

Labour and environmental reforms during the latest crises

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The ongoing Covid-19 crisis has brought to the fore various systemic issues of modern capitalist economies, such as inequalities, globalisation and climate change. Those issues became evident after the 2008 crisis, and eventually got more accentuated over the last decade.

In order to address the socio-economic and environmental challenges, public policies focused on making hasty internal adjustments of the system. That is, they focused on short-term solutions rather than addressing the root causes of collapse, which is due to both internal and external factors.

Working relations play a key role in both crises, and have been in the crosshairs of the reforms and public policies during both periods. In the course of the 2008 crisis, labour market reforms were one of the main policy instruments used to readjust the economy and tackle the crisis. Those reforms aimed at liberalising the labour market, increasing the flexibility of employment and lowering labour costs as a means of improving competitiveness and lowering unemployment.

On the other hand, the response to the Covid-19 crisis does not aim to address structural economic problems, but rather seeks to adjust internally in response to an external health problem. Therefore, labour seems to have entered in a new procedure of perpetual internal reorganisation. A characteristic example is that of the violently ‘imposed’ remote working environment. In such a limited time, teleworking has become the normality, where possible, and unemployment has risen significantly for certain sectors of the market. The economic openness of countries also showed the vulnerability of some economic sectors (i.e., tourism, hospitality, food services, etc.). While some of these labour changes may seem temporary in nature, we believe that they may be part of a transition procedure and a new global economy reorganisation, which may have longer-lasting effects.

Environmental issues remain prevalent in both the 2008 structural crisis and the current health crisis. Global warming, resource scarcity and pollution are some of the many problems inherited in our modern economic and production models. After the 2008 crisis, an international shift towards an environmentally sustainable economic model was initiated. This shift is even clearer in Europe, where the European Green Deal proposal indicates a new growth strategy towards a climate neutral continent by 2050. However, it is unclear how member-states will achieve this transition towards climate neutral Europe. Innovative production lines, lowering emissions, decarbonisation and electric transportation are already in the forefront.

Consequently, the issue at hand is that of the chosen policies regarding labour and environmental structural changes, at the national and global level. Economic mechanisms and political tools should facilitate the procedure to achieve this highly important transition aiming for a climate neutral Europe until 2050, while at the same time restructuring the labour market.

Thereby, we raise the following questions: how will labour be reorganised through this transition? Will the production be able to adjust to new eco-friendly technologies? Which are the main sectors that should be reconstructed in order to achieve economic and environmental sustainability in the long term? Could labour and environmental reforms co-exist in a sustainable way for both society and environment? Which means of public policy would be adequate to support such transition?

This workshop attempts to investigate and interpret the elements that guide this transition process through the investigation of the in-depth causes and repercussions of the two crises. Hence, we wish to create a fruitful academic debate beyond such topics. In relation to the general theme of the 10th AFEP congress organized in Toulouse in 2021, this workshop seeks to welcome researchers and PhD students in economic science, whose work investigates labour or environmental issues, in the context of the questions related to the two latest global crises.

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