

Meinert, Sascha; Stollt, Michael

Research Report

Codetermination 2035. Four Scenarios: Focus on Digitalisation

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REPORT

Mitbestimmungsreport Nr. 56e, 01.2020

The I.M.U. is an institute of
the Hans-Böckler-Stiftung

CODETERMINATION 2035

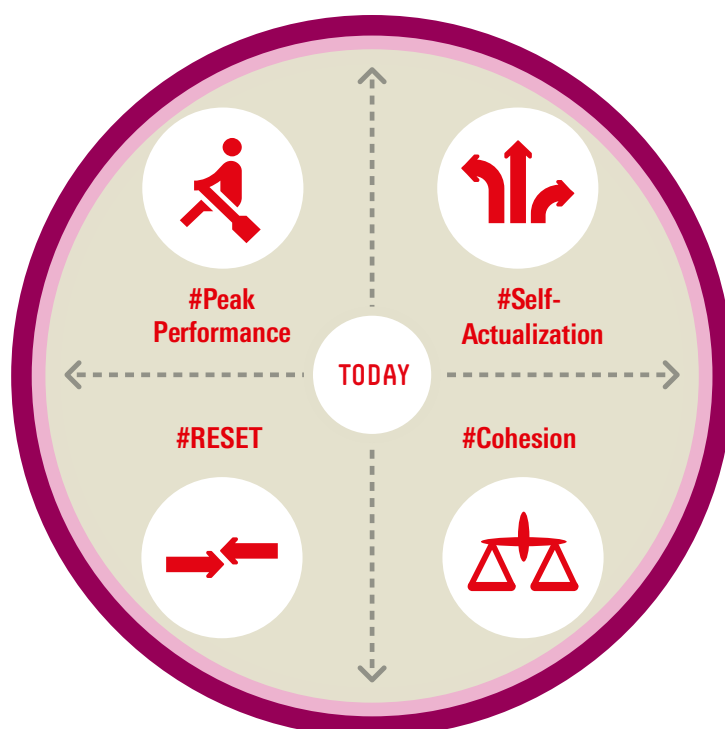
Four Scenarios: Focus on Digitalisation

Institute for codetermination and corporate governance (I.M.U.) of the Hans-Böckler-Stiftung
in cooperation with the Institute for Prospective Analyses (Eds.)

AT A GLANCE

Four scenarios describe different, but equally plausible 'futures' of digitalisation in the world of work. They bring to light various opportunities and challenges that in future could play more or less important

roles for codetermination actors. They offer a frame of reference for assessing current developments and existing strategies for action and for opening up more creative scope for successful codetermination.



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AUTHOR

Sascha Meinert

is a political scientist and has headed the Institute for Prospective Analyses (IPA) in Berlin since 2004. He designed and facilitated the Scenario Process Codetermination 2035 for the Hans-Böckler-Stiftung.
meinert@ipa-netzwerk.de

Contact partner for the project Codetermination 2035:

Michael Stollt

I.M.U. – Institute for Codetermination and Corporate Governance of the Hans-Böckler-Stiftung
michael-stollt@boeckler.de



SCENARIOS ARE STORIES ABOUT THE FUTURE, BUT THEIR PURPOSE IS TO MAKE BETTER DECISIONS IN THE PRESENT.

Ged Davis

FOREWORD

The digitalisation of the world of work is in full swing. But it is not a force of nature. How industrial relations and work processes will change in the course of this advance depends decisively on how digital technologies are used and with what aims, the social context in which they unfold and how employees' interests are taken on board. How can working that is flexible with regard to both time and place really benefit workers themselves? What kinds of data will be gathered and what will it be used for? What kinds of demands will this make on training and further training? How can we ensure that algorithms and the platform economy do not conspire to dehumanise work and increase precarity of employment? How can structural change – especially where jobs are lost in the wake of digitalisation and automation – be made more socially equitable? These are only a few of the settings in which different interests have to be balanced and fair rules of play negotiated. And we can also be sure that the structures and tools of codetermination itself will also change as a result of digitalisation.

The focus scenarios presented in this report are part of the project 'Codetermination 2035 – Four Scenarios' that the Hans-Böckler-Stiftung has launched with the Institute for Prospective Analyses. They illustrate possible changes and future conditions in the sphere of 'digitalisation'. The scenarios bring to light different opportunities and challenges that could play important roles for codetermination actors in the future. They offer a frame of reference for evaluating

current developments and existing action strategies and for opening up more creative scope for successful codetermination.

Scenarios cannot predict the future. But they can help us to cope better with the uncertainties of an open future. We become more confident in our assessment of how decisions we take today will affect work and living tomorrow. In this sense we regard these focus scenarios as a platform for dialogue on the question of how we can help guide digitalisation in the right direction.

The scenarios can be put to good use in various ways for a creative encounter between the spheres of codetermination and digitalisation. To this end we have made available numerous suggestions and materials on the Hans-Böckler-Stiftung's Codetermination Webportal.

Sascha Meinert
Institute for Prospective Analyses (IPA)

Michael Stollt
I.M.U. – Institute for Codetermination and
Corporate Governance of the Hans-Böckler-Stiftung



Mitbestimmungsportal
www.mitbestimmung.de/scenarios

What is codetermination?

Codetermination (Mitbestimmung) defines a set of rights that give employees the possibility of actively participating in shaping their working environment.

This includes legally stipulated codetermination rights, company agreements devised in conjunction with collective agreements, as well as informal possibilities that have arisen from codetermination practice.

OVERVIEW OF THE SCENARIOS

Codetermination 2035 – Four Scenarios: Focus on Digitalisation

Scenario I: #PeakPerformance

Digitalisation is promoted in order to boost productivity and competitiveness. Pressure for efficiency and constant optimisation of one's own performance shape working life. Opportunities and risks are often cheek by jowl, personal negotiating power is based on market value and employment relations are becoming increasingly polarised. Competition between human beings and machines is a feature of more and more areas.

