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## Dignity of work and full employment

ANNAMARIA SIMONAZZI \*

### Abstract:

*The paper offers a brief reconstruction of the varying fortunes of the Charter of Workers' Rights, interpreted in light of the evolution of economic thinking on the role of the market – especially of the labor market – and on the reversal that has been made of the role of labor policy in relation to macroeconomic policy. It is argued that much of the problems facing our economies today are due to this reversal of roles. The author concludes that industrial relations and the world of work should enter in the remit of industrial policy due to the importance that the accumulation of individual and collective knowledge within firms have for the innovation of companies and the economic system of a country, as well as for reasons of justice.*

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In July 1950, Einaudi wrote:

"The existence of unemployment is a theoretical absurdity. At a certain wage, entrepreneurs are always willing to absorb all the workforce available on the market. If they don't absorb it, if there are loads of unemployed workers, this is due to the fact that worker's leagues in some regions and in some industries keep wages above the market level".<sup>1</sup>

Einaudi reminds the reader of other obstacles created by the state: both obstacles to job mobility—limitations on internal migration, on workers moving from one factory to another, firing freezes, minimum hiring quotas—and obstacles to the free circulation of goods—customs duties, import quotas, etc. "The first duty of the state", he admonished, "is to not create unemployment" (Einaudi, [1950] 1956, quoted in Ginzburg, 1978, p. 125).

This belief, as Andrea Ginzburg reminds us, re-asserts the thesis "typical of the traditional pre-keynesian marginalist theory, according to which in an economy of free competition, market forces tend to ensure the full employment of all the so-called 'factors of production'" (ibid.). Conversely, the keynesian analysis of the savings-investment relationship shifts the

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<sup>1</sup> "La Pira in difesa della povera gente", letter sent after having read the article by Hon. La Pira (Einaudi, 1956).

determination of the level of income from the labor market to the management of effective demand and, therefore, to macroeconomic policies (including structural policies).

The separation (and complementarity) of tasks between labor policies, in charge of job protection, and macroeconomic and industrial policies, functional to the goal of full employment, is clearly present in the process leading to the Charter of Workers' Rights. Liso (2020) reminds us that Di Vittorio's proposal for a Charter of Workers' Rights in 1952 takes place together with the proposal for a Jobs Plan (*Piano del Lavoro*). Giacomo Brodolini (Italy's labor minister and main promoter of the Charter) defines the purpose of the Charter as setting the "norms regarding the protection of the freedom and dignity of workers, [including] the freedom to form unions and the right to carry out union activities in the workplace"—as cited in the title of the bill presented on June 20<sup>th</sup>, 1969 by Brodolini to the Italian Council of Ministers. That is, the Charter was not a policy instrument, but a set of rules for the functioning of the labor market that had to be included in a broader macroeconomic plan: creating jobs and growth would be tasked to macroeconomic policies.

This year, another 50-year anniversary is being celebrated: Milton Friedman published his article "The social responsibility of business is to increase its profits" in the *New York Times Magazine* on September 13<sup>th</sup>, 1970. His article marked the beginning of the change in the ideological and political climate that has dominated economic theory and policy in recent decades.

The following pages offer a brief reconstruction of the alternating fortunes of the Charter of Workers' Rights, interpreted in light of the evolution of economic thinking on the role of the market—and in particular of the labor market—and on the reversal that has been made of the role and purpose of labor policies in relation to macroeconomic policies. This reversal of roles is responsible for most of the problems that our economies currently face.

## 1. The long road toward the Charter

The end of the 1960s was characterized by a particular historic, political, and social context. During this period, a swell of rebellion swept the world, including the students in Berkeley, May 1968 in France, the student movement in Italian universities, and the wave of independence movements in Africa, Asia, Cuba, and Vietnam (Franco, 2020, p. 7). In Italy, once the slowdown that followed the "economic miracle" had been overcome, the prospects for development seemed inexhaustible. However, an increase in productivity during the second half of the 1960s was obtained through the rationalization of production processes and the intensification of labor, which led to a general worsening of working conditions (De Cecco, 1972). This helps to explain why, in the season of struggles that began in 1968, the theme of workers' control over the organization of work emerged with such vigor (Vianello, [1975] 1979).

