EUROPE 1992: THE INDUSTRIAL RELATIONS ASPECT**


In the introductory article of this special issue devoted to the European Economic Community and 1992, Blanpain outlines the problems and issues raised by the evolving European market integration including: short-term increased unemployment; "social dumping"; preservation of a higher standard of living in the more developed member states; the impact on competition of the discrepancy in social security costs among EC nations; and the impact on industrial relations measures such as work hours. Blanpain summarizes the opinions of the European Trade Union Confederation, the European Employers’ Association, and the European Parliament. He asserts that prospects for European collective bargaining are almost nonexistent. Other articles in this issue are: "Labor law and industrial relations in Europe 1992: a German perspective," by Manfred Weiss; "Social rights in the European Economic Community: a British perspective," by Bob A. Hepple; "European unification and Italian labor relations," by Tiziano Treu; "The Netherlands and the social dimension of the Single European Market," by Antoine T.J.M. Jacobs; "Adaptation and change for labour: Spain’s entry into the EEC," by Antonio Martin Valverde; "A Danish perspective: the impact of the internal market on the labour unions and the welfare state," by Bruno Amoroso; and "Irish labour law and the European Community," by Ferdinand von Prondzynski. Blanpain expands his discussion of the need to safeguard workers’ rights and the laws concerning employer-employee relations in *Labour law and industrial relations of the European Community* (Kluwer Law and Taxation, 6 Bigelow St., Cambridge, MA 02139. 1991. 280 pp. $50.00).


This paper explores the potential impact of a single EC market on labor relations in American multinational corporations in EC countries. From the unions’ point of view, the social dimension being addressed by the EC threatens the unions’ traditional roles by legislating certain worker rights. However, if these protections are not guaranteed throughout the European Community, “social dumping” may occur with businesses relocating their operations to EC countries with the lowest labor costs. According to a sur-

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** Items on this list should be ordered directly from the publisher. Addresses are given in connection with each reference.
vey of six American multinationals, corporations are monitoring EC developments closely, but have made few formal preparations in anticipation of expected changes. Among the proposed changes, the most significant for labor relations are: worker participation in company decision-making; regulation of working hours, which would interfere with the use of continuous process technologies that require evening and weekend operation; and equity or profit sharing. Another proposal, information and consultation rights for workers, could lead to union vetoes over management decisions and pave the way for collective bargaining at the transnational level. Companies oppose this because it limits their flexibility to respond quickly to market changes. The authors conclude their paper with a research agenda they feel should be addressed in the next decade and a useful bibliography of recent publications on the topic. Soroush Kuruviull comments on the paper and provides additional references.


Conference papers address some of the effects of the removal of barriers within the European Community on American workers. Issues discussed include: the implications of U.S. trade with and investment in Europe; increased competition in specific American industries; and the social dimension of the EC program, specifically the free movement of labor, freedom of association and collective bargaining, conditions of work (including health and safety standards), employee information and participation, vocational training, and protection for women, minorities, children, the disabled, and the elderly. While a single set of rules should make it easier for American companies to do business in Europe, thereby increasing U.S. exports and employment, there is also the risk that increased competitiveness of European firms could depress U.S. exports and lead to worker dislocation. Increased competitiveness could also be the result of new EC labor standards and protections. Diversion of American direct investment from the United States to Europe could affect both productivity growth and the standard of living in the United States. Conference participants suggest ways in which United States business, labor, and government can respond to these challenges. A cooperative approach to improving the quality and efficiency of American products and services is required.


After reviewing recent employment developments in the European Community and presenting a short-term outlook, each issue of this annual report focuses on selected current topics, supported by numerous graphs and charts based on harmonized Community-wide data. Subjects covered in the 1991 report include: European integration and regional labor markets; the decline in agricultural employment; and changes in industrial employment given such conditions as the end of the Cold War and continuing external competition in sectors such as textiles.


The author believes that the development of a single European market without political integration will intensify internal competition among EC member nations. European-based companies that have already integrated human resources with other resources into a single strategic system are in a better
position to survive in this climate than ones organized along traditional personnel management lines. Krulis-Randa concludes by listing five steps necessary to complete the shift from personnel to human resources management.