Scenario II: #Self-Actualization

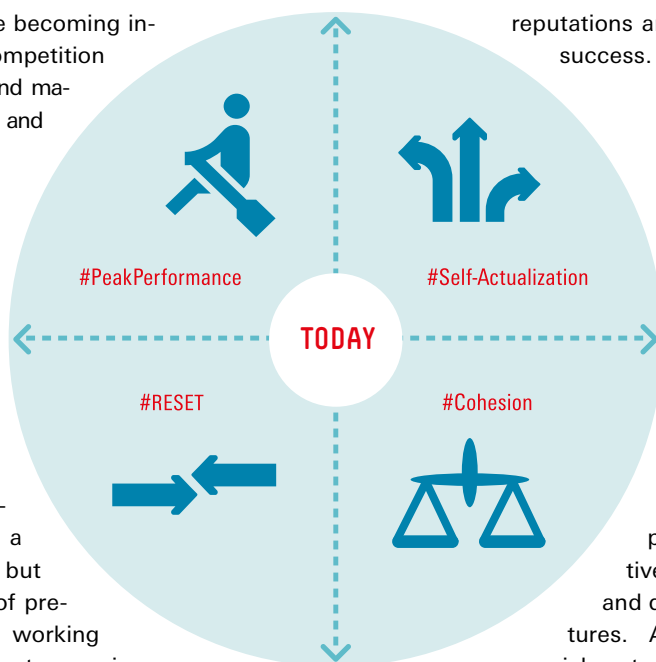
Digitalisation is contributing to more individual creative freedom, flexibility and variety in the world of work. Government standards ensure participation and a balanced distribution of the benefits of digitalisation and prevent abuses of power. Because of the limited labour supply employers' reputations are a key factor in company success.

Scenario IV: #Reset

Digitalisation and automation lead not only to a dramatic loss of jobs, but also to the proliferation of precarious and inhuman working conditions. That gives rise to massive resistance and conflict, out of which new approaches to collective action and solidarity, as well as new economic ideas eventually emerge.

Scenario III: #Cohesion

Digitalisation is taking place embedded in collective negotiation processes and democratic corporate structures. Agreements between the social partners make a decisive contribution to ensuring that technological change and efficient production methods go hand in hand with security of employment, good working conditions and individual preferences.



Lead-in questions for consideration – Applicable to all scenarios

- What concrete effects would the conditions described in the scenario have on you personally, your company or your organisation?
- What are the driving forces and motivations and who are the key actors for technological change under this scenario?
- What changes would this scenario usher in in relation to the existing power structure?
- What skills are needed by codetermination actors under this scenario? And what new organisational forms could be imagined? With whom should one join forces?
- How would communications among employees or between the employee and employer sides change under this scenario?
- What risks and challenges are associated with this scenario and what opportunities and new horizons are there for codetermination?
- Are there any discernible signs that things might be going in the direction described in this scenario?



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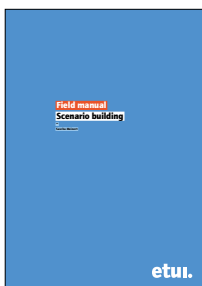
Further Materials and Recommended Reading



Scenarios “Codetermination 2035” (available in EN and DE)

What will the world of work and the horizons of co-determination look like in the future? Four scenarios – COMPETITION, RESPONSIBILITY, FAIRNESS and STRUGGLE – explore different but equally possible future developments by the year 2035.

https://www.mitbestimmung.de/assets/downloads/Codetermination2035_Executive-Summaries_EN.pdf