The "Hot Autumn" (a term used to define a series of large strikes in the factories and industrial centers of Northern Italy in 1969-1970), which conquers on the field many of the rights that a few months later would have been codified by the Charter of Workers' Rights, is perhaps a determining factor in the speed with which the law is approved after a very long stalemate (Boni, 1993, p. 204). The Charter had already been proposed by Di Vittorio during the Cgil [Italy's largest trade union] convention in 1952 and, as such, was part of the center-left's agenda from its beginning. Brodolini, in particular, believed that the Charter should "work

organically with a democratic agenda that recognizes labor movements and related organizations as interlocutors, endowed with freedoms and dignities that start in the workplace” (Panaccione, 2020, pp. 154 and 158). After having been postponed indefinitely, when Giacomo Brodolini finally presented the bill on the Charter of Workers’ Rights, which became law n. 300 on May 20th, 1970, the prospect of economic planning had been definitively set aside.

As Giugni ([1976] 2011, p. 29), reminds us, the opinions on and reactions to the Charter right after it was enacted varied greatly. Although “the union struggles of the past years—which law n. 300 is a product of—led to a new system of industrial relations, which brought Italy to the level of other advanced capitalist countries” (ibid., p. 29), this new system was introduced into a political and economic context in which “some features and contradictions were still tied to the specific development model and class relations in Italy” (ibid., p. 29). “The most prudent employer’s groups” felt the need for a new model of industrial relations, which would reevaluate the function of trade unions. This sentiment was represented in the “Pirelli report”, which “recognized that order could not be identified with suppressing tensions—even if severe—but had to be guaranteed through the recognition and observance of the rules of a civil society. [These employer’s groups] were therefore not opposed to the institutional recognition of union representatives, as long as the latter were ‘responsible’ interlocutors” (ibid., p. 29). On the other hand, there was “discomfort and concern” (ibid., p. 24) from Confindustria [the main Italian employers’ federation], especially from small and medium sized companies, who resented the government for having left them vulnerable to workers’ disputes. Unions were cautious as well: there was “acceptance by the Cgil, even if it believed that only the bare minimum of their requests had been met, and they had doubts as to how the law would be implemented. Cisl [the second most important trade union confederation] was skeptical at first, but they then accepted the Charter as a ‘useful tool in the hands of the union’” (ibid., p. 24). And “strong criticism came from the extra-parliamentary left which saw in the Charter an instrument tending to limit workers’ autonomy by favoring trade union organizations in their intermediary function between the base and the company” (ibid., p. 24).

## 2. The difficult period of the 1970s: “declining while growing”<sup>2</sup>

In a beautiful essay remembering Giacomo Brodolini, Panaccione (2010) writes that the Charter reflected the context in which it had been produced and how this context was perceived by the relevant social forces at the time. These social actors “based themselves on the assumption that there was significant homogeneity in the condition of the working class, which maybe never existed and, anyway, was destined to decline. This went hand in hand with the assumption that the factory was a setting where people with different experiences could unite and become productive members of society. These were realities that during those very years were disappearing” (ibid., p. 227).

The Charter was an incentive for large companies to modernize during the challenging period of the 1970s, which became even more challenging in the following decades, but the relationship between transformation and modernization processes and the rights guaranteed by the Charter became progressively more problematic and divisive. The conviction that the

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<sup>2</sup> Title of Manghi’s (1977) book.

Charter was designed for a period of economic expansion became ever stronger. Since those conditions no longer existed, it was strongly believed that the Charter needed to be extensively re-evaluated and freed from the rigidity and the ‘excesses’ of worker protections (Ballestrero, 2010, p. 20).

Already in the first half of the seventies a trend towards the reduction in the average size of companies is interpreted in light of a political view of trade unions (Schiattarella, 2001). The increased ‘rigidity’ of the workforce in medium and large factories and the greater independence of workers’ struggles from the economic cycle lead companies to seek different mechanisms for the maintenance of profits: rather than a drop in investment, that in the early 1960s had followed wage increases, inflation—favored by the transition to flexible exchange rates and fueled by the soaring prices of raw materials and oil—, and the decentralization of production took place (Vianello, [1975] 1979).

With the decentralization of production, companies tried to exploit the greater margins of flexibility on wages and working conditions that the Charter had left open to small businesses (especially with the imposition of looser norms on worker dismissal for enterprises with fewer than 15 employees).<sup>3</sup> As Schiattarella (2001, p. 82) correctly points out, the trend towards a smaller size of companies was part of a more general trend that involved all industrial countries and that had to be traced back to the introduction of new technologies and innovations in the organizational and communications fields. However, the two explanations are not necessarily in conflict: technological change may have favored and strengthened a process of decentralization functional to the recovery of control and profit, and may explain why the dimensional issue soon disappeared from the radar until the end of the ‘90s, eclipsed from the pressing problem of inflation control, to then reappear in a completely different light, in the literature of industrial districts (Brusco, 1980).

