International and Comparative
Corporate Law Journal
ISSN: 1388-7084 & E- ISSN: 1875-8290

The Influence of Globalization on Labor Relations

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Received: 10.09.2025; Accepted: 04.01.2026; Published: 05.06.2026

Abstract:
The globalized economy has diminished the role of the State. On one hand, the globalization of trade has led to a reduction in the traditional prerogatives of the State. On the other hand, the aspiration of economic and social partners for more responsibility within economic enterprises has allowed them to take over the resolution of disputes through their own representative organizations.
The decline in the public authorities' prerogatives has consequently led to a decline in labor law. This decline has revived rules that traditionally fell under common law, and these have been transposed into the labor world, such as the rule "Pacta sunt servanda." This rule states that commitments must be faithfully executed, notwithstanding the fact that the employment contract is an agreement between two economically unequal parties. The decline in labor law has introduced new concepts, such as the "flexibility" of labor relations, the involvement of employer organizations and the State with trade unions, to adopt legal rules whose primary objective is economic stability
Keywords: Representative organization, unions, flexibility of labor relations, collective labor relations, social partnership, contractualization of relations.

Introduction:

The globalization of the world economy has altered the role of the state. From above, the globalization of trade leads to a certain shrinking of the traditional scope of the state's responsibilities. From below, there is a rise in aspirations for greater autonomy and responsibility, but especially a concern to address the issues posed by basic economic and social actors.
Massive job losses and the emergence of unemployment (NPCU, 1999, p. 33), the growth of the informal sector (NPCU, 1999, p. 40), the development of "new" or "atypical" forms of work (temporary or clandestine work, part-time employment, fixed-term employment relationships,

tele working, employee lending, etc.), and the triumph of individualistic conceptions among workers gradually cast doubt on the relevance of class solidarity and the usefulness of collective action by employees.

Hence the significance of the subject. First, a practical interest inherent in the protection of workers. Second, a theoretical interest residing in legislative interventionism and the transposition to a collective level of relationships that had, until then, remained strictly individual.

The general thesis of this article lies in the decline of the employment contract. Events were to quickly demonstrate that such a concept was a purely theoretical abstraction. Negotiations do not take place between two "reasonable men" (*bonus pater familias*), conceived *in abstracto* and debating on an equal footing; rather, they occur between a worker of inferior social standing—"economically vulnerable"—possessing only their wages and unable to wait until tomorrow, and an employer better equipped by their advanced education, capital, and moral authority, who, in practice, will dictate their terms.

In the context of a liberal economy, the mechanics of free competition and the law of supply and demand inevitably lead the employer to impose low wages and unfavorable working conditions in order to reduce the company's overhead and thus lower production costs. This situation has been further intensified by globalization, which has had significant repercussions for labor law in both advanced and least-developed economies. This leads us to the central problem to be resolved, allowing us to first address the retreat of labor law as protective legislation for workers (I) and, as a direct consequence, the weakening of the collective dimension of labor law (II)

I- The Decline of Labor Law

Labor law, being a law that opposes two economically unequal parties, traditionally incorporates a legal inequality that protects the employee and thereby aims to promote their professional interests (Le Bihan, n.d, p. 07). However, it is clear today that there is an increasingly evident trend in legislation to downplay or minimize the importance of the protective role of labor law. This evolution can take various forms: a trend towards the contractualization of the employment relationship (a), the development of different modes of labor flexibility (b), a tendency towards the centralization of certain mechanisms of labor law (c), and finally, an increased challenge to the role of the state as the inspirer of social policies and as an employer (d).