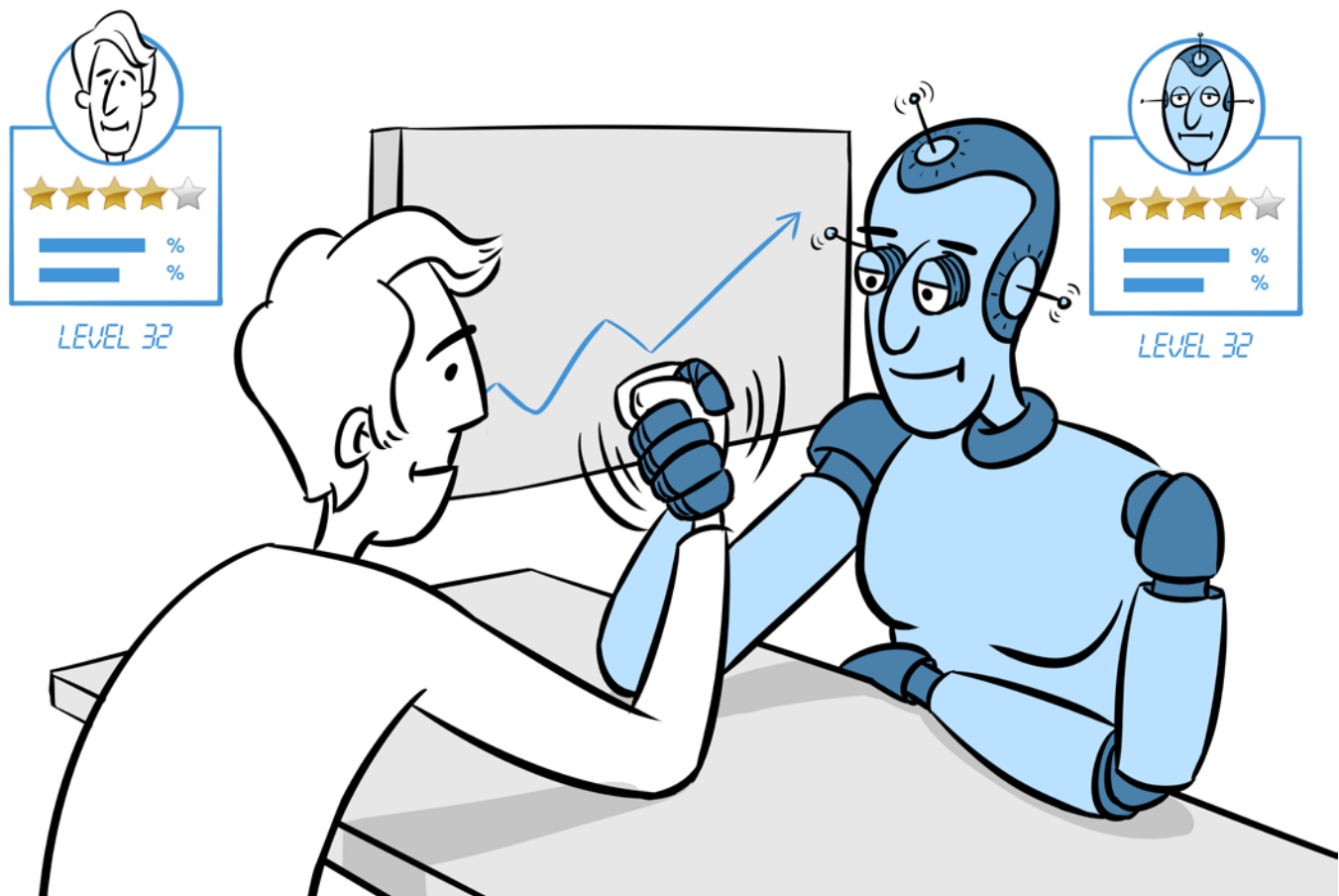


Meinert, Sascha: Field manual scenario building, European Trade Union Institute (ETUI), Brussels

This guide is a manual for people who want to know more about scenario-building and are considering setting up their own scenario project. It has been designed as a compact and easily accessible overview of the method of scenario building and the different steps entailed in the process.

<https://www.etui.org/Publications2/Guides/Field-manual-Scenario-building>

SCENARIO I: #PEAKPERFORMANCE



„ We’ve spent about 200 years making people more like machines at work [...] And now we’re surprised that machines can do it better.

Chris Boos

„ Most people live in the quicksand between success and redundancy. They are struggling to remain useful ...

Ilija Trojanow

Digitalisation offers tremendous growth potential for the whole economy. The prospect of advances in productivity, increasing revenues and new business models is pushing up prices on equity markets. Cheap money is readily available. But only if one gets in early one has a chance at obtaining a big piece of the pie. Bold and proactive corporate strategies are called for to ensure one does not get left behind by the digital transformation. Even politics is taking action: the core projects for boosting the competitiveness of European companies include the further development of the digital single market in the EU, tax relief, broad deregulation, common technical standards, public investment in pilot projects and new R&D clusters, as well as comprehensive broadband provision. There’s a lot going on.

For many occupational groups job prospects are bleak in the early 2020s and the ‘global war for tal-

ents’ is in full swing. In order to hire the best, sought-after specialists fixed working time-related remuneration is linked to performance-related bonus and incentive schemes. Commitment, mobility and flexibility are expected, but also rewarded accordingly. The strong productivity increases enable growth and security of employment in high-wage Germany. But it is not only the trade unions who are complaining that the digitalisation dividend is not being shared equally, that the low-wage sector for activities with low productivity is growing and in the wake of automation and digitalisation whole occupational groups are being deskilled.

The restrictions on where and when work can be performed are being removed in more and more areas of activity, which means that people’s own homes, cafes or park benches, as well as railway stations and trains are becoming productive places. Agile assistance and monitoring software, as well as team

leader apps enable management to get to grips with the growing complexity of production processes. In this way, workers on the shop floor can be interlinked, individually briefed and supported, just like in-house and outsource employees. The monitoring of all processes important for production naturally also includes comprehensive personal data on the employees. Because key performance indicators have to be clearly quantifiable it is inevitable that 'soft factors' such as work environment, psychological stress or personal well-being are increasingly sidelined, even though physical data, too, are now routinely tracked.

In the early 2030s technical systems have become key actors in the world of work. They take decisions and guide workers. Management-bots put project teams together. They tender for required goods and services in digital marketplaces. Machines and human beings can actively compete for contracts here. People just have to get used to having bots as customers, superiors and colleagues. How is one supposed to resolve a conflict with an algorithm or a co-bot? How does one deal with instructions that appear to be unjustified or that impinge on one's personal scope of discretion? Many experience the transformation as a continuous compression and acceleration of their working day. Adjustment to new task fields and work processes has to be accomplished in ever shorter periods of time. The polarisation of human resources has increased further. On one hand, highly qualified smart talents, code workers, creatives

and specialised service workers; on the other hand, the growing number of workers whose every movement is specified by algorithms. Success in this context means high speed and a low error rate.

In 2035 a large proportion of the economically active are de facto 'self-entrepreneurs'

who offer their services in digital marketplaces. Service avatars provide them with support with individually tailored personal branding strategies. Employment relationships can be concluded over two years, one month or even on the basis of single orders. There is no shortage of demand for human labour; one simply has to remain visible and achieve an acceptable 'score'. Smaller orders are often taken on free of charge as a way of maintaining contacts and staying in the game. In many areas of activity people have to compete with rivals from all over the world, while in others they remain strongly localised. Competition between human beings and machines is intensifying in many sectors, too. A working hour of a service provider or a specialist on the shop floor is now traded at between 60 and 400 euros, depending on qualifications. In the case of performance packages at fixed prices, the number of

hours actually worked tends to be higher than what was initially calculated. However, a working hour of a new-generation analysis or industry bot, which can be operational 24/7, only comes in at around 20 euros, including installation and maintenance. People are increasingly looking to upgrade their intellectual and physical skills by means of neuro-enhancements, implants and functional foods. There is a certain irony in the fact that in 2035 controversy is raging about the pros and cons of bots capable of reproduction, while the now widespread practice of 'egg freezing' among female workers has become a controversial issue of debate again. It has been generally assumed for quite some time that it is probably not such a good idea to become pregnant during the most productive years of one's life. The high turnover and distribution of employees over work locations and time zones makes it harder to take a common view of interests, or to negotiate generally valid working standards and wage rates. However, strong codetermination and effective collective agreements, employment guarantees and social plans are not in keeping with the times. People try to improve their lot on their own initiative.

IN 2035 A LARGE PROPORTION OF THE WORKFORCE ARE DE FACTO 'SELF-ENTREPRENEURS'.

