

The economic crisis and public sector adjustments in Europe: A comparative perspective

This symposium will host three comparative papers. In addition, the symposium will address some common themes related to the economic crisis and public sector adjustments in Europe..

The comparative papers will be presented by:

1. Prof. Stephen Bach (King's College London): Public services in the aftermath of the economic crisis
2. Prof. Damian Grimshaw (University of Manchester): Public sector pay and social dialogue during the fiscal crisis: the effects of pay reforms and procurement strategies on wage and employment inequalities
3. Daniel Vaughan-Whitehead (ILO): The impact of public sector adjustments in Europe

The symposium will provide ample opportunity to discuss the papers and the related key themes.

First, the scientific issues in the debate will be in the hands of invited discussants. These are:
dr. Vera Glassner, Johannes Kepler University, Linz, Austria
dr. Christian Welz, European Foundation for the improvement of living and working conditions, Dublin, Ireland

Secondly, the policy issues will be addressed by a round table discussion about the policy lessons and recommendations to be derived from these studies.

These are:

Christina Dziejawska-Stringer, Council of European Municipalities and Regions
Christine Jakob, EPSU
dr. Thorsten Schulten, WSI, Hans Böckler Stiftung, Dortmund, Germany

The issues at hand.

The interest in the development of employment relations in Europe has been framed for some time by the question whether Europeanization would lead to a convergence of employment relations. Although policy-making in the area of pay and employment conditions is formally excluded from EU decision-making, a convergence in Member States' employment relations was observed in areas of for instance wage restraint and flexibility (Marginson & Sisson 2002). The launch of the Economic and Monetary Union (EMU) in 1999 occasioned Scharpf (2002) to predict that the space for national governments to promote economic growth and employment would be limited to policy choices such as taxes, deregulation and flexibilisation of employment conditions, and lowering labour costs by reducing the costs of welfare arrangements. Ironically, it seems that the current economic crisis has forced Member States since 2008 more or less to convergence on similar reform and austerity policies in order to cope with the consequences of the economic and fiscal crisis. Three major cross-national research projects have studied the consequences of reform and austerity measures for public sector services and employment conditions in the public sector.

This symposium will host three comparative papers reporting the main results of each research project. In addition, the symposium will address some common themes that are emerging from the projects. These themes include:

- National differences – how can we explain variations between countries, especially if obvious influences such as political ideology, debt/deficit ratios only provide limited traction in understanding the antecedents and outcomes of austerity?
- What's the relationship between changing forms of European governance and the pressures on individual nation states to implement austerity measures?
- What are the main reforms being implemented under the rubric of fiscal/wage austerity and do these represent a 'temporary' shock to current institutional arrangement of public service employment relations or a more profound crisis of collective bargaining and social dialogue? Are we seeing a shift towards more decentralized employment relations in the sector and what are the implications of any such shift?
- How are key actors responding and what strategies are available to them? Can austerity be recalibrated to focus more on qualitative rather than quantitative changes and more progressive agendas? What are the trade offs and red lines that trade unions in particular need to try and establish in the current context?
- What's different about municipalities/regions why are they hit harder in many countries?
- What are the longer term implications for the social model and the public domain of sustained austerity in terms of service quality, recruitment/retention etc ?