a) Contractualization of Relationships

The contractualization of relationships is both a manifestation of the weakening of the protective role of labor law and a weakening of its collective dimension. The rule that the contract governs the parties was not applicable in the labor world due to the economic inequalities inherent in employment contracts. This rule was only applied when it was more favorable to the worker. However, the Supreme Court decided otherwise, invoking the principle that no one has the right to deny the commitments they have made. The traditional legal framework of the individual employment relationship is breaking apart before our eyes, and wage labor, protected by labor law, is losing ground, particularly due to structural adjustments leading to "depermanization" (abandonment of the principle of lasting and

permanent labor relations), rising unemployment, and underemployment, as well as the development—often in violation of protective labor law provisions—of various "new" or "atypical" forms of work. (judiciaire, 2001, p. 27) The increased isolation of workers has also been influenced by changes in the economic landscape, with greater involvement from national and foreign private sectors aiming to marginalize legally mandated participation bodies, develop "direct participation" procedures, and integrate employees into the company's strategy. This concern has been raised by the UGTA, which notes that in many foreign companies, labor legislation is being undermined. (CNESE, 2021, p. 21)

The crisis faced by trade unions and the reluctance of many employees to engage in collective action have also contributed to the isolation of workers and the contractualization of employment relationships. This observation is particularly evident in companies with foreign capital.

b) Flexibility of Labor (Pélissier, Supiot, & Jeammaud, 2000, p. 908) (Mazeau, p. 403)

The mobility of the workforce and flexibility, which characterize the labor market, have been established as legal norms. Neither job permanence nor improvements in production quality should hinder these principles. This realization has driven national legislators to adapt the legislative framework of labor relations to these new realities.

These measures aimed to relax individual employment relationships, particularly by contracting protective rules related to dismissals, including collective redundancies.

Other forms of flexibility pertain to labor costs, working time arrangements, and the reduction of certain social and fiscal contributions by companies, which are grandiosely termed employment encouragement measures. (Law06/21, 2006, p. 3)

The shift in political, economic, and social power dynamics over the past two decades—unfavorable to employees and their unions, and favorable to capital and employers—has undoubtedly contributed to the success of government and employer efforts to increase flexibility (SPYROPOULOS, 2002, p. 391).

The acceleration of public sector privatization over the last decade, especially in emerging countries, has necessitated further relaxation of national labor legislation and the emergence of new forms of unemployment. (Contracts consulted as part of consultations provided to foreign companies, including SAIDA and Colloplast, regarding layoff provisions for operational reasons.)

One of the main consequences of flexibility policies has been the exacerbation of social inequalities and the deterioration of health and safety conditions for certain categories of workers.(Unemployment in Algeria is closely linked to poverty, as the unemployed lack both financial resources and social security coverage, leading to significant health-related consequences. See Notice relating to the national plan to combat unemployment,) (Council, 1999, p. 35)

c) Decentralization and Social Partnership

The trend towards decentralizing certain decisions is also characteristic of the weakening of the protective role of labor law. A pluralistic system of labor relations has been established, involving three categories of actors: employee unions, employer associations, and the state, working together to build labor rules intended to ensure sufficient economic and social

stability. The first characteristic of this system is based on the fact that central management, with a few individuals who know, think, and decide, cannot handle the large number involved in implementation. It is therefore assumed that economic, social, political, and cultural transformations occur through consultation, negotiation, and responsibility: the state imposes social public order, which is a minimum requirement, but allows for more favorable contractual clauses. The second characteristic, which follows from the first, establishes the company level as the cornerstone of negotiation and social regulation.

In practice, this shift in the center of gravity of labor relations to the company—thus turning it into a privileged place for consultation and negotiation—does not always align with maintaining and improving workers' "social achievements," a traditional objective of collective bargaining. Experience has shown that decentralized negotiation at the company level often leads to reciprocal concessions from both parties, rather than, as in the past, solely satisfying workers' demands. The National Economic and Social Pact states: "What would be the point of fighting and succeeding for a wage policy that evolves independently of wealth creation and growth? The result would be doubly illusory and catastrophic: i. On the one hand, it would result in the loss of comparative advantage in labor costs compared to other economies; ii. On the other hand, it would lead to the programmed death of our companies, whatever their status, with a return to mass layoffs and rising unemployment..." (KHIAT, 2005, p. 3) On the other hand, decentralization has allowed for the constant presence of participation committees and employee representatives in the company.

It is indisputable, said an author (SPYROPOULOS, Le droit du travail à la recherche d'un nouvel équilibre entre le social et l'économique, 1992, pp. 259-264), that the decentralization of decisionmakes labor law subject to "the pressure of centrifugal forces that emphasize individual rights at the expense of collective rights and tend to weaken the impact of certain protective provisions of labor law."