COMMITMENT, MOBILITY AND FLEXIBILITY ARE EXPECTED, BUT ALSO REWARDED ACCORDINGLY.

who offer their services in digital marketplaces. Service avatars provide them with support with individually tailored personal branding strategies. Employment relationships can be concluded over two years, one month or even on the basis of single orders. There is no shortage of demand for human labour; one simply has to remain visible and achieve an acceptable 'score'. Smaller orders are often taken on free of charge as a way of maintaining contacts and staying in the game. In many areas of activity people have to compete with rivals from all over the world, while in others they remain strongly localised. Competition between human beings and machines is intensifying in many sectors, too. A working hour of a service provider or a specialist on the shop floor is now traded at between 60 and 400 euros, depending on qualifications. In the case of performance packages at fixed prices, the number of

Lead-in questions for consideration – Scenario #PeakPerformance

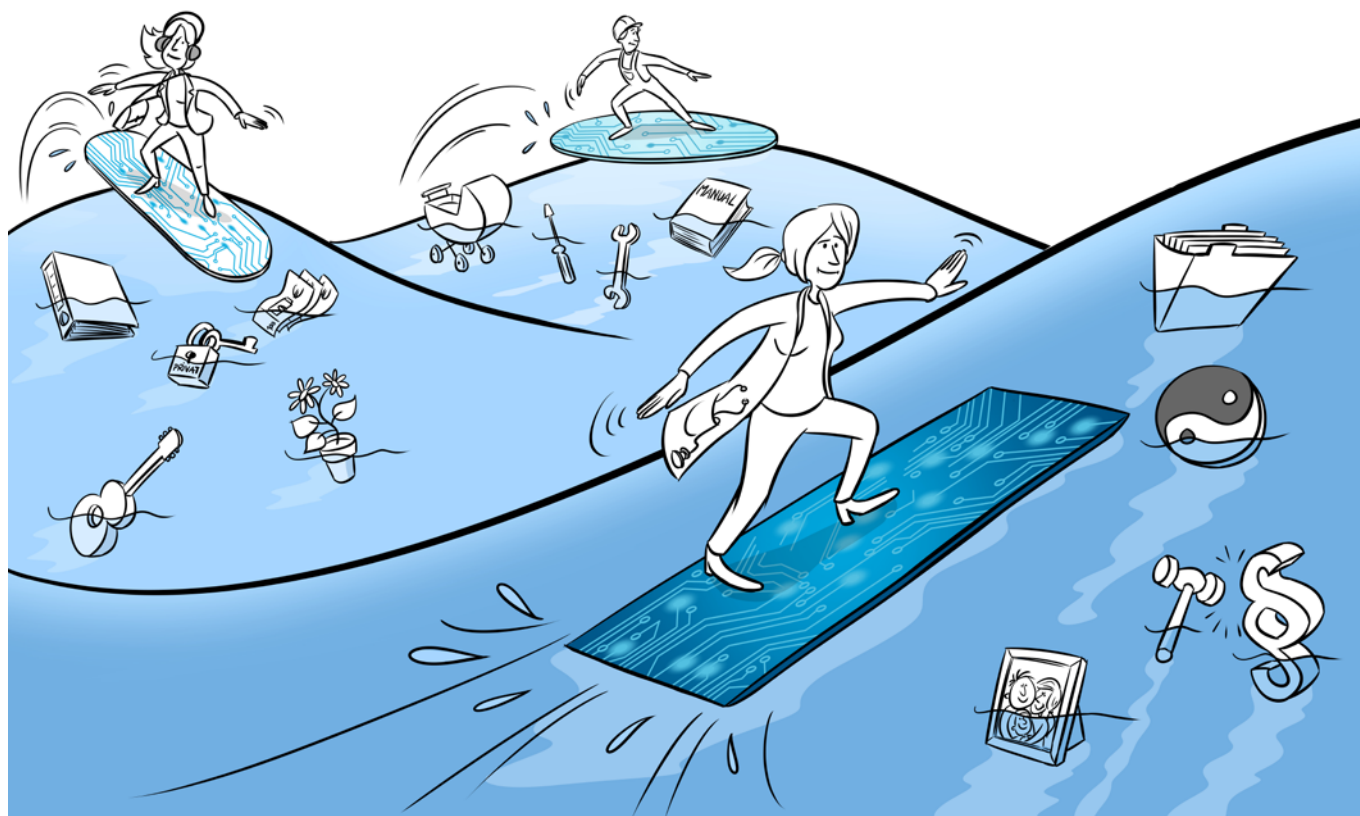
- How would codetermination actors cope if individualisation and performance-based competition increased further in daily working life?
- How can digitalisation and automation be prevented from ushering in further work intensification?
- What risks at the human/machine interface require anticipatory action on the part of codetermination actors in order to avoid the undesirable developments described in this scenario?
- What are the limits of performance-based competition in the platform economy? How can it be prevented that employees are played off against one another?



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#PEAKPERFORMANCE**

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SCENARIO II: #SELF-ACTUALIZATION



„ Computers can help or harm us, but they have nothing to say to us. ... they are always just a side issue

David Gelernter

„ People will continue to work in the future. But perhaps they will no longer do it for money and perhaps they won't do it for a company any more and they will no longer do it in an employment relationship.

Richard David Precht

The digitalisation of the world of work is characterised by contrasting developments. While some people are excited about the increase in possibilities and are counting on digital innovations, others are increasingly sceptical about relentless change and yearn for authenticity – virtual worlds simply don't do anything for them any more. Many are asking what is the point of all this? How does this benefit society – and what does digitalisation mean for me personally? This is not just a kind of retrogressive technophobia. Most people are genuinely open and curious – they welcome change. They want a socially and ecologically intact environment. And they want more of a say with regard to their everyday concerns.