In the 1970s, attention was instead focused on wages. Excessive claims that disregarded economic compatibilities were denounced. The need to break the wage-inflation transmission belt (triggered by the Agnelli-Lama agreement of 1975 on full wage indexation), on which Modigliani will insist in particular (see Modigliani and Padoa-Schioppa, 1977), will finally find acceptance in the turning point of EUR (“svolta dell’EUR” a union conference held in Rome) of February 1978, in which wage moderation is offered in exchange for a broad investment program to promote employment.

The reduced flexibility of the exchange rate due to Italy’s participation in the European Monetary System (EMS), the anti-inflation turn of US monetary policy and the attack—led by Thatcher in the UK and Reagan in the USA—on labor organizations all led to a long period of policies aimed at reducing the ‘excessive’ rigidities of the labor market.

### 3. The paradigm of flexibility

The 1980s are remembered as the period of ‘eurosclerosis’ and ‘jobless growth’. The scarce level of job creation in Europe in general and in Italy in particular was attributed to

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<sup>3</sup> For example, this is also the interpretation of Silva and Ninni (2019, p. 151), according to which the Charter would have sanctioned the “recognition of the existence of two different types of companies, one of which has institutionally lower labor costs. This was the institutional precondition for the dimensional dualism of companies that will strengthen starting from the seventies”.

excessive rigidity in the labor market, which paved the way for flexibility policies. The ‘paradigm of flexibility’ is based on a radical revision of the role of labor policies. Traditionally understood as a tool for governing the functioning of the labor market, aimed at ensuring its efficiency (favoring the match between supply and demand, by promoting the adaptation of the labor supply to new emerging needs) and equity (reducing segmentation and favoring the inclusion of the weakest and most marginalized groups), labor policies are now given the task (and the capacity) of governing job creation, a task once entrusted to macroeconomic policies.

The lively debate on the effects of Employment Protection Legislation (EPL), which accompanies and justifies reforms, sees the OECD playing a leading role, not without second thoughts and revisions. Indeed, while the influential 1994 Jobs Study (OCSE, 1994) concluded that job creation required efficient markets free of institutional constraints, ten years later the same organization (but not the same department) came to more a cautious conclusion. This latter report (OECD, 2004), in fact, recognized that employment cannot increase without economic growth. However, the report also warned that the differing degrees of protections guaranteed by employment protection legislation to standard jobs and temporary workers would lead to an increased level of job precarity for more vulnerable groups, including young people, women, and less qualified workers. The report therefore concluded that facilitating the use of temporary work without changing the degree of protection of regular work would aggravate the dualism of the labor market and worsen the prospects of workers trapped in precarious jobs. Of the two possible options to reduce the dualism—increasing the protections for precarious workers or reducing those of standard employment, the second prevailed. Economic theory, which links the market mechanism to efficiency and productivity, supported this outcome.

Nevertheless, increasing concerns about the ‘collateral effects’ of flexibility policy led to a reformulation of the European Employment Strategy, that had been launched in 1997, with a particular focus on flexibility (or ‘adaptability’, in Eurospeak). The emphasis moved from flexibility to ‘flexicurity’—aimed at reconciling firms’ demands for flexibility with workers’ demands for security. The emphasis also shifted from job protection policies (that is, employment protection legislation) to policies that focused on overall employment levels (through active labor market policies, Smith and Villa, 2020).

However, the core of this theory—that employment and growth depend on the job market working smoothly—is not yet questioned. Even during the most recent economic crisis, this theory legitimized structural reforms as a precondition for all macroeconomic reform agreements between the European Commission (EC) and member states that were undergoing a crisis. Despite all evidence to the contrary, it is still argued that even though structural reforms involve costly adjustments in the short term, in the long term the effects of increased productivity due to a more efficient allocation of labor will prevail. It is argued that in a few short years, these effects will revert the course of losses—in terms of wages and number of jobs—associated with the deregulation of the labor market (OECD, 2016).