"At the same time, it makes it subject to the pressure of a second centrifugal force, under the push of the globalization of trade, to move the center of decisions upwards, beyond national borders and to transor or internationalize certain of its standards. , its institutions and its mechanisms". This fragmentation of labor law rules poses a threat to its unity and coherence, making it sometimes problematic to refer to a "national labor law" or a "national system of labor relations," two terms that are losing the significance and importance they once held. The decentralization of several mechanisms to the company level, on the one hand, and the increasing number of decisions made by transnational actors, on the other, make it extremely difficult to implement an effective social policy at the national level.

d) The Retreat of State Intervention.

The founding principles of a new mode of regulating professional relations are manifested through the contractualization of relationships, social partnership, decentralization, and deregulation. In this context, the state, as a public authority, has marked outits field of intervention, now focusing on functions of control, arbitration, and the definition of "social public order." This retreat is a victory for proponents of neoliberalism. It is paradoxical to note that instead of leading to "less state," this evolution has only increased the role of the state, as the weakening of the protective role of labor law requiring the adoption of new—and often extremely detailed—legislative measures and active state intervention in labor policy.

But beyond the debate over "more state" or "less state," the new regulatory functions of public power are more necessary than ever in a society which changes quickly and constantly recomposes the game of its economic and social actors. Indeed, it is up to the State to distribute roles between actors, to ensure essential solidarity, to analyze current changes, to anticipate those to come and to facilitate them, if necessary, by defining clear and stable rules of the game or by intervening directly to hasten the necessary transformations.

II. The weakening of the collective dimension of labor law.

Freedom of association, collective bargaining, strikes, workers participation, constitute the foundations of collective labor law. However, the basis of the collective dimension of labor law is less threatened than the protective force of labor law. The threat here is indirect and takes the form of a diffuseweakning but noticeable of the effectiveness of the collective dimension (A), particularly at the transnational or international level (B).

A- National Law of Collective Labor Relations.

At the national level, the weakening of the law governing collective labor relations affects the parties involved in professional relations—the state, trade unions, employers, and employer organizations (a)—as well as the institutions of professional relations and the methods of their regulation, social dialogue, and tripartite consultation (b).

a) Parties to Collective Labor Relations.

The weakening of the state as a party to collective labor relations is primarily due to contradictory phenomena: decentralization towards enterprises and workplaces on the one hand, and globalization of trade on the other. Moreover, the pressure for "less state" has led to the retreat of the state as an employer and a public entity in the economy. In its relations with its personnel, the State resorts to the contractualisation of employment relationships, hence the shrinking of the welfare state (Order06-03, 2022, p. 4)

The crisis in the collective dimension of labor law is due, in large part, to the weakening of trade unionism (Peskine & Wolmark, 2014, p. 44). Either through the effect of the appearance of new categories of workers - such as women, technicians, office workers - who do not have a union tradition, or through the appearance of a growing number of workers, including the nature of their employment contract and its execution is moving further and further away from the traditional model of the employee, worker, with stable full-time employment and benefiting from complete protection (CNESE, OPECIT, p. 2), either through the effect of the State itself which does not recognize protest unions (The State itself intervenes to break a strong union by creating a “house” one. The encouragement of the creation of the SLES to counter the demands of the CNES in universities is the best example of this).

b) Dynamization of collective work relationships.

Despite the economic crisis and the profound structural changes of the last two decades, national institutions of collective labor relations (collective bargaining, social dialogue, tripartite consultation, strikes) have not only survived, but also gained ground (CNESE, Trade Unions and Strengthening of Social Dialogue in Algeria, pp. 7-8).

