

*New challenges for social security in
digital age*

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ICESCR: The Right to Social Security (Art. 9)

- **Sociology:** organic solidarity (Durkheim) – interdependence
- **Law:** „the right of everyone to social security, including social insurance” (*regardless of age or ability to work, is guaranteed the means necessary to procure basic needs and services*)
- **Economy:** Paradigmatic change in labour market + financial vacuum

II. LABOUR MARKET & FINANCIAL ISSUES

Future world of work & social security

(from dependence to interdependence)

Employment/work (private&public)	Social security	
	inland	outland
I. Traditional (dependent) work (LL)	Full coverage	Bilateral, multilateral agreements (EU coordination)
1.1. atypicalization work under LL out of LL	Partial coverage (depends on the type of work) + private insurance for the rest	Bilateral, multilateral agreements (EU coordination) + private insurance
II. Digitalisation & replacement by IT, robots & AI a) Industry 4.1.: IT revolution (IT-based crowd/cloud employment. gig) + 1st generation robots b) Industry 4.2.: AI revolution (autonomous, humanoid robots)	statutory soc ins. PAYG system + private ins. (human working activity less and less) They must pay contribution (who?) - EUP Report (May, 2016) - GMI	Private insurance

Digital labour market (*Industrial 4.1.*)

Crowd/cloudsourcing

- Firms will expand their business activities over national borders by crowdsourcing via digital platforms.
- On one side, core employees control well-defined services and tasks, and on the other side crowdworkers compete for small tasks or jobs offered via digital platforms.
- This new global platform economy replaces protected and insured employees with self-employed contractors or insourced freelancers.
- Such development is eroding the traditional form of workers' organisations as trade unions are no longer able to organise workers in factories or offices.

Crowd/Cloud Work

Broad categories of crowd-work:

- 1. work managed online and carried out online, and thus capable of being delivered to clients anywhere in the world;
- 2. work that is managed online but carried out offline, and therefore restricted to labour markets that are spatially accessible to the worker (although the platform itself may be located remotely).

Four broad types of crowd/platform work:

- 1. non-manual, high-skill online workers with IT tasks & can be delivered electronically from anywhere in the world (Upwork, PeoplePerHour);
- 2. non-manual, low-skill online workers (repetitive online 'click work' that can also be carried out independently of location (Clickworker, Crowdfunder, Amazon Mechanical Turk);
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- 3. manual service/maintenance/construction workers working offline but managed online and its carried out on a customer's premises (Taskrabbit, Helping or My hammer, etc.);
- 4. manual driving workers working offline but managed online (driving or delivery) (Uber, Blablacar or Lyft, etc.).
- Crowd work is generally a supplement to total income

Digital-AI „labour” market (*Industrial 4.2.*)

Robot workers and labour market

[new ind. rev.; / replacement / EU (16-05-31): *electronic person-most sophisticated autonomous robots*;

steal job → pay soc. sec. + *new LL + new IR+new HR*)]

- **No** pension, **No** health care, **No** family, **No** disability, **No** unemployment, **No** sickness, **No** pregnancy, **No** free time, **No**, **No**, **No**...**BUT**: make profit

- Company –must be charged by soc. sec. Tax (based on profit or replaced workers’ wage)

III. SOME SOLUTIONS – DE LEGE FERENDA

Structural issues: de lege ferenda

Statement: Pluralistic/multi pillar/multi layer model (traditions, economy, etc.)

I. Holistic approach

- 1. Social security (insurance) [multi-layer; ~~entr.~~ → cons. tax]
- 2. Universal
 - 2.1. **Unconditional basic income (UBI)** (*full basic income for every citizen or partial basic income: \leq poverty line*) **source:** *social dividend of public enterprises*)
 - 2.2. **Social protection floor** (ILO, 2011)[I. Horizontal: 4 essential guarantees: 1.health, 2. children, 3. unemployed, 4. elderly&disabled; Vertical: II. *mandatory soc sec.*, III. *Voluntary private insurance*] nationally-defined set of basic social guarantees; financed: national contr. or tax)

II. Reductionist/residual approach – targeted needy (poor) via social assistance

- **Guaranteed Minimum Income** (target: reduce poverty; **GMI eligibility:** 1.citizenship; 2.means-test; 3.available to work; 4.ready to perform community service)

**THANK YOU VERY MUCH FOR YOUR
ATTENTION!**