# Impact of labour market deregulation on the European demography

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### 1st period in flexicurity history

#### 1995–2001 (security for flexibly employed)

- It is the time span between the first use of the word 'flexicurity' and the first references to it by the EU. This period is characterized by labour market reforms in the Netherlands and by launching the academic flexicurity debate
- During this period, flexicurity is understood rather as a policy to protect atypical workers from negative consequences of labour market deregulation
- European social partners do not participate in the debate. Later, after having been involved in the debate, trade unions promoted just this understanding of flexicurity

### 2nd period in flexicurity history

#### 2001–2006 (flexibility–security trade-off)

- Till the publication of the first European strategic document— Green Paper at the end of 2006.
- During this time the idea of flexicurity as a flexibility-security trade-off is shaped
- The EU makes occasional references to flexicurity as balance between labour market flexibilization and social developments. The OECD and European Commission positively mention flexicurity in their analytical publications *Employment Outlook* and *Employment in Europe*, finding the flexicurity approach appropriate for implementing their employment strategies. European social partners start to be involved in the discussions

### 3rd period in flexicurity history

#### 2006-up till now (security through flexibility)

- In the *Common Principles*, flexicurity is regarded as providing 'more and better jobs', because it improves economic competitiveness and thereby contributes to labour market performance
- Flexibility is understood as security through flexibility, or even as *flexibility security*, that is, securing flexibility by adapting labour force to flexible employment
- With some reservations, the EU adopts the flexicurity approach in this understanding as its official policy, discusses it with national governments and social partners, and supports flexicurity research. Flexicurity gets a vivid response in academic and public debate

## Main message

The socio-economical message is that the actually observed increasing share of atypical employment is damaging for the European demography

It is illustrated by three figures with actual trends based on statistical data 2001, 2005, and 2010; and three figures with the trends extrapolated to 2020 and 2030

## Variables

All the graphs have the same independent variable

X — Atypical employment, in % of the total employment

The Figures differ in dependent variables:

Y1 — Inequality, Gini-coefficient,

Y2 — Fertility, in number of children per woman (in the lifetime), and

Y3 — Migration, in % to the migration during the reference year 2001

## Atypical employment vs. Gini-coeff.



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## Atypical employment vs. Fertility



## Atypical employment vs. Immigration



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### Prediction for Gini-coeff.



#### **Prediction for Fertility**



## **Prediction for Immigration**



Anteil der atypischen Beschäftigten in %

12

## Conclusions

It is shown with statistical certainty that the higher the share of atypical employment, the higher inequality, the lower fertility, and the higher migration

These trends are becoming more salient, that is, these dependences are getting stronger in the control period 2001–2010 (Figures 1–3)

Predictions are also made for the situation in 2020 and 2030 (Figures 4–6), showing that if the growth of atypical employment will continue as fast as now then the demographic situation in Europe will become critical by 2030

### Qualitative discussion in:

FLEXICURITY and POLITICAL PHILOSOPHY



Tangian, A. (2011)*Flexicurity and political philosophy*.New York, Nova Publishers