And yet the consequences of digitalisation in the 2020s are in many respects more far-reaching than expected. For a long time the level of EBIT, company size and growing market share were the key meas-

ures of success. In the mean time, however, it is not so much the 'Goliaths' who set the pace in economic life but the agile 'Davids' who can organise and network effectively. For example, blockchain technology is contributing to the erosion of centralised business models. And falling prices for processing power and chips are virtually an open invitation to creative profligacy. Crowd communities are playing a bigger role in the funding and realisation of new projects. Non-profit companies and consumer cooperatives are changing what goes on in markets. The economy is becoming more regional, small-scale and willing to experiment. Unpaid work and community involvement are much more appreciated than they used to be.

Digitalisation and automation complement human work, they do not substitute for it. Although a whole series of activities are disappearing the so often feared large-scale job losses have not yet come to pass. It

seems that many monotonous activities in particular are simply not needed any more. No one has to sit at a checkout any more and wave items over a barcode scanner. Repetitive work performed in standardised settings is, as far as possible, being automated (which affects taxi drivers as much as bookkeepers and legal advisers). Difficult and onerous work can be significantly reduced. Simple tasks are gradually disappearing from the world of work, leaving the creative, the complicated, the demanding and the interpersonal.

Aptitudes such as self-reliance, attentiveness and empathy for colleagues and customers, but also for one's own psychological and physical wellbeing are gaining ground. Individual responsibility and self-directed teams are increasingly taking the place of formal company hierarchies. For many managers this cultural transformation is a major challenge. It is hard to give up power and to rely on workers' own discretion rather than issuing instructions. In the mid-2020s it is no longer unusual that decisions on appointments to and remuneration of management positions, project workflows and work schedules, as well as the future orientation of the company are taken by the team or at least it has a substantial say. Instead of the traditional forms of human resource development the aim now is personality development. Digital assistance systems make possible individually coordinated working environments, thereby enhancing employee flexibility not just in terms of time and place. Working relationships are often temporary and project-related, although they take place in more or less stable environments. In particular in sectors with acute labour shortages this is a matter of survival. Training opportunities and other

APTITUDES SUCH AS SELF-RELIANCE, ATTENTIVENESS AND EMPATHY FOR COLLEAGUES AND CUSTOMERS, BUT ALSO FOR ONE'S OWN WELL-BEING ARE GAINING GROUND.

ways of retaining staff are being expanded, even for 'external employees'.

Personnel departments increasingly have to cope with coordinating a wide range of employment forms. This transformation also confronts the established structures and actors of codetermination with major challenges. For example, how can people's concerns be represented in decentralised and fluid supply chains and given the wide variety of contractual relationships, interests and life circumstances? For whom and for what is the works council responsible? How can digital devices be used to make opinion-forming and decision-making processes more direct, democratic and effective? For the trade unions there is also the problem that their traditional areas of organisation are increasingly deviating from rapidly changing realities in branches and companies.

Naturally digitalisation is no stranger to conflict. After all, recalibration of how humans and machines work together is not the only issue; interaction and the balance of power between humans are still of the utmost importance. Accordingly, resistance tends to rear its head whenever automation processes, data gathering or the introduction of an algorithm might lead to a loss of personal integrity or creative freedom. Here more effective government regulation and agreements are required, mainly at enterprise level, but sometimes also at sectoral level. The role of the state as social floor has become more important, in setting boundaries, offering some degree of security and at the same time facilitating processes of change.

In 2035 digitalisation is no longer an issue. It has led neither to major upheavals in the labour market nor to the predicted enormous boost in productivity. Perhaps its main effect is that many people at the cutting edge of tech hype in the early 2020s have asked what it really means 'to be human'. There was a wide variety of answers.

MANY ARE ASKING WHAT IS THE POINT OF ALL THIS? HOW DOES THIS BENEFIT SOCIETY - AND WHAT DOES DIGITALISATION MEAN FOR ME PERSONALLY?

Lead-in questions for consideration – Scenario #Self-actualization

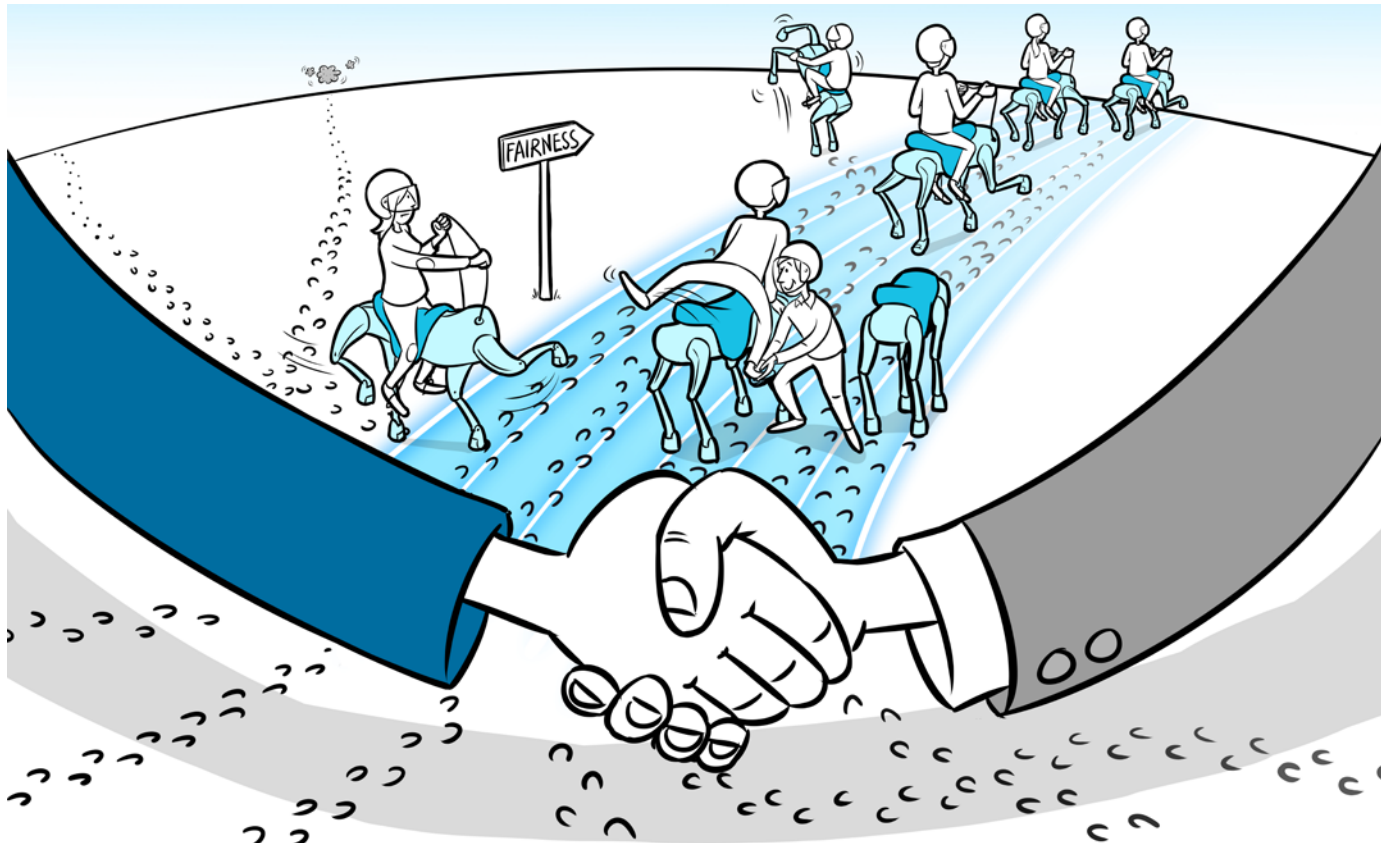
- How would codetermination actors cope if negotiation processes between employers and employees became increasingly individualised?
- How might digitalisation contribute to direct, democratic and effective forms of codetermination?
- How can the increasing variety of needs and lifestyles be harmonised with the requirements of efficient value creation and cooperation?
- How can more autonomy and flexibility be realised in daily working life? What are the limits of individual responsibility? And what help can be given to those who feel overwhelmed by the creeping push towards personal responsibility?
- What rules of play does the state have to establish to make such a scenario feasible?