After reviewing past European Community social policies, Mosley focuses on five broad categories of current initiatives: working conditions; freedom of movement (including right of residence for students and retired persons, extending work permits to ten years, easier access to unemployment benefits in other countries, and coordination of social security coverage for migrant workers); employee participation (the three models being representation on the supervisory board, participation in a separate body representing company employees, or participation through collective agreement procedures); reform of the structural funds by reducing and clarifying their objectives, carefully planning national projects, and providing adequate compensatory measures to address regional disparities; and the Social Charter of workers' rights that calls for the establishment of minimum European standards for such questions as Sunday work, annual leave, part-time employment, minimum pay, work safety, child labor, social security, union membership, and collective bargaining. Mosley is pessimistic that substantial progress toward these goals will be made soon. Unanimous agreement among EC nations is required in all areas of workers' rights except occupational health and safety, and Mosley warns that this political structure will enable companies to take advantage of the more open European market to relocate, thus escaping regulation of their employees by potentially more restrictive national labor laws.


This annual report, an addendum to the *General Report on the Activities of the European Community*, begins with a summary of the year's activities. The 1989 report lists objectives achieved by the Council of Europe: harmonizing minimum requirements for workplace health and safety; instituting common policy on training; and launching a policy on the social and occupational integration of disabled persons. The remaining information is organized in the following chapters: employment (including migrant workers); education; vocational training; social dialogue and industrial relations; working conditions and labor law; wages and incomes; living conditions and family affairs; social security; and occupational safety and health. Some numbers of this report also include statistical appendices and/or reprints of official documents. Descriptions of other labor-related reports and statistical series published by the EC, such as *Programme of research and actions on the development of the labour market* ($14.00), *Comparative tables of the social security schemes* (15th ed. $17.00), and *Employment and unemployment* (1990. vol. 1, $7.00; vol. 2, $7.00; vol. 3, $5.00), can be found in The *documentation of the European Communities: a guide* by Ian Thomson (Mansell, P.O. Box C331, Rutherford, NJ 07070. 382 pp. $80.00).


This guide summarizes the rights of EC citizens who wish to work in a European Community country other than their own. Descriptions of equal treatment arrangements and EC directives regarding the free exercise of occupations are followed by annexes which constitute most of the volume.
and contain the most significant pieces of EC legislation pertaining to the practice of professions within the European Community: instruments concerning occupations (the EEC Treaty; extracts from the White Paper Completing the internal market; and directives reprinted from Official Journal of the European Communities); a list of judgments by the Court of Justice on the right of establishment and freedom to provide services; and a list of directives about the recognition of qualifications based on work experience.


The planned changes in EC social legislation will affect where companies locate and how they manage, develop, and pay their employees. These decisions in turn will determine a company's ability to attract international executives at what the author describes as the new pan-European level of management. These "Euro-executives" speak English plus one or two European languages, have the flexibility to adapt to and appreciate different cultures, have worked in different functions and locations, and have demonstrated mobility, initiative, creativity, team building, and independence. A chart summarizing the current employment practices and policies among EC countries is included.


Progress toward the creation of a single economic market in Europe has not yet had an effect on regional compensation and benefits practices. In fact, the author states that demographic and economic developments, such as a moderation of labor costs and the graying of the labor market, will have a more immediate impact. While Completing the internal market: White Paper from the Commission to the European Council (Unipub, 4611 F Assembly Dr., Lanham, MD 20706-4391. 1985. 90 pp. $9.00) proposes action to remove three potential barriers to the free movement of labor (removing restrictions on residence permits for citizens of all EC countries; standardizing vocational training; creating a European vocational training card that will be recognized in all member countries; and accepting as comparable degrees from universities in all member countries and providing equal access to professions throughout the European Community), Springer feels that any increased mobility will be of firms, not individual workers. A major area of standardization is health and safety with the greatest effect occurring in the poorer countries of the European Community. The author expands her discussion in The social dimension of 1992: Europe faces a new EC (Greenwood Publishing Group, 88 Post Rd. West, P.O. Box 5007, Westport, CT 06881. 1992. 177 pp. $45.00) in which she deals with the substance and politics of the social policy.


Teague focuses on five policy areas of the EC's social dimension: the free movement of workers; cooperation among national labor market institutions; the European Social Fund; employment and labor legislation; and European collective bargaining. The first three questions are relatively non-contentious, though achieving all the goals and objectives will not be easy. Success in the areas of labor legislation and collective bargaining will depend on hard political bargaining between those who favor an interventionist social policy and those who want to protect their local authority.