After decades of policies aimed at reducing the (supposed<sup>4</sup>) rigidity of the labor market, accompanied during the most recent economic crisis by austerity measures, the inability to find a direct correlation between the deregulation of the labor market and growth has again pushed the focus of the debate from efficiency to equity (Rubery, 2015, p. 2). The growing

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<sup>4</sup> The OECD estimates on the degree of labor market protection have been proven to be largely overestimated. On the other hand, studies based on turnover indicators never confirmed the hypothesis that the Italian job market was/is too rigid (Contini and Trivellato, 2005).

duality of the labor market, and the increase of precarity and inequality related thereto, can be traced back to the contrast between insiders and outsiders, where the precarity of the latter was blamed on to the ‘excessive’ protections of standard employment. Among other reasons, this is how legislation that aims to reduce labor market regulation is now presented as a necessary step toward greater equity. Active labor policies that aim to encourage hiring young people and less qualified workers are being recommended. However, at the same time, macroeconomic policies and austerity measures are being imposed on debtor countries, which weakens these countries’ ability to intervene.

Germany is often used (and lends itself) as an ideal model: its economic success and job creation are attributed to wage moderation, labor market reforms, and reforms of social protection introduced in the beginning of the 2000s (the so-called Hartz reforms). Studies that underline how the success of the German model is mostly based on product and process competitiveness (a model to which wage deflation was added, which severely damaged other member countries and the entire Eurozone) are completely ignored (Bosch and Lehndorff, 2020). In particular, as Lehndorff (2015) emphasizes, the rapid recovery of the German economy and labor market after the recent economic crisis was not due to the suppression of unions, but rather to the re-activation of the corporatist model, which has traditionally been the strong suit of the German economy.

#### 4. Flexibility and growth

The paradigm of flexibility has been criticized based both on theory and on empirical analysis. The hypothesis that the economy tends toward the equilibrium of full employment—which current economic theory is based on—prevents any serious consideration of the costs involved in the process of market adjustment. Empirical analysis shows that even in the case of flexible labor markets, like the one in the USA, the short-term costs are neither small nor temporary (Autor et al., 2016). Moreover, since competitiveness increasingly depends on quality and innovation rather than on price (Best, 2020), it’s necessary to consider the effect that the functioning of the labor market has on said quality and innovation.

In this vein, there is ample literature that supports how a qualified and cooperative workforce is just as crucial as enterprises’ investment in their workforce (Addison et al., 2015; Fana et al., 2016). According to this approach, the pursuit of occupational, contractual, and wage-related flexibility could explain the slow-down of growth and productivity in the last decades (Gronchi, 2020). By allowing companies to resort to strategies based on cost containment and increased exploitation of the labor force, structural reforms encourage price competitiveness instead of product competitiveness. This erodes the relationship of trust between workers and companies, which discourages workers from participating in and creating a technological, organizational and knowledge base within their company. When the importance of knowledge and, in particular, of the accumulation of ‘implicit’ knowledge within companies is recognized, it becomes obvious that structural labor market reforms can be counterproductive for the static and dynamic efficiency of advanced economies, especially in those sectors where implicit knowledge accumulation is most important for innovation (Kleinknecht, 2020).

If, then, workers’ collaboration in the production process is more necessary than ever for companies, this can be better achieved through a system of company ‘governance’ that makes

room for workers—and their knowledge and skills. As such, it is correct to think that more democratic and egalitarian ways of regulating the labor market are more efficient.

The Italian experience supports this thesis, albeit by counterexample. The concerns around an ‘excessive’ regulation of the labor market have taken the attention away from the structural problems that led to the stagnation of the Italian economy. De-regulation of the labor market was preferred to an alternative strategy based on investing in people—combined with an industrial policy aimed at strengthening and improving the industrial structure. That is to say, the original concept of the Charter—that the dignity of work should be guaranteed in a context of economic planning—has been set aside. The results are slow growth, stagnating productivity, a disjointed labor market, and an impoverished labor force.

The unsatisfactory performance of the Italian economy is once again attributed to, among other causes, the extremely small size of its companies: the Charter is in the limelight again, this time as the main cause for the lack of growth of Italian companies. According to this analysis, companies supposedly chose to reduce their production activities in order to avoid the costs associated with applying the Charter within the company. As such, toward the end of the 1990s, there were many empirical analyses which aimed to find a potential ‘threshold effect’ ascribable to the differing levels of worker protections guaranteed by the Charter for companies under and above the critical numbers of 15 and 35 employees (Schiattarella, 2001). This empirical analysis was not able to prove the existence of any ‘threshold effect’. However, firms’ demand for flexibility—faced with changing economic conditions—was answered in different ways during various periods of reform, in which trade unions were involved to different degrees. These reforms include “the flexible protection” of the center-left government at the end of the 1990s,<sup>5</sup> the flexibility without any guarantee of social control, the attempt at dividing the unions, and the marginalization of collective bargaining in favor of individual contractual autonomy (Passarelli, 2020). Arguments around equity—justified by the insider/outsider model—in addition to the traditional rationale on efficiency were used to reform article 18 of the Charter (on worker dismissal).

