

# ACTIVITY, WORK AND EMPLOYMENT SOME REFLECTIONS ON A TOPIC UNDER DEBATE

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## Abstract

Since ten years ago, it is intensely thought of human work and employment in developed countries as a consequence of the deep changes on the productive system. In this chapter we analyze at first place the concept of work and its evolution, based on recent researches. In second place we review the notions of activity, work and employment and also the definition and measurement of unemployment, which is not a very old notion. The third part is about the work rol in human life and finally we study the different alternatives on activity and specific work contracts, proposals that nowadays replace the notion of "full employment" in France.

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## **Bibliography**

## **Introduction**

For about a decade now, reflection on human work and by extension on employment has become more intense in the academic environment due to deep and drastic economic, cultural and social changes. A number of publications –from different theoretical and methodological perspectives– have thrown light on this subject, whose significance has greatly changed throughout history.

This paper, which is part of a wider research carried out at the PIETTE of the National Council for Research in Science and Technology (CONICET) and at the School of Economic Sciences of the National University of La Plata (UNLP), is made up of 4 parts. In the First Part, the great changes in the evolution of the work concept (from the work of D. Meda, A. Gorz, and A. Fouquet) are analyzed. In the Second Part, a review of the notions of activity, work and employment is carried out and also reference to the definition and measurement of unemployment is made. The Third Part deals with the role work has or should have in human life. Finally, in the Fourth Part, the different alternatives of activity and specific work contracts suggested instead of the traditional "full employment" are analyzed. The analysis in this paper will restrict to current French writers, so as not to make it excessively lengthy.

## **First Part**

### ***I- Work and its conception: the important evolution lines from ancient times until the Industrial Revolution.***

1- According to ethnologists and anthropologists, in primitive societies it was not easy to distinguish work from the other human activities. Said work has been defined as a coherent set of technical operations aimed at producing the material means required by human existence. According to the etymology in force at that time, work is a notion that indicates the existence of an arduous physical activity, which sets in motion productive knowledge, uses appropriate tools and resorts to certain technology.

Work duration was limited to the time devoted to supply provisions or perform activities

tending to reproduce the work physical strength, that taking up a very limited period of time during the day, as natural needs are limited.

It was always a personal activity, though carried out in a social context (that of the family, relatives, group, tribe or local community), and it did not leave aside the ludic aspect. The individuals' motivation when carrying out these activities was not merely economic or to satisfy a personal interest. They were performed as part of the social duties, and not in exchange for a monetary remuneration. The collective dimension prevailed over the individual one, as "individuals as such had not yet appeared as actors in the history". (Meda, D., 1995)

2. The great Greek philosophers, specifically Plato and Aristotle, considered work an exclusively physical activity, which was limited to the effort people should make to support themselves, meet their vital needs and reproduce their work strength (circumscribed to a purely physical dimension). The rest of the people regarded this activity not only as arduous but also degrading, which was not socially valued and it was justified in the last resort because of the human beings' dependence on their needs. (Meda, D. 1995; Boissonnat, P., 1995)

The citizens' freedom in the Greek city could only be exercised once people had satisfied their material needs. Before reaching this stage, the citizen was unable to fully engage in 'the city', i.e., in politics, due to the way time was assigned and the worries that task involved.

True life, however, that which was typical of free human beings and which at that time was the basis for people's dignity, consisted of other activities alien to work. In the first place, *leisure* devoted to theorization, mathematical and philosophical reflection; i.e., contemplation of reality, truth and beauty, which allows to resemble that which is being contemplated. It is an activity performed by the spirit or more precisely by the reason, but not directly by the body or the matter. The *ethical* activity (the kind of praxis which by its nature is not subordinated to other aims and which has its own purpose in itself) was in the second place. *Politics*, that is participation in the administration of 'the city', was in the third place. The latter was proper of the citizens, an activity which comprised both verbal expression and reasoning, and which could be entrusted only to free men. Aristotle thought a craftsman should be recognized as a citizen only if he became a free man.

According to Aristotle, as man is a rational animal his main task is to develop his reason and freedom to resemble the gods and devote himself to contemplate and philosophize and act in accordance with virtue to be a good citizen.

From this viewpoint, this kind of leisure —which was not a synonym of inactivity— was considered to be the true life. The education of citizens aimed at creating the conditions required so that people were ready to enjoy such leisure, an activity that was much more

noble than actual work, as the latter only tended to produce usable values. Within this context, abstract work —resulting from a commercial relationship— was unthinkable. Social relationships only became concrete in the political life, where citizens had similar behavior, which was not the case with work, as crafts distinguished people. Therefore, work was not a synonym either of identity or personal development, though it was acknowledged that on working, the craftsman left part of himself in his work.

But in the small Greek city, where all the people knew each other, not all the persons had to carry out this labor activity. It was a task proper of the slaves and not of free men. Even worse, according to Aristotle, was the fact that as time went by and due to the efforts made, those people who performed the manual work of servile character to meet material needs and who had a craft would have their bodies deformed. Aristotle is also the one who wrote that it should be considered proper of the artisan any task, any art, any knowledge leading to make the use and practice of free men's virtue, body, soul or intelligence improper. That is the reason why '... arts of this kind, which greatly vex the body, are typical of artisans...'

As a result, manual work generated stigmas, not among free men, but only among the slaves who carried it out. Those tasks were not highly praised, however, because they were manual activities and, due to their subordinate nature, they were not done for their own sake but to achieve other aims.

The particular situation of ancient Greece —small in size, with an economic and social configuration such as to give origin to the thought of these great philosophers— should be underlined, as it can hardly be generalized. Besides, work has acquired other significance since then. It is no longer openly and systematically expressed that work, because of its own nature, be degrading and unworthy of a free man.