On a national scale, the crisis of the collective dimension of labor law is not much a crisis of these institutions, but rather a crisis of representativeness of those who take part in their functioning (in particular unions and employers' organizations) (2004, p. 38). This did not fail to have repercussions on the content of the collective agreements signed by these parties. (BATTACHE, 2005, p. 4)

Just like collective bargaining, since 2005, social dialogue and tripartite consultation have been strengthened on "strategic questions". (KHIAT, 2005)

Changes should also be noted with regard to the evolution of another institution of collective labor law, the strike. Consequence, among other things, of the economic crisis, the rise in unemployment, the restructuring of economies, the destabilization of the employment relationship and the crisis of trade unionism, the decline in strikes in the national or foreign private sector is one of the main characteristics. On the other hand, in the public sector we have witnessed a real outbreak of strikes, often of a political nature (Reports of the Regional Labor Inspection of Sétif, 2002, 2003, and 2004.).

B- International law of collective labor relations.

The acceleration of the process of globalization of trade has shifted the center of gravity of labor law beyond the national border, towards transnational and international solutions (MOREAU & TRUDEAU, 2000, pp. 915-923). Economic globalization corresponds to an increased internationalization of labor law. Multinational companies are developing rapidly and the social framework for globalization still remains wishful thinking (a).

The consequence of these developments is that labor law is losing ground, while transnational regulations are strengthening. This decline in national law is, however, not counterbalanced by the parallel development of strong international labor law (b).

a) The situation in multinational companies

Classical international law recognizes states and intergovernmental organizations as subjects of rights and obligations. No direct participation of multinational companies in the work of international intergovernmental organizations competent in social matters is provided and these companies are not even directly affected by international labor conventions, and, therefore, are not subject to the control of the application of these.

However, under pressure from consumers and the media to demand respect for fundamental rights, certain multinational companies have negotiated agreements relating to the exercise of the right to organize in all the countries of the group; such as the Danone group. Other companies such as Nike have adopted "social labels" pledging not to manufacture their products in violation of the ban on child labor . (MOREAU & TRUDEAU, 2000, pp. 927-928)

But it is clear that the absence of a satisfactory legal framework is undoubtedly a serious obstacle to the development of collective labor relations mechanisms in multinational companies.

b) The situation on the international level.

It seems to us that there is no need to dwell on the difficulties, widely analyzed in legal doctrine, that international regulatory activity in the labor field increasingly encounters. Analysts are unanimous in observing that the globalization of the economy limits the effectiveness of

traditional methods of regulating labor problems - such as labor legislation and collective bargaining, at the national level, and international labor conventions, on the internationally – and often leads to a weakening of the protective provisions of labor legislation.
Certainly, thanks to the normative work of the international labor organization. The international community now has a satisfactory set of international labor standards. But its effective implementation often leaves a lot to be desired, due to the difficulties encountered in the control of international standards at the national level.

Conclusion

It is certain that the very foundations of labor law are affected by globalization and that we are currently witnessing the search for new equilibriums and new objectives, even new laws (Hamdan, 2007) for this discipline.
Labor law is based on a certain number of fundamental principles, which appear to us to be of international public order because if labor law, like any law, is a legal technique, it is not a simple technique to be implemented serving the needs of the economic context.
Also, nothing can prevent the lawyer from making feasible proposals to "reinvent" labor law while maintaining its protective base, in particular the definition of non-negotiable standards, and therefore inflexible.
In short, provide labor law with a social clause as provided for example in certain regional agreements (26). The ILO has a responsibility to promote respect for the fundamental rights of workers. Its action in June 1998 constitutes a first solemn recognition of the importance of these rights in the context of globalization and the place that should be theirs in international regulations.

Therefore, in order to mitigate the harmful effects of globalization, we propose to:

- Enshrine the freedom of association and the protection of the right to organize, such as the protection of trade union rights;
- Protect the collective rights of workers, such as collective bargaining;
- Constitutionalize the right to strike and prohibit any interference in the internal affairs of trade unions;
- Ensure social protection regarding illness, old age, loss of employment, and unemployment;
- Prevent occupational accidents and diseases, while ensuring compensation for workplace accidents and occupational illnesses, as well as the protection of migrant workers;
- Prohibit forced labor, child labor, and the employment of young persons under the age of 16;
- Ensure minimum employment standards, such as a minimum wage and compensation for overtime;
- Eliminate all discrimination in employment and establish absolute pay equity between men and women.

While globalization appears inevitable, it is not mandatory to accept it without establishing a social framework.

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