It must be noted that the need to ‘smooth out the wrinkles’ of the Charter—by modifying the elements that did not reflect the changes in the economy and the labor market—was recognized by multiple parties. In 1985, CNEL (the Italian National Council for Economics and Labor) had already submitted a proposal for reform, which was credited to Giugni and approved by the Labor Commission—which Luciano Lama, the general secretary of Cgil and Vittorio Merloni, president of Confindustria from 1980 to 1984, among others, were part of. The proposal aimed to overcome the significant inequalities in treatment which:

“separated workers with strong protections from workers with fewer protections—or even no job security at all. These two groups, in turn, are separate from the underground economy, where labor relations take place without the oversight of general regulations or union regulations” (CNEL, 1985, p. 706).

A revision of individual firing policies was being considered, which aimed to introduce a same norm for all workers and business, and to limit the obligation for firms to re-hire the worker who had been fired unjustly. This proposal is all the more emblematic, as it took place

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<sup>5</sup> As Passarelli (2020) writes, “it was a matter of negotiating to make certain inflexible norms more flexible, but this process flexibilization was controlled by unions”. This system of flexibility controlled by federations of trade unions (negotiated deregulation) lasted until 2011.

during a contentious political period, with the 1985 referendum on wage indexation. Indeed, the period may have been too contentious for such a proposal.

## 5. The two sides of flexibility

In the last decades, we have seen an acceleration of social and economic changes, with significant implications for the labor market. Labor supply has changed: the makeup of the work force has become much more diverse—it includes more women, older workers, more immigrants—and it is more segmented (by age, gender, ethnicity, and education level). The demographic changes in the workforce have influenced the types of jobs to which people aspire and which they can actually obtain. Labor demand has also profoundly changed due to the transformation of the production structure: from a capital-intensive industrial economy to a knowledge-based digital economic system (ICT – Information and Communication Technologies—bio and nanotechnologies, artificial intelligence). We have moved from large integrated businesses to the fragmentation and the de-verticalization of production, to global value chains, and online platforms. Technology makes it possible to substitute machines for workers in the more routine areas of production, and to offshore the production phases of goods and services (think travel agencies or event organizers) while it is possible to externalize other types of goods and services (like care work and domestic work). This radically changes the structure of consumption, which is increasingly oriented toward ‘virtual’ products, with a less ‘standardized’ work and physical capital contents. The combination of these changes has led to a ‘great transformation’, which affects the deeper structures of society and the very way in which the labor market functions.

While the system of market regulation was reformed to keep up with technological and organizational changes, little to nothing was done to adapt the welfare system to the new risks associated with increased flexibility. Increased flexibility at the ‘margins’, without efficient policies of work placement and income security, has deepened the divide between ‘typical’ and ‘atypical’ workers in the labor market: both in terms of job and income security, and in terms of job protection. In a buyer’s market—in which businesses can afford to choose—a temporary job can act as a springboard toward a secure job (even if only for a few),<sup>6</sup> or it can be the umpteenth link in an infinite chain of job insecurity.

The changes in the types of jobs offered and the aspirations related thereto have collided with chronic precariousness, especially among younger age groups. This is all added to the fragmentation of jobs and labor relations and the deterioration of work quality—in terms of safety, stability, wages, working hours, workplace culture, sense of belonging, worker satisfaction, and control over one’s job. Individualism and personal responsibility for self-realization in work and in life have substituted a sense of collective responsibility, legitimizing the decline of institutional protections and the erosion of the social contract between labor, companies, and the state (Simonazzi, 2014, pp. 117-118). The incessant emphasis on meritocracy (Sandel, 2012)—according to which a person’s social position supposedly reflects his or her talents and commitment—has a morally corrosive effect on the way in which we interpret success (or the lack thereof). The conviction that the system rewards talent and hard work encourages winners to believe that their own success is a result of their efforts and to

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<sup>6</sup> Before the economic crisis, only around one third of precarious jobs eventually turned into stable contracts.

look down upon those who are less fortunate. Those who are left behind protest, saying the system is rigged, or they are demoralized because they feel responsible for their own failure. These two sentiments together create a mix of rage and resentment that feeds populist sentiment.