3. In the Middle Ages, the meaning of the word work (*trabajo*, in Spanish) was etymologically associated to a restriction, as it comes from the Latin *tripalium*, name of a yoke put on labor animals, a term that was later applied to a torture instrument.

4. Changes in culture and in the scale of social values brought about by Jewish-Christian religions in the two preceding millenniums affected human labor. These changes manifested first in deeds (manual work was legitimized, though it was given less hierarchy than intellectual work and contemplative life, which were assigned to members of religious communities; likewise, slavery was no longer deemed legitimate, nor was it socially accepted). Later, changes manifested through philosophical and theological reflection and finally by the acknowledgement (and declaration) of certain human rights due to the affirmation of the liberty, equality and fraternity of all human beings, regardless of their race or social background, principles that inspired the political, scientific and cultural revolutions based on them.

## **II- Concept development since the appearance of capitalism until the crisis of the 70s**

1- According to Max Weber, the Protestant reform and the ideas of John Calvin and Martin Luther signal the beginning of work ethics as a subject to be considered, giving value to human beings' life in this world, justifying the economic benefit resulting from work and pointing out the importance of consumption austerity and saving tendency.

2- Physiocrats regarded agriculture as the only source of wealth and thought the only truly productive force was that made up by farmers. Some years later, however, Adam Smith and later David Ricardo gave preeminence to human work, mainly in the manufacturing sector, considering it to be the (only) source of all wealth. (Meda, D., 1995, and Boissonnat, P., 1995)

In Adam Smith's view, only human beings are able to create wealth by exploiting natural resources through industry; but it is true that the concept of human work force develops in the economic science after having been used by physics in relation to the powers of nature. And it is clear that this had an actual influence via friendship and the fact of belonging to the same social and cultural environment.

3- In the 19<sup>th</sup> century Hegel is one of the philosophers who most insistently poses the problem of work within the framework of man's relations with nature and his action as mediator. According to Hegel, work allows the human being to go beyond the boundaries of the self, to actually exist; the human being is no longer abstract but becomes a concrete entity and on fulfilling his own necessities contributes to fulfill those of the others. Hegel's clear reflections on the consequences of the industrial revolution along with the sequela of the introduction of mechanization and the technical division of labor are striking. He is able to foresee the substitution of human work by machines, which deteriorated the workers' labor conditions at that time and sentenced them to a life of poverty, depriving them of the possibility of exercising their rights and getting benefits from their insertion into the civil society.

In his book *Phenomenology of Spirit*, Hegel analyzes work again, but this time considering the relations between master and servant, that is, with that person who would have chosen to be a servant rather than taking the risk of being independent. Work, always seen as mediation, is necessary in order to meet human needs. It is the servant the one who through the product of his work indirectly contacts the master with nature.

Hegel's most important contribution was insisting on the fact that work is a dimension proper of man, that allows to create conscience of the self.

4- K. Marx further develops these notions by articulating Hegel's dialectic idealism with

Feuerbach's materialism and reasserting that human beings -and not nature- are the real producers; it is through their work that human beings act upon nature to tame and transform it, bending its resistance.

Undoubtedly, it can be said that Marx's thought is the expression of some kind of humanism, for example when he writes that "Work is, in the first place, an act occurring between man and nature. Man plays the role of a natural power in relation to nature. He sets into motion all the strengths –arms and legs, brain and hands– with which his body is endowed in order to assimilate the matter and shape it in such a way it is useful for his life. As he acts in this way upon the external nature and modifies it, he changes his own nature and develops the powers that lie dormant (...) Our starting point is a kind of labor that is exclusive to man (...) That which distinguishes the most inefficient architect from the most expert bee is that he has created the cell in his head before building it in the honeycomb. The result to be yielded by work ideally pre-exists in the worker's imagination (...) who at the same time achieves his own goal of which he is aware, which determines his action as if it were a law and to which he must subject his will.

"Animals also produce –Marx goes on to say– but they produce only their own immediate needs or those of their young; they produce unilaterally, while man produces universally, (...) as he can produce even when he is free from physical need and truly produces only in freedom from such need". Animals produce only themselves, while man reproduces the whole of nature; their products belong immediately to their physical bodies, while man freely confronts his own product. (Marx, K. 1975)

Hence, labor "acts on the nature that is external (to man) and modifies it, giving rise to a reality that is both objective and external to itself"; labor would therefore be a mediation, a transitive activity, as it needs nature in order to realize through it, dominating it.

But labor is also a social reality –adds Marx. Therefore, the ownership of the production goods required for work must be collective, since due to the development of productive forces labor has turned out to be a social activity.

According to Marx, labor is then part of the human essence, since it is a means through which "a free physical and intellectual activity is strengthened and developed".

5- Some years later, E. Durkheim states –based on a sociological approach– that labor division within society results in human beings depending on each other and thus contributes to relate them to one another. Labor division in manufacturing and workers' labor and life conditions were at the roots of alienation. However, fulfillment as regards the work carried out and its contribution to the personality development of the person doing it, is not an issue high in precedence to be considered during this period. (Durkheim, Emile, 1970)

6- During the second half of the 19<sup>th</sup> century, these philosophical conceptions

faced the reality generated by the industrial development inspired by the capitalism of the time, expressed in the alienation of industrial workers. This situation disturbs the relationship with the other human beings who dominate them, take their production away and transform their work into goods offered in the market by the workers who have no other things to offer. It is as from this time that industrial work develops on a large scale as salaried work. Little by little, within the context of capitalist development of the 19<sup>th</sup> century abstract work emerges: work is a kind of goods susceptible of division, it is not carried out for its own sake, for pleasure, to meet the personal needs of the person doing it, but rather as means of exchange, to get a salary through a work agreement and, for that reason, its product can be expropriated from the person creating it.