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#SELFACTUALIZATION**

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SCENARIO III: #COHESION



” Not everything that can be counted counts, and not everything that counts can be counted.

Albert Einstein

” Those societal forces need to be activated and strengthened that promote social cohesion in a digitalised world and can shape the digital transformation accordingly.

Federal Ministry for Family Affairs,
Senior Citizens, Women and Youth

It became clear early on that digitalisation would not bring only benefits, but also risks and conflicts, calling for new rules of play as regards employment relations. Thus the ‘future of work’ was not only the occasion for countless political debates, specialist conferences, public consultations and a plethora of media reports, but increasingly also a topic of negotiation in collective agreements and company agreements.

A lot needs to be sorted out. What can be done to prevent employees from losing out? What new ideas on vocational training would be most useful? What kind of data is being gathered and how is it being used? What degree of flexibility can the two sides expect? What kind of health and psychological risks are entailed by the introduction of more and more algorithms and bots in everyday working life?

The growing importance of digitalisation issues is stimulating interest in works council and trade union activities, in particular among many younger employees.

In the face of the economic turbulence and excesses of the platform economy in the first half of the 2020s confrontation is becoming more acute as regards how the costs and benefits of digitalisation can be distributed more fairly, the fact that many jobs are being lost while others are being created elsewhere and the fact that precarious employment is simply a fact of life in many areas. Statutory labour standards, social security systems and codetermination rights are being recalibrated. The Works Constitution Act (Betriebsverfassungsgesetz) has been replaced by the Supply Chain Constitution Act (Wertschöpfungsketten-Verfassungsgesetz). Because digitalisation gives rise to very different challenges in different sectors, sometimes even inside firms, and in order to be able to keep pace with such rapid change the social partners and the various parties in the workplace are given considerable room to manoeuvre.

But even collective agreements and company negotiation outcomes take time, as does their implemen-

tation. Many look on in frustration as, time and again, particular issues are overtaken by events. Internal opinion-forming, mutual information flows and negotiation processes are therefore streamlined and made more efficient, not least by the use of digital technology. Company structures and codetermination processes are becoming more transparent and democratic.

Precisely because the world has become less comprehensible the need for stability, job security and plannable work processes and times is increasing. Generally speaking the trend is once again in the direction of long-term, standardised and collective agreement-based employment relations. A contributory factor in this is the fact that, in relation to service contracts, social insurance contributions now have to be paid by both customer and contractor. Sectoral collective agreements lay down minimum standards that apply to all forms of employment, including freelancers. As a result, cost savings by means of temporary agency workers, service contracts and crowdwork are scarcely feasible. In any case even the employers' side benefits from stable relations and competition that is not achieved in terms of personnel costs. The growing proportion of older employees and the fact that more people are having to care for relatives also mean that mobility is declining. Labour markets are becoming

more regional. In order to retain and further develop know-how in the company, on-the-job training schemes are being expanded. The Federal Agency for Employment and Qualifications sets standards and training measures are implemented by trade union and company in-house training providers.

The integration of digital innovations in daily working life takes place in accordance with criteria that go well beyond mere feasibility and economic calculation. Trade unions and other codetermination actors have a major say. Not everything that would be technically possible is in fact implemented. At enterprise level the principle applies that no new algorithms are introduced without the involvement of the works council. Physically burdensome activities can largely be eliminated by digitalisation and automation processes. Digital real-time monitoring of safety in the workplace and of workers' health has now become the norm. In the event that technological change gives rise to extremely monotonous activities or other stresses they are compensated with reduced working hours. In order to remain attractive as employers or as interest representatives more is done to accommodate individual needs. Almost all collective agreements now include different working time and remuneration models from which employees can choose the option that best suits them. Many opt for less working time rather than more money.