At the root of the conspicuous growth of inequality is a change in the social contract that regulates the institutions that control the labor market. The division that has been created within jobs and professions has deepened significantly, cutting across simple economic differences: this separation concerns the quality of work—in terms of income, stability, security, prospects, and social mobility. Kallenberg (2011) reminds us that this polarization is not simply due to technology or globalization, but rather, it is a multi-dimensional phenomenon, the complex result of the interaction of inequalities in the labor market, in the social security and welfare systems, and in political representation. These are all categories that are affected by deliberate but reversible political economic decisions.<sup>7</sup> Mishel (2013) writes that inequality in the United States did not randomly occur, rather, it was created by the government. The apocalyptic predictions about the polarization between ‘skilled’ and ‘unskilled’ workers, between routine and creative tasks, and on the consequences these will have on employment and inequality, presuppose that technology has a will of its own and cannot be regulated or directed in order to serve societal purposes.

## 6. Yesterday and today. Towards a new Charter of Workers’ Rights

“It’s like we’re slaves” denounced a worker in March 1969, in a questionnaire distributed by the Italian Communist Party on workplace conditions and the expectations of workers with regards to the Charter of Workers’ Rights (Ottaviano, 2019, p. 34). “It’s not labor, it’s exploitation” condemns the title of a book that illustrates and summarizes the condition of precarious work in 2017 (Fana, 2017). The economy and society have changed a lot in these past 50 years: we’ve gone from physical assembly lines to virtual ones, from sprawling factories to platforms for delivery people and on-demand courier services, and from the challenge of integrating young immigrants from the South during the years of Italy’s economic miracle to local workers’ current hostility toward immigrants (Marcon and Airaud, 2020). The question of how to defend the dignity of work and workers’ rights nevertheless persists.

Romagnoli wrote in 2010 that, since it was a product of Italy’s “Hot Autumn” in 1969, the Charter of Workers’ Rights was aimed at a working class that no longer exists, and at large factories that were replaced by small businesses—which often bet on worse workplace conditions. In the decades following the Charter of Workers’ Rights, the number of “unrepresented” groups has gotten larger: freelance workers, consultants, and atypical workers have joined the fringes of traditionally weaker workers. One challenge that the Charter faced from its introduction was how to ensure that the rights and protections given to typical work be guaranteed to workers on the margins of the labor market. The second challenge was how to stay relevant and acknowledge the old and new challenges that would arise from the evolution of the economy and of society.

This essay has argued that the Charter of Workers’ Rights originated as an integral part of a development project that was based on the recognition of workers’ rights to freedom and

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<sup>7</sup> Relatedly, Emmenegger et al. (2012) outlines how the division between insiders and outsiders are the result of political choices.

dignity. This development project was meant to work within a larger governance of the economy and society. The idea of economic planning was set aside in favor of the model of a self-regulating market and specifically a labor market on which, allegedly, the creation of employment and growth was dependent. This idea is again gaining strength following the economic crises that have affected market economies. By now, the majority of economic theory recognizes the need for intervention by the state, which, incidentally, in many countries was never absent. While industrial policy is being re-evaluated, the role of social justice, equality, and dignity of work—not only in order to achieve equity but also to make society more efficient—is still not recognized, against all evidence. For example, industrial relations in Sweden played an important role in the evolution toward a knowledge-intensive post-industrial economy—which is capable of preserving the Scandinavian welfare model (Anxo, 2018). Social policies can thus act as a ‘production factor’, but it must be noted that flexicurity can only work if inserted into a frame of growth. Hence, industrial relations and the world of labor—beyond the obvious and yet penalized policies of education and training—should enter in the remit of industrial policy because of the importance that the accumulation of individual and collective know-how within firms have for the innovation of companies and the country’s economy, as well as for reasons of justice.

The digital age and technological progress predict the nightmare of a jobless society. Keynes (1930) instead saw technology as an unmissable opportunity to reduce man’s toil and dependence on work, to solve the “economic problem [...] of scarcity that has kept humanity chained to a difficult life of labor”, and predicted that technological progress would allow work hours to be reduced. What happened instead is that many people work longer and harder, while many others are forced into involuntary idleness. The original purpose of the Charter of Workers’ Rights was to govern change and steer technological progress in order to fulfill the goals of society and fully recognize the rights of workers. These issues are again topical after the disasters made evident by the recent crisis. As Roncaglia (2021) points out: “a revitalization of the Charter could lead to the start of a new era of reforms.”

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