7- In contrast with that hard economic reality, only a few decades ago, work began to be considered again by scientific researchers, philosophers, anthropologists and sociologists as the activity that allows human beings to discover themselves, become aware, self-realize and establish relationships with the others, as they become dominators of nature and builders of the world. In modern industrialized societies, work has progressively been considered as a privileged place for social integration, identity construction and self-realization.

## **Second Part**

### **III- The current reflection on activity, work and employment**

In Dominique Meda's view, work did not always bear in itself the function of being the source of personal identity and social integration. According to Meda, the salaried work which predominates at present is not actually an invariant of human nature: it is just a historical category whose future development is strongly conditioned. This certainly challenging assertion compels us to better define the signification of the activity, work and employment notions which were considered to be close to each other and were sometimes even confused. But recent economic transformations and the reflection of historians, economists, sociologists and philosophers questioned this assimilation. (Meda, D., 1995)

It is therefore necessary to distinguish between activity, work and salaried employment, the latter being but one of the modes adopted by work at a given historical moment.

#### **1. The activity**

It is a comprehensive concept which comprises all the dynamism of human life, requires an effort which does not only involve work but also the development of every human power in different areas: domestic, sport, cultural, associative and political. The activity is something that, in the first place, has a sense for the person doing it and which is carried out to

directly obtain an asset or have access to a service with the aim of satisfying either a material or immaterial need. (Fouquet. A., 1998)

## **2. The work**

Work is a kind of activity characterized by the fact that it is an effort made by man in order to produce something external to himself, done for others and which has a utilitarian aim. From that point of view, A. Gorz affirms that work as labor or effort is never to disappear.

It is a multidimensional activity that appears in different areas: economic, technological, social, ethical, etc., though it also bears cognitive and psychical dimensions, i.e., subjective, intersubjective, affective and relational. Leaving momentarily aside its purely economic implications; it is interesting to consider the research carried out by a group of work ergonomists, psychopathologists and psychologists from the *Conservatoire National des Arts et Metiers (CNAM)*, who have greatly contributed to this idea.

They were original in the sense they conceptually formalized the distinction existing in productive reality between the prescribed work and the activity or work actually carried out, rediscovering the enigma and richness of the work and, despite the restrictions to which it is subject. (Dejours, D. and Molinié, P., 1995)

Human labor is not merely an activity involving human effort; it is also the expression of accumulated know-how, personal skill, knowledge acquired while carrying out the collective work which evidences the autonomy, responsibility, creativity and adaptation capacities the workers possess to cope with the daily challenges posed by the activity. The performance of a task planned by others – those elaborating the concepts, technologists and specialists in production methods– can never be performed exactly as it was prescribed, for in its concrete development there arise incidents, and random factors take part that require doing adaptations, adjustments and redesigns, if it is desirable to achieve the goals set as regards productivity, costs, quality and estimation of delivery terms.

Even Taylorism and Fordism –labor processes characterized by being essentially strict– do require active human intervention to be efficient, and even a shrewd intelligence, which may lead to cheat, violate the rules and instructions of the prescribed work as a condition necessary for the production aim to be achieved.

Work implies a biological activity which, despite the progress of automation, will never be able to be completely eliminated and which is not free from the faults and failures typical of human nature. This means that work necessarily requires a subjective mobilization, that is to say, psychical and mental, on the part of the worker so as to make up for the faults in the conception and the prescribed work and face the random problems encountered in reality. Such subjective mobilization only operates completely when the worker expects to get his personal realization and the social acknowledgement of his identity as compensation for



his activity.

It is impossible to do a good job if individuals are not allowed a certain degree of autonomy and freedom, conditions that permit communication, coordination and cooperation among the people doing the collective work, violating each time it is deemed necessary the instructions as regards the individualization of each position sought through the social and technical division of labor. Either in a direct or indirect manner, work is increasingly an essentially social activity, in which cultural values, ethics and beliefs that make coordination possible take part. Now, the relationship between coordination and cooperation among producers is conditioned to their previous communication, and communication within collective work demands the construction of a language which expresses through symbols the social representation of reality and which adapts to the specific characteristics of the work process in question.

When labor conditions and environment on the one hand, and/or labor content and organization on the other are deficient, they cause accidents and are in the origin not only of biological health problems, but also of psychical and mental problems that produce suffering. The workers' capacities of adaptation and resistance to distress mobilize, and defensive ideologies, of collective nature, are built to cope with the situation. The perennation of these ideologies has negative effects not only on the workers' mental, psychical and physical health, but on the company's efficiency as well, in terms of absenteeism, productivity, costs, quality, compliance with the deadlines established, key elements of the new competitiveness.

Due to the labor centrality postulated by this trend of thought and the mediator role work has between the singular and the collective, between the social sphere and the private sphere, between the social activities and the domestic ones, between the person and nature, such activity is, or may be, a health agent or, on the contrary, it may become a restriction with pathological and unbalancing effects. Therefore, the interruption of the labor activity due to reasons other than those of the worker's will is also a source of suffering. From that point of view, any kind of unemployment could be the origin of estrangement as well as of pathologies; hence, it should be resisted by all possible means. (Dejours, D. and Molinié, P., 1995)

As a complement, by way of summary, the main dimensions human labor has for us from an anthropological and philosophical perspective can be pointed out.

In its essence, labor as an activity *cannot be separated from human life* and, despite Jeremías Rifkin's apocalyptic prophecies, it will never come to an end. Work is considered a fundamental human right as well as a social duty. For those having a job, work is not only important because it allows them to make a living. It is a *necessary activity* as it creates and transforms goods and services essential for the human beings to live and reproduce

themselves.