It is not only during economic downturns that strong codetermination and good relations between employers and employees have proved their worth. Even the conversion towards a sustainable economic model that had been looming in the 2020s can only move at a pace dictated by mutual trust. And finally employers and employees are in the same boat when it comes to getting companies ready for the future. Processes must be made more efficient in short order, while energy and resource throughput and environmentally harmful emissions have to be drastically reduced. There is much more responsibility for the whole supply chain than in the past. Ecological and social sustainability data are now key performance factors on the balance sheet. The seamless integration of data on development, production, sales, use and disposal of products is a key step towards an environmentally friendly circular economy.

In 2035 the average working week in Germany is 26 hours. Working time reductions, demographic change and effective training systems have all helped to make a sufficient number of decent jobs available. Furthermore, company agreements are now commonly referred to as 'algorithms'. Although digital data collection systems are pervasive the areas in which the employer may not collect data are clearly defined so that the employees' personal sphere is preserved. Success was not inevitable. Their conflicts of interest, regulatory needs and negotiation processes cost the social partners time and resources, but in the end more sustainable outcomes have been achieved than in countries lacking such a robust workers' voice culture.

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THAT WOULD BE
TECHNICALLY POSSIBLE
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DIGITALISATION IS
INCREASINGLY A
TOPIC OF NEGOTIATION
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AGREEMENTS.

Lead-in questions for consideration – Scenario #Cohesion

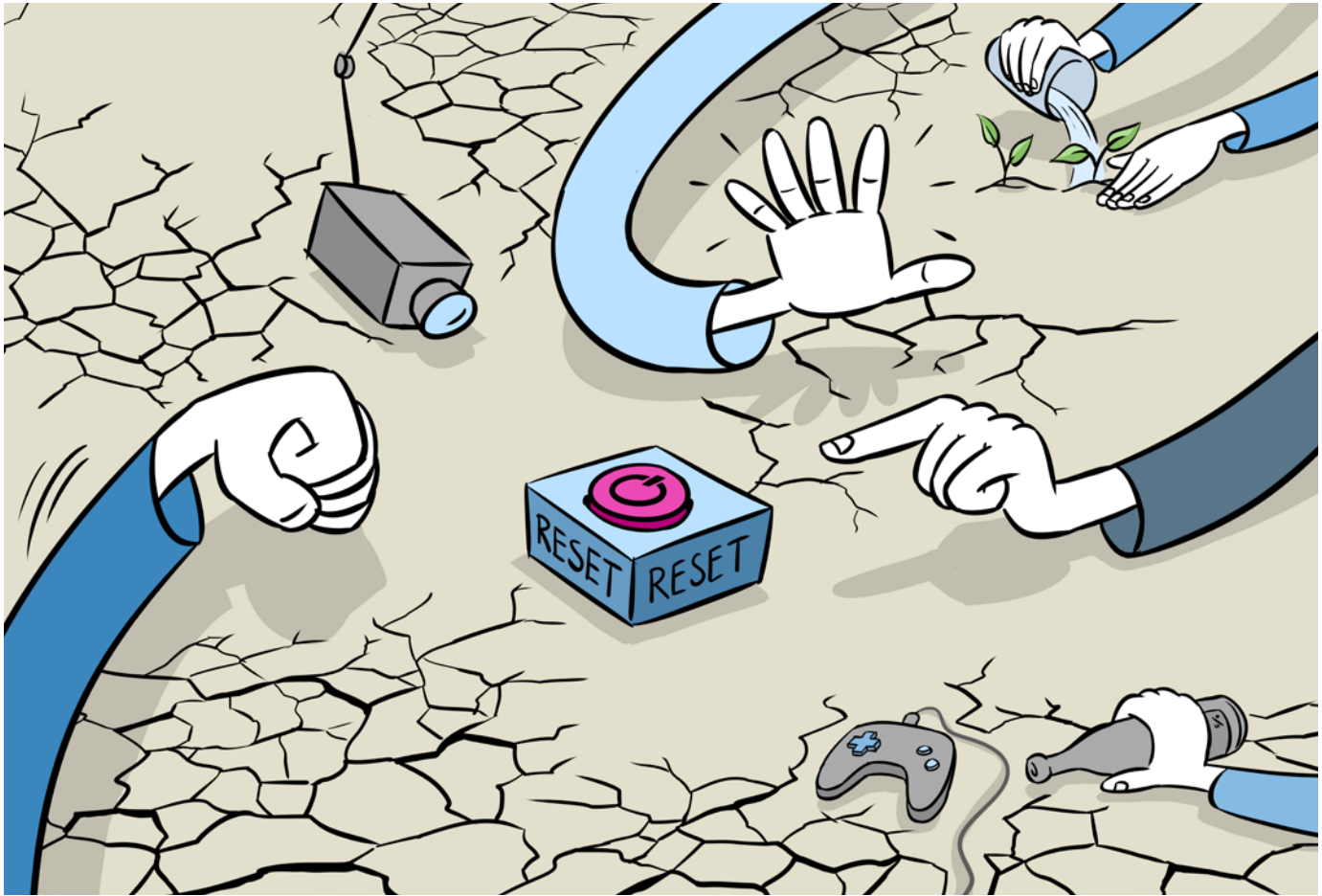
- What are the indications that collective negotiation processes are on the rise in the digitalised working world?
- How can collective agreements and organisational structures be tailored more closely to individual needs?
- How can young people in particular be encouraged to commit themselves actively to common concerns?
- What criteria must technological innovations satisfy in order to be considered social innovations and contribute to decent work? How can sustainability standards be implemented in practice?
- How must the basic conditions for companies – access to finance and the role of investors, competition regime and so on – change so that this scenario is feasible?



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#COHESION**

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SCENARIO IV: #RESET



» *How would you like to live in an economy where robots do everything that can be predictably programmed in advance, and almost all profits go to the robots' owners? Meanwhile, human beings do the work that's unpredictable – odd jobs, on-call*

projects, fetching and fixing, driving and delivering, tiny tasks needed at any and all hours – and patch together barely enough to live on.

Robert Reich

Expectations were high concerning Industry 4.0. A future-oriented study published in 2015, for example, stated that 'workers on the shop floor will switch from being machine operators to become creative conductors and decision-makers in the smart factory'. Furthermore, 'productivity will increase by more than 30 per cent. In this way value added and employment will be maintained in high-wage Germany'. But things have turned out differently.

