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## *Editorial*

### **DG Internal Market and Worker Involvement: Where's the beef?**

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With the halftime of the “new” European Commission rapidly approaching, more and more observers are asking “where’s the beef?” with regard to DG Markt’s approach to worker involvement. The expression “where’s the beef?” first became popular in the US in the 1980s in a TV commercial made by the fast food chain Wendy’s, where a fictional competitor “Home of the Big Bun” is lampooned for offering a tiny hamburger patty which can hardly be found within an enormous bun. The expression is now widely used in North America to criticize policies which appear to be quite substantial, but below the surface do not live up to expectations.

DG Markt has a crucial impact on workers through its responsibility for corporate governance, company law and the realization of the single market. Internal Market Commissioner Michel Barnier has on a number of occasions stated that he wants a stakeholder-oriented approach to corporate governance and company law. However, supporters of worker involvement are becoming increasingly concerned that a “fluffy big bun” may be on offer instead of a juicy all-beef patty. With the exception of positive steps in the area of financial regulation, it has been hard to discern a clear departure from the neoliberal approach of his predecessor Charlie McCreevy. The most significant initiatives under Barnier touching upon worker involvement have been wide-ranging consultations on the European corporate governance framework (2011) and European company law (2012); however, the (potential) role of worker participation in companies played a decidedly minor role in both of these consultations. Barnier’s Social Business Initiative, in conjunction with the European Commission’s new CSR strategy

(both from October 2011), calls for more transparency and stakeholder involvement in companies. However, specific proposals to realize this (e.g. for social and environmental reporting) are still forthcoming, and a proposal for cutting “red tape” for SMEs raises concerns about feeding into the overall deregulatory approach to this sector, which accounts for most of private sector employment.

In all fairness, the die has not been finally cast and Barnier still has the opportunity to make a significant imprint as a Commissioner who pushed stakeholder involvement – including the involvement of workers as the key stakeholder – in European corporate governance and company law. The European agenda in the area touching upon worker involvement is full, including revision of existing directives (e.g. the Takeover and Cross Border Mergers Directives), potential action on European company legal forms (SE, European Cooperative Societies, European Foundation and European Private Company) and a renewed initiative on the cross-border transfer of company seats. Barnier will be making a “half time” speech in the autumn of this year to summarize the results of the consultations and to announce his main initiatives for the second half of his term. This would be an ideal opportunity to put concerns about “fluffy big bun” policies to rest and push for stronger worker involvement in Europe.

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