When carrying out this activity, nature is not only being somehow dominated and transformed, but at the same time, *all dimensions of the worker's personality are being developed or involved* as well. Work allows the person doing it to establish interpersonal relationships and create collective work, that is to say, a new entity generated by the links and inter-relationships that gives rise to actual solidarity among all salaried workers and the other socio-professional categories constituting a single productive unit. Labor permits human beings to construct their own identity and find a sense for what they do. Labor *transforms people into transcendental human beings*, for their works will persist in time after their biological death and may even move beyond the local area and national boundaries.

These four dimensions of human work constitute the objective foundations for the right to work, or rather, the workers' rights. (Neffa, J. C., 1992)

### **3. An initial definition of work and its components**

Work might then be tentatively defined as "a coordinated activity of men and women, oriented towards a specific aim – which is the production of goods and services having a social utility."

The human being as a whole is involved when carrying it out; i.e., work demands the use of physical strength and/or psychical (emotional and relational) as well as cognitive capacities; it also requires to put into practice the workers' qualifications, professional competence and experience.

Hence, work results do not only depend on the amount and quality of inputs, production goods and technologies used –which are formalized in the "production functions"–, the labor process and the organization of the establishment where it is being carried out; they also depend on the cognitive activity, the professional competence, the accumulated productive knowledge and the extent to which workers are involved (as regards responsibility, initiative and adaptation effort of the task requested) to cope with the various problems which could not normally be solved by just strictly executing the work process prescribed by others.

### **4. The employment**

Let us now analyze the notion of employment. As Annie Fouquet asserts, not all work is employment: someone can work and yet not have an employment, as it is the case with the housewife or the mother who does not receive any remuneration whatsoever for the household chores she does. This is also the case with the kind of charitable and militant management work done in associations. (Fouquet, A., 1998)

However, the household chores done by a housewife or a mother are acknowledged as a socially useful activity, whose weekly duration largely exceeds the legal maximum working day; but it is not done in exchange for a monetary remuneration, though it allows the housewife to share a certain life status with her husband. If her husband has a job, that woman receives a family allowance and has some benefits as regards health social protection. But she loses both rights if she gets divorced. Besides, that specific labor relationship is not regulated by the Labor Law but by the Civil Code. (Fouquet, A., 1998)

On the contrary, employment is a relation that links a person's work with an organization within an institutional and legal framework which is independently defined and which existed before the person joined the company. It is an abstract kind of work, susceptible of being divided into elemental units which in turn are re-grouped around a job position that is socially accepted as useful. It is a labor relation that endures in time and which has a mercantile nature, as it is done in exchange for an individually assigned salary; it enjoys some legal guarantees, has social protection and is regulated by a classification resulting from rules stated in the professional bylaws or labor collective agreements.

The legal and institutional framework previously mentioned is the result of the social struggles of the labor movement and of the humanistic ideas of the 19<sup>th</sup> and 20<sup>th</sup> centuries, which were codified by the State in accordance with the relations of the existing forces. In this country, it is a salary relation, the employment contract, ruled by the Work Contract Law, the National Employment Law, the collective conventions or agreements subscribed at company level. Such contract is not discussed article by article by the parties thereto at the moment the person begins to work.

Little by little, this notion of employment generalized and involved different types of work mercantile exchange, taking as a model or reference the salary rule predominant in the large industrial company, which was, to a greater or lesser extent, the salary relation inspired by the so-called "Fordist" norm. In accordance with this tendency, the Public Administration and the public services provided by the State made their own By-laws, which were not the result of a negotiation, but rather they were adopted unilaterally on the part of the government, guaranteeing unlimited stability, an almost automatic promotion system based on seniority, the right to retire at certain age and social protection against illnesses and accidents for the employee as well as for his family.

## **5. Recent transformations in employment structure**

Until the crisis of the 70s started, in the capitalist industrialized countries, the fast growth of production and the relatively scarcity of labor provided the objective conditions to seek the stability of the labor force, consolidating the labor contract of undetermined

duration, with stability guarantees, in a context of full employment.

Employment in rural areas had begun to dwindle as from the 50s, as the result of policies of modernization of agriculture and the attraction exerted by the offer of employment in the urban industrial sector. This tendency continued for some years, but then it began to grow weak as the need for labor force in that sector was met.

Later, due to technological advances, reconversion processes initiated after the crisis of the 70s, the development of international trade and the changes in the demand, the bulk and variety of industrial production grew, but employment in industries decreased significantly, whereas it increased quickly in tertiary activities and in the services.

As countries develop and reorganize their structure, their production system and employment structure gradually become tertiary, posing unknown problems since that is the only large sector (with significant differences in the activities it involves) that increases participation among the economically active population.

But as from the mid 70s, after almost three decades of full employment, unemployment grows steadily and remains at high levels in all countries in Western Europe. The evolution employment-unemployment in the USA, in Japan and in the emerging economies in the Southeast of Asia has followed a different tendency.

#### **IV- The emergence of unemployment**

##### ***1. The birth of the concept***

As Jerome Gautie asserts, unemployment is the new name of the social issue, previously called poverty in the 18<sup>th</sup> century and pauperization in the 19<sup>th</sup> century. These phenomena are studied in themselves as they are deemed to be caused by how society operates and because their scope and permanence may provide grounds to question the social system as a whole.

Poverty resulting from the transformation of agrarian societies at the beginning of the industrial revolution manifested in the form of vagabonds who lacked the skills required to get a job. Under this circumstance, the society at local level took part in three ways: assistance was provided by people and religious or humanitarian institutions, as an expression of charity; on the other hand there was repression, when the poor were considered a danger to the rest of society (due to robberies, physical violence and epidemics affecting them), and in the third place, imprisonment and forced labor were used. The Poor Law passed in the United Kingdom in 1601 and later on the establishment of work-houses formalized the duty to help the poor, the parishes being in charge, but at the same time they made provisions for forced labor for those who were fit to work.

