary group of »experts« in the field of worker participation – for example academics, trade union officers, works councilors, consultants and human resource staff – from several countries discussed the long-term prospects of and changing contexts for worker participation in its various forms in Europe. The group (assisted by a small facilitating team) developed a number of different scenarios which were afterwards refined by the »scenario core team.« The scenarios undertake an adventurous exercise: casting a long look forward into the future, namely the year 2030, thereby providing enough space for significant changes relevant for worker participation. They incorporate broad developments in society, as well as the strategies and actions of people and organizations, first and foremost the actors involved in worker participation.

The term »worker participation« is understood here in a broad sense, including the different institutions and organizations, 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 trade union structures, the institutions of workplace representation, collective bargaining or employee board-level representation. The idea of the scenarios is that they should work for different countries, leaving room for adaptation and concretization to specific national contexts.

Trade unions (and employee interest representation in general) today face enormous challenges. Whereas companies often operate on a European or even global scale, they have to rely largely on national tools for representing the interests of the workforce, despite considerable progress in cooperation within the EU in the 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 activities and services? How far do we want to be involved in the broader economic, environmental and social challenges our societies are facing today? Do we need to become more confrontational or act cooperatively in difficult economic times? Where are our leverage points and what shall be our priorities? 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. In which contexts will actors in the realm of worker participation have to operate in two decades' time?

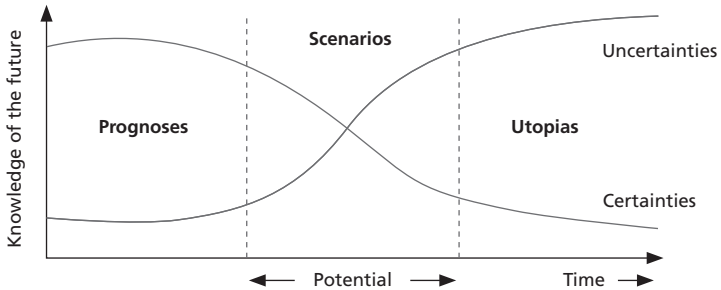
Is it really possible to predict how things will be in 2030? Certainly not, and this is not the aim of these scenarios. Instead, they provide the reader with a »future map« of what *might* be. This is why, inevitably, there is always more than one scenario. Scenario-building helps us to conceive alternatives 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.

By their very nature, scenarios do not claim to be »scientific.« In fact, they involve 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 *anticipate possible futures and prepare for them as best as we can*. 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 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 *they do not try to predict the future*. 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 uncertainties.

Figure 1:



A good scenario is *novel* in the sense that the future is not just an extension of the present – it contains elements of surprise. It should also be *multifaceted*, meaning that the present is neither one-dimensional nor black and white. Every scenario developed in one process should be equally complex, likely and ambiguous. Moreover, a good scenario needs to be *believable*: it should be surprising and unexpected, but it has to be consistent in itself and logical, showing relationships of interdependency, cause and effect or self-reinforcing backward loops (for example, vicious or virtuous circles). It must also be *comprehensive*, combining 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. Finally, a scenario can *never be right or wrong*: by definition it 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.

Scenario-building can be divided into 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 raises awareness of *different* future-alternatives, 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 complexity, as it encourages systematic thinking at different levels and across different spheres, highlighting interlinkages, interdependencies and self-reinforcing backward loops. It provides a means of thinking prospectively (that is, future-oriented) in medium- to long-term timeframes, when habitually our learning and thinking are retrospective and our day-to-day decision-making often deals with rather short time horizons. In a fast-changing, fast-paced globalizing world, we need increasingly to learn how to anticipate and deal with uncertainties just around the next corner and far beyond.

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.

For this reason, a key aim of the project Worker Participation 2030 is to contribute to strengthening a culture of long-term thinking and broadening our »memories of the future.« The scenarios neither want to predict how unions, works councils and other actors will behave in (re)acting within changing contexts, nor are they intended to tell them what they should or should not do. In fact, they do not want to provide ready-made answers but rather ask questions and invite people to openly reflect on possible future strategies for worker participation in the EU.

»Life goes on,« »The GRID,« »Al(l)one« and »The lost cake« tell different stories of possible futures for worker participation in Europe and how people might act within (quickly) changing contexts. Which of the four scenarios 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.

The scenarios »Worker Participation 2030« have been elaborated in three forms, offering different ways of approaching the four worlds (which one suits best depends on specific purpose, time available but also personal preferences). The »scenario summaries« presented on the following pages integrate the key developments and dynamics of each scenario, whereas the »full scenarios« explain in more detail what happened and why. Finally, the »short-stories« provide a more personal way of approaching the scenarios by listening to someone who lives in this future (for the full scenarios and the short-stories see M. Stollt and S. Meinert (2010): *Worker Participation 2030. Four Scenarios*. ETUI, Brussels).

## Scenario Summaries

### Scenario I: Life goes on ...

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 of China and India increasingly put the screws on the Europeans. These are certainly not the years 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 »professionalization 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 II: The GRID<sup>1</sup>

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 environmental 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 externalizing costs and internalizing 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

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1. The Organisation for Global Resources and Income Distribution.

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 industrialized 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.

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 organizational 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 organizational changes would be required?

### Scenario III: AI(l)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 »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.

The main issue is a growing number of individuals who feel the urge to grow in non-materialist ways. They do not wait for institutions to change and are becoming increasingly used to tackling on their own the challenges generated by epochal changes in living and working conditions. 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 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 fulfill their wish for a meaningful life?

## Scenario IV: 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 characterized 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 victimized. 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 organize 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 radicalization 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 radicalization of society (and, probably, of their members)?

### **»Anticipation Workshops« – Preparing for an Uncertain Future by Working with Scenarios**

»It broadened my horizons and gave me new ideas about how to prepare our works council for the future.« With this statement a participant summarized his first experiences of working with the Worker Participation 2030 scenarios at a pilot »national anticipation workshop« the ETUI organized in September 2010. The two-day workshop brought together about 20 works councilors, trade union officials and trainers from the Netherlands, complemented by some participants from the European sphere (documentation of the workshop can be found at: <http://2030.worker-participation.eu>).

The first part of the workshop was devoted to the exploration of the scenarios in order to become familiar with the different scenarios and »synchronizing« participants' understanding of what was happening here. Moreover, the group looked for »possible early signs« that are

already discernible today and/or example stories for each of the scenarios. The next phase consisted of reflecting in small groups and in the plenary on possible impacts of each scenario: What does this story mean for you/your organization/your branch? What would be the impact if your environment were to behave/change in this way? Where do you see risks and dangers, where might there be opportunities? How might you/your organization contribute to the outcomes of this scenario? Following the analysis of possible impacts, the participants reflected on actions and strategies for each of the four scenarios: What could you do? Which instruments, measures, levers and strategies would fit the different scenarios? What would be the best strategy to enable you/your organization to succeed in this scenario?

The final step consisted in making the link from the future(s) back to the present. Participants examined whether their own current strategies were prepared for the different futures envisioned in the scenarios. What could they themselves and their organizations do to promote their preferred scenario? Whereas ideas and perceptions varied a great deal, it was clear that, in many cases, participants had the feeling that it was very difficult, in the course of their daily work, to reflect on long-term perspectives and strategies as, all too often, they were caught up in »fire fighting.« Working with the scenarios was here perceived as offering room for creativity/»out-of-the box thinking« and the possibility »to take more of a bird's eye view and see developments as a whole.«