In the early 2020s relentless job losses set in, for two main reasons. On one hand, many activities are gradually being automated and by no means only simple and low-skilled ones. Even well paid middle class industrial and office jobs are affected. In the retail trade and logistics hundreds of thousands of jobs are lost. Intelligent architecture and statics software, as well as building robots change the construction industry fundamentally. Tasks in controlling and account-

ing are also outsourced to algorithm-based service clouds, as are legal consultation and journalistic activities. Digital signal boxes and flight control systems make it possible to manage rail and air traffic with few personnel. The internet of things and real-time sensor technology make a large proportion of traditional maintenance work obsolete. Smart factories produce largely without human labour. Whole job profiles disappear. Autonomous driving and care bots are on the point of achieving commercial viability. All tasks are automated if technically and economically feasible – in many sectors employment exists only in automation gaps. Furthermore, technological change has led to major productivity increases, resulting in enormous overcapacity on the world market. Even the German economy slides into a deep recession in the mid-2020s. That forces most companies to cut costs, making even more employees redundant and outsourcing

to platforms and better value third-party providers. Unemployment in Germany tops the six million mark.

Politics does not idly stand by in the face of the economic disruption of this period. Attempts are made to improve the country's competitiveness and attractiveness as an investment location by means of subsidies for short-time working and further training, lowering labour standards and cutting minimum wages, tax incentives and settlement premiums for companies, and finally special economic zones. Elections are won on promises to protect the domestic economy. Authoritarian political styles increasingly gain favour. In the face of global supply chains and a platform economy dominated by a few powerful companies, not to mention declining tax revenues, however, politicians do not have much leeway.

Power and wealth are concentrated in a few hands. The negotiating power of workers' representatives diminishes as unemployment rises. In the new world of work people, generally speaking, are no longer 'conductors' but are themselves conducted through the working day by digital control systems. In place of vocational education and training what are colloquially known as 'quickfit' instruction programmes enter the scene. Real-time systems measure performance and error rates. Even short intervals of inactivity can rapidly lead to a warning.

The income gap becomes increasingly grotesque. While capital income continues to grow, come rain or shine, earnings from employment are falling relentlessly. Although there is a high wage sector for the technological elite, content developers and system architects, as well as higher management, for the mass of employees the digital transformation means – depending on use category – various degrees of lower pay. The number of crowd-workers, who hire themselves out via platforms, continues to rise, which fur-

**PRODUCTIVITY
INCREASES HAVE
RESULTED IN ENOR-
MOUS OVERCAPA-
CITY ON THE WORLD
MARKET.**

ther increases the pressure on those still with permanent jobs. Even if many products have become much cheaper and rents are no longer rising, all in all money is getting tighter and tighter for most people.

By the late 2020s it is normal for people to be working several jobs. In order to make ends meet people exhaust their sav-

ings, many people take in lodgers or provide driving services with their own cars or motorbikes. People have to care for their own relatives. What once promised more flexibility and began as home office day has turned into systematic outsourcing. Around 40 per cent of employees now work entirely from home via the internet. That saves companies not only the cost of office and work space, but also what were formerly personnel departments are now called procurement departments. General business conditions are

increasingly taking the place of labour and social law. Collective bargaining and codetermination rights simply don't apply there any more. Virtually no one has faith in democracy and its established institutions. People feel that they have been abandoned to their fate.

The exhausting demands of going it alone, the constant financial uncertainty, feelings of helplessness in the face of digital technology from which there is no hiding place and unrelenting pressure to perform lead, sooner or later, to anger and demands for everything to change. People get together, take things into their own hands and go out onto the streets. The impact of the new movements, however, lies not so much in their success in combating the existing power relations as in the realm of ideas and the desire to accomplish something new collectively.

In 2035 a wide range of initiatives concerning mutual aid, exchange and securing a livelihood have gained ground. It turns out that the technologies of the platform economy can also be used for alternative, decentralised forms of production. New communities of solidarity and regional networks emerge that also cooperate globally. Community-oriented enterprise concepts and currencies sow the seeds of a flourishing proximity economy and fair trade. The benchmark here is not sales and profits but a feeling of togetherness, meaningful activities in humane working conditions and whatever people need for a decent life. They are still only tender shoots but they have a finger on the pulse of the times.

**POWER AND WEALTH ARE
CONCENTRATED IN A
FEW HANDS.**

Lead-in questions for consideration – Scenario #RESET

- How would codetermination actors cope if more and more people lose trust in the established institutions of politics and society?
- How can it be prevented that power – strengthened by digitalisation – becomes concentrated in the hands of a few?
- How cooperative or confrontational would codetermination have to be in the circumstances described in this scenario? What means would be legitimate in this struggle?
- What might the new forms of business outlined in this scenario look like, specifically? What role could (new) digital technologies play in this?



LISTEN TO SCENARIO PODCAST #RESET

All scenario podcasts & further materials at
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How do we want to work and live tomorrow? How can we safeguard and enlarge codetermination in the age of digitisation and globalisation? More information about #zukunftmitbestimmung on our Twitter channel:

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The Mitbestimmungsportal is the gateway for the I.M.U.'s services for codetermination actors. Employee representatives need comprehensive orientational and practical know-how that is up-to-date, succinct and precisely matches their requirements. This is what the Hans-Böckler-Stiftung's online platform Mitbestimmungsportal offers. Register free of charge at:

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Institute for Codetermination and Corporate Governance
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Hans-Böckler-Straße 39, 40476 Düsseldorf
Telephone +49 (211) 7778-172

www.mitbestimmung.de

Press contact: Rainer Jung, +49 (211) 7778-150
rainer-jung@boeckler.de

Text: Sascha Meinert
Scenario illustrations: Jai Wanigesinghe
Layout: Yuko Stier

Editorial

Michael Stollt, Head of Unit Mitbestimmungsportal
Hans-Böckler-Stiftung, Telephone: +49 (211) 7778-640
michael-stollt@boeckler.de

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