In France, after the 1789 Revolution, the Constituent Assembly adopted a resolution with the aim of putting an end to mendicity, since «the lack of subsistence means

represented a violation of the human rights and the breakup of the social equilibrium.» Thus, the poor begin to have the right to subsistence and it is society, not the State, the one that must provide the necessary means to guarantee the exercise of freedom of work and right to work, included in Le Chapelier Law.

The boom of manufacturing within a liberal context brings about a massive phenomenon: the poverty of those who, despite having a job, cannot live with dignity due to their meager earnings, thus giving rise to strikes and riots that threaten the social order. K. Marx is the first to postulate the existence of structural unemployment in the image of a "reserve industrial army". The social issues become a topic of concern for politicians having different tendencies and for the Catholic Church: in 1891, Pope Leo XIII dictates his encyclical letter *Rerum Novarum*.

In the period that goes from the end of the 19<sup>th</sup> century to the crisis of the 29-30s, unemployment is going to be "invented" by economists and it involves the State. Alfred Marshall contributes to make a distinction among the unemployed between those who were employable and those who were not. The unemployable would be those people whose marginal productivity was low and who either required assistance or were likely to be repressed. Whereas the employable would certainly get a job when the situation improved. W. Beveridge—a person linked with the first specialists in "industrial relations", S. and B. Webb—is the one who makes the transition from the individual categories of poor, indigent, unemployed to the macro-economic and macro-social one of unemployment. J. M. Keynes is going to use said category to justify the intervention of the public force. These are the antecedents of the configuration of the new salary relation that will later be called "Fordist" (labor contract of undetermined duration, full time employment, stability guarantee and social security); it shall no longer be regulated by the Civil Code, but by what will later be known as Labor Codes.

## **2. Problems of definition and measurement**

Unemployment is then a relatively new statistical category which has been socially constructed in the developed countries; it did not exist in the first population national censuses nor in the economic national censuses up to the end of last century. The idea of unemployment was linked only with the categories of the labor force that before such record were salaried. This was not the case of those working in family companies or in houses, because when the activities were interrupted and they no longer had earnings, they were not regarded as unemployed. While a new expansion phase of the cycle was expected, the available accumulated resources were distributed internally, no work being required as compensation.

Nowadays in Argentina, massive unemployment, which despite its fluctuations is

higher than OECD's mean and that of all countries making up the European Union (except for Spain) and which coexists with fast growing and positive macro-economic indicators, poses a real challenge for labor sociologists and economists.

The issue of unemployment extent and nature gives rise to agitated debates, mainly in the developed capitalist European countries, due to the social and political repercussions as well as the effects on the social security system that the increase in the unemployment volume and growth rate has. Notwithstanding the theoretical importance of the concepts of employment and unemployment, the problem which immediately appears is that of making an accurate empirical evaluation.

The difficulties involved in the calculation arise from the fact that both in the offer and the demand of labor force, heterogeneity has increased and that provides grounds to question the internationally agreed definitions as regards who are and who are not actually unemployed.

#### **a) The definitions**

The usual definition, which serves as basis for making international comparisons, was an initiative of the International Labor Organization (ILO). It was actually made by the labor statisticians while the "Fordist" regulation mode was in force, that is to say, in a situation of fast growth of the Gross National Product (GNP) and low unemployment or almost full employment. At that time, unemployment seemed to be the result of the current situation, it did not have a massive character and it was likely to be solved in the short term by resorting to macro-economic policies inspired in Keynes. Unemployment was then a residual category; it depended, on the one hand, on demographic behavior, on the dynamics of the economically active population; and on the other hand, on the needs and the selection and recruiting policies of the companies. The boundaries between one situation and the other were clearly defined in concept, but reality has significantly changed since the mid 70s. (Freyssinet, J., 1998)

In order to be statistically considered unemployed, according to the definition suggested by the ILO, people should meet the following requirements:

- they should be unemployed; i.e., they should not have carried out any paid job whatsoever, not even for an hour during the week of reference – usually the week prior to that of the survey;
- they should be ready to work, i.e., they should have a favorable attitude towards labor and be fit to work;
- They should be actively seeking employment.

#### **b) Reality refuses to fit such definition**

But those restrictive conditions contradict several situations that have become general nowadays, as there are superpositions. Jacques Freyssinet identifies some of these superpositions among activity, unemployment and inactivity.

For example, where is it possible to validly consider the situation of the youths seeking employment who leave school without having any labor experience in real situations, or who are unemployed and are doing assistantships or training or professional reconversion courses and who, for that or any reason whatsoever, are not immediately ready to start work?

It is also difficult to find a category for the unemployed workers who are ill and, hence, unable to work, or for those people who are in prison (in the USA, for instance, the number of prisoners is high). All these people are considered part of the economically inactive population and, therefore, are not included in the denominator of the formula used in the calculation, thus significantly reducing the unemployment statistic magnitude.

There is also the case of those who have a part-time employment, either in the year because it is a temporary or seasonal job, or during the day, because the working hours are less than the normal/average one. The workers who have this kind of employment may be in this situation involuntary or voluntary, and they will be considered underemployed or not, respectively, in accordance to their declaration to the people doing the survey or census.

Frequently, the inclusion of the unemployed in the inactive category may be seen as a disguised form of unemployment, for example when an activity ends anticipatedly due to a decision alien to the worker (such as anticipated pension off or voluntary retirement), or in the case of discouraged workers, whose situation does not depend on their will since they remain inactive as the result of uselessly seeking a job in a context of massive unemployment.

Finally, the amount of clandestine workers, unregistered workers or "black" workers is difficult to estimate. ("Black" work has been defined by Raffaele de Gracia in an ILO publication of 1983 as "a single or secondary activity, carried out in a non-occasional manner, marginally or without complying with the legal, regulatory or conventional duties, in order to get money.") However, according to the Organization for Economic Cooperation and Development (OECD), the proportion of the people that appear as inactive or unemployed would be about 10% of the economically active population in the countries that make it up.

In Argentina, various figures have been given and some estimations made from the EPH almost reach a third of the economically active population. Again, the inclusion or not of these workers within this last category may have a great significance in the unemployment statistical measurement.

### **c) The notion of underemployment is useful, but does not fully solve the problem**

As the result of these conceptual and measurement problems, some complementary categories have recently been introduced at the request of the ILO. An example of these categories is underemployment, that is to say, the underutilization of the labor force, which may have two modes:

- it can be visible (the working day is less than the average or normal period), or
- it can be invisible (the employed workers have a relatively low productivity and salary, or when as the result of the work process organization or the market conditions, they are unable to use all their qualifications).

### **d) There exist interdependencies between labor force offer and demand**

The labor force offer and demand are not completely independent variables as the traditional Neoclassical theory stated. This can be explained taking into account the productivity cycle, which briefly is as follows: employment is the result of the quotient between production and productivity; now, if productivity or the production level varies, the volume of employment also changes. The (work apparent) productivity, in turn, varies according to the current economic situation: when the cycle is in its expansion phase, the companies increase their production, but they wait some time before hiring new personnel, the result being an increase in productivity. On the contrary, during the recessive phases of the cycle, the companies cannot or do not want to quickly dismiss redundant personnel for various reasons: they wait for the cycle tendency to change, they do not want to assume the costs deriving from legal protection against dismissals or cope with the trade-union pressure, the result being a decrease in productivity.

The behavior of the global and specific activity rates do not remain constant in time and they usually vary inversely to the unemployment rate. The active search for employment on the part of the unemployed youths, mothers who were inactive or those who are forced to accept an anticipated pension off is less successful when the unemployment rate is high, and particularly when an industrial reconversion process is taking place, as it leaves older workers aside.

The different categories included in the labor force underutilization concept according to the US Bureau of Labor Statistics and their percentages in relation to the total of the same category in 1994 yielded the following chart, which shows said diversity (taken from Freyssinet, Jacques, 1998):



Definition		Rate in 1994 (percentage)
U1	People who have been unemployed for at least 15 weeks	2.2
U2	People who have lost their job or finished a CDD	2.9
U3	Unemployment according to the ILO	6.1
U4	U3 plus discouraged workers	6.5
U5	U4 plus the workers that are only marginally inserted in the labor market	7.4
U6	U5 plus workers employed part-time for economic reasons	10.9

### e) Workforce flows also have to be studied, besides unemployment volume

When unemployment rates between two surveys or censuses are compared, the analysis of magnitudes acquires another significance if the flows between those two moments are studied or not. The key question is: how long do people stay unemployed and are they always different?

A first element for answering this is stating that the flow produced is neither an automatic nor a univocal one from inactivity to employment or from unemployment to employment, as textbooks often describe.

The most frequent movements may be as follows:

- willingly, from one job to another (rotation in search for better pay or working conditions, or a more stable position);
- willing or unwillingly, from employment to unemployment (resignation or dismissal);
- willing or unwillingly, from employment to inactivity (voluntary retirement and anticipated pension off, women during pregnancy and maternity, young men on compulsory military or civil service);
- unwillingly, from unemployment to inactivity (discouraged workers);
- willingly, remain in unemployment, but searching even if fruitless;
- willing or unwillingly, remain inactive (discouraged workers, or lack of possibilities in the market at local level);
- willingly, going from inactivity to unemployment when search proves unsuccessful (young people looking for their first job on finishing studies, women trying reinsertion in the labor market after maternity, people who have been ill for a long time, prisoners on recovering freedom);
- willingly, going from inactivity to employment.

The situation becomes dramatic when flows of people from inactivity or employment abound that result in long term unemployment which perpetuates in spite of active search and of benefiting from passive or active public policies, and when these people cease to have

right to social security and lack resources of their own or help from family.

Work market in capitalist economies, then, operates as if it were a *suction-expelling pump* (R. Salais, 1992). When unemployed for a long period of time, there may be a number of reasons, according to vulnerability and employability.

*Vulnerability* is defined as the probability of being unemployed for a certain period of time. This may result from resignation, in order to look for a better job, or following the pressure exerted by the employer so that the employee accepts a voluntary retirement. In other cases, starting from an inactive population, young people on finishing studies or adult women enter the unemployment situation in order to get economic independence, round off the family income, or replace the unemployed husband. Finally, we find the dismissals due to unilateral decision on the part of the employer, or the expiration of fixed term contracts or other precarious forms of employment.

Conversely, *employability* is the probability unemployed people have of finding a job in a given period. The variation of this probability depends on several factors:

- it decreases as the period of permanence as unemployed increases: due to discouragement invading the spirit of the unemployed person, the loss of professional qualifications, the change of his attitudes towards work, or due to employers' policy interpreting a long unemployment period in a person as a negative indicator of his competence;
- it decreases as the unemployed ages, based on selection criteria often used by employers and the worker's capacity and attitudes to reconvert and adapt to new situations. Certain studies have established a close relationship between employability and the professional itinerary of the job seeker. Those having had a precarious job fall in unemployment more often than those having a contract of undetermined duration (*contrato de duración indeterminada*) (CDI, its acronym in Spanish), and it is them who leave that condition sooner for they are less demanding to accept relatively unfavorable offers, due to the risk of staying too long in that situation. Those having had a CDI, on the contrary, remain unemployed longer for they look for an interesting position, according to their qualifications and competence, a position that is well-paid and stable.
- However, when there is massive unemployment, work market becomes more selective than in situations of full employment, and there occurs heterogeneity within corporations and the work market, giving rise to segmentation, from the professional past of the unemployed person.

#### **f) Unemployed people's itinerary**

Typologies can be established when a follow-up is done on unemployed people, from their itineraries. Elsewhere there has already been a reference to the main flows between

inactivity, unemployment, and employment. Jacques Freyssinet suggests the following typology (Freyssinet, J., 1998):

Repetitive unemployment, observed when a person has had many opportunities in the work market, e.g. young people who have just finished their school, women after an interruption because of marriage or maternity try to take up professional life again, but it is most likely among workers with a low level of professional qualification and those having had precarious jobs. Because of those characteristics these people in many cases do not get unemployment insurance, but their needs make them stay for a little while unemployed. In order to escape from said situation they accept precarious positions and often they follow training courses or assistantships in corporations during the period between two jobs.

Reconversion unemployment affects CDI holders working in the industry, who are dismissed because of technological and economic reasons. Most of them are adult men with certain qualifications who remain unemployed for a long while and look for a stable and well-paid position, while they benefit from unemployment insurance.

Exclusion unemployment is, needless to say, the worst of them all when unemployment is structural, for it is caused by a weak employability, within a context of strict selection. This can result in long-term unemployed workers, thus changing their attitudes towards work, deteriorating their professional qualifications, discouraging them to finally lose the right they have to unemployment insurance. Most of them are young people who have not succeeded at school, with either difficulties to get professional training or lacking the abilities, and little 'qualified adults whose age is close to pension.

### **3. Unemployment and changes in the salary relationship: precariousness**

As previously mentioned, one of the most painful consequences of the current crisis in European capitalist countries was the increase and the stability of unemployment at high level, a trend not completely reverted when economies started to grow again. Concomitantly, however –from 1974 and up to mid '80s–deep transformations as regards both business organization and salary relationship took place. Mainly, they consisted of the introduction of technological innovations as to processes and products, and organizational changes affecting the structure of the corporation, the productive process and the work process.

Corporations re-structure by down-sizing, concentrating on production with higher added value and subcontracting the rest, abandoning the trend towards vertical integration and going to suppliers of spare parts and subsets, demand orienting production, making a growing tense production and the relationship with suppliers and subcontractors when making use of just-in-time and kanban types of system.

As competence became more provoking, both the inner one as well as the one introduced by globalization, a rigorous logic was imposed to lower costs (priority being given to

direct and indirect salary costs), increase productivity, improve quality and fulfill arranged delivery dates.

Besides, important changes were introduced as to how corporations managed work force and salary relationship. In the first place, contracts ruled by work legislation were substituted little by little by other ones either deriving or inspired in the Commerce or Civil Codes. This, in fact, meant progressively leaving aside the legal guarantee of stability, the abandonment of CDIs for the newly recruited workers. The risks uncertainty and variation in demand brought about started to be shared by those employed, suppliers and subcontractors alike, together with their impact on employment.

The generalized privatization and reform of the State processes – differentiated according to the countries– driven by the globalization process and tax crisis, favored voluntary retirement, anticipated pensions off, redundancies and finally dismissals or contract-settled retirements. Those departures, to unemployment or inactivity, were balanced by significant compensations that stimulated among workers, medium leaders and managers involved, the creation of microbusinesses and the carrying out of free-lance work, whose specific characteristic is the abrupt reduction or complete elimination of salaried work and dependency relationship within the new undertakings.

On the other hand, businessmen obtained from governments the passing of laws stating new (a-typical) forms of work, such as flexibility as to duration of the work time, and the determination of the level of salaries doing away with the possibility of adjustment through indexation with respect to past inflation. Thus, the following appear or are generalized: contracts with fixed duration, part-time jobs, temporary jobs, agency- contracted jobs, and seasonal contracts.

To meet growing and high unemployment, public employment policies started several measures to help insertion and created forms of employment in order to provide a socially beneficial occupation to an increasing number of unemployed. These policies in turn offer the worker an income well below the average one, provide financial help to businessmen and decrease their contributions to the social security system, in order to diminish through all of these means the costs of salaried work. In most of the cases, these jobs adopt «specific forms», are considered «precarious» and do not systematically lead to contracts of undetermined duration, guaranteed to be stable. They do not benefit from acquired work and social conquests or advantages, which were included in their companions' collective agreements; they are not socially protected against illness in the way the salaried in «real jobs» are.

The result of interactive articulation of said set of factors is the growing segmentation of the work market, giving way on the one hand to a society and a work market made up by sectors working at different rates of economic growth, income distribution and social protection (that

are more than two...), and on the other hand, the coexistence within corporations of a multiplicity of work forms, generating internal pressures and making the consolidation of collective work difficult.

This is the currently predominating situation in western European countries, where a weak economic growth goes together with an effort for rationalization and increase in productivity, making a notorious difference with the American model. In the USA the economic policies that have been adopted since mid '80s stressed economic expansion and domestic market protection rather than controlling inflation, indebtedness and the tax deficit, profiting from the consolidation of its hegemonic position. A strong growth in the GNP rate together with a low growth rate in productivity contributed to the creation of a number of jobs and the reduction of unemployment. This performance hides another aspect of reality: most of the newly created jobs belong to the precarious type, salaries being low, and the proportion of unemployed workers having a low qualification level grows considerably, generating an unheard-of phenomenon of urban poverty.

The Argentine case would be closer to that of western Europe than to the American one, though no research has yet demonstrated that.

### **Part Three**

#### **V. The debate on the signification and place work has to occupy in human life**

In our time, sociologists, economists, psychologists, lawyers and philosophers studying work in its different forms pose at least two important questions:

- is employment, specifically salaried work, a particular historic (and changing) form of work or is it the true essence of work?
- can work effectively be a source of autonomy as well as personal realization? Let us consider now the terms central to the debate.

##### **1. Is employment the essence of work or a given historic form?**

1. For quite a number of specialists, human beings acquire a social identity (through a profession), generate solidarity and/or exchange relationships with other people and establish with them rights and duties, because they perform remunerative work. Having work would then be synonymous to having a job, that is a remunerative work, salaried, social and technically divided, distributed among members of the collective work, subordinated to the one paying remuneration, the amount of which being closely related to its compensation in terms of income. Given the predominating logic capitalist production and accumulation, work is subject to the strict restraint that meeting the objective of productive efficiency maximization means, having as criterion the rate of profits.

2. Other thinkers consider that salaried work would not exhaust every possible

form of work. Its anthropological essence would be the realization of the self and the source of self-esteem, for it imposes a temporal structure to life, it creates social contact outside the family, it has objectives and produces results which come in the form of products independent of the producer, stimulating confrontation with others. This activity, however, can historically adopt other modalities than salaried work. The suggestion would then be that of clearly distinguishing between employment or salaried work and work, in itself something pertaining to human beings, the source of personal development and creator of social relationships. Salaried work would be a recent historic phenomenon, dating back to the Industrial Revolution, which would currently be undergoing an equally important period of mutation due to the development of massive unemployment, and to a change of values and the work culture. (Hannah Arendt, André Gorz, and D. Meda are the most quoted authors holding this conception.)

3. André Gorz, in his books «*Stratégie ouvrière et neocapitalisme*», «*Le socialisme difficile*», specially in «*Adieux au Proletariat*», published in 1980, stands in a radicalized perspective of thought leading to a radical dissociation of work and remuneration, for it would not be possible to make an autonomous activity (work) coincide with the security of the material life of the worker (through salary). He considers that common or social ownership of production goods would not suffice to make work autonomous, owing to the imperative of efficiency emanating from the new technical system, and work division. The way would lead to a business deprived of permanent salaried workers, where part-time job should prevail. The business should adopt the form of a net of individual businesses, made up of essentially intellectual capital selling intangible products. Rents should be more and more technological and they would derive less from human work.

Because of this, A. Gorz predicts the end of a society mainly founded on this specific work modality –conceived as a predefined form of employment, socially and legally, assigned to carry out a task in order to obtain as compensation a salary– for that would be utopian, as the predominance of a truly autonomous work would be unattainable. Then, it is not in work but rather in the «reduction of socially necessary time for work that people might find freedom to lead an emancipated life in keeping with human dignity».

Doing away with salary would be a good thing to do, according to A. Gorz, if human beings would manage to dominate the change not only in work form and nature but also in the nature of capital and wealth. The immediate work time would mean little if compared to the time individuals need to develop their imagination and cognitive capacities. When questioning the idea that immediate work is the foundation of life and society, the power capital and business exert on people is being put at stake at the same time. To insist on the centrality of work would mean the negation of the existence of a society different from the salaried society. These transformations of human work provide the grounds for the

idea to guarantee a sufficient basic income to every citizen regardless of the work time and eventually of work itself. It would be a minimum insertion income—the French RMI— or better still, a «citizen income». Its collection should not be conditioned to the actual performance of a determined work, light as it might be. The objective of that guarantee to perceive an income that should suffice is to permit the emergence of a number of self-producing activities, generators of sense, of bonds among human beings and completely autonomous.

## **2. Is work a source of autonomy or alienation?**

This second question arises because work can no longer be considered as it previously was, a place of total autonomy, mainly due to the predominance of the economic rationality capitalism has imposed in the valuation of capital rather than people. This leads to work being divided, made bureaucratic and meaningless. That would be why the place and sense work used to have in society would have been on the decrease for the last two centuries.

1. J. Habermas develops his thought following this idea: work is no longer a dominant category of society, if by work is understood on the one hand the particular praxis that makes man oppose nature and transform it, transforming himself –as could be deduced from the Hegel's and Marx' thought–, taking into account, on the other hand, the evolution of productive forces for a century now, provoking the emergence of the social functions of the State. Unable to transform heteronomous work into autonomous work, the provident State had granted workers certain rights instead: being user of bureaucratic services of the State and the possibility of having a power for buying in order to fulfill his role of consumer. Thus, the provident State would have found its limits, not having managed to turn work into a truly autonomous activity, for self-management did not prevail even in countries of real socialism, in spite of the abolition of private property of production means.

2. A second trend of thought on human work, expressed by the CJD (Centre des Jeunes Dirigents d'Enterprise) already mentioned, that includes very different opinions, states the conception of centrality of work again, considering it an essential activity for human beings, the exercise of which makes them realize personally and serve as an element of integration to society. However, in these times we would be faced with the generalized fact that this salaried work is heteronomous and many are deprived of exercising it, for unemployment is growing and involves quite a number of persons. Coherent with that conception, the objectives to be reached would be a different work and full employment, seeking to offer the whole of the economically active population the possibility of performing a work that would enable them to obtain the resources to reproduce their work force rather than ensuring permanent financial help or social assistance for the unemployed and those

excluded from the work market.

Consequently, even those who due to present or structural causes are deprived of job, should continue to benefit from the «advantages» it provides to those who are busy. To do so, unemployment insurance as well as public employment systems should have to be established, new positions should be created in the «third sector» or associative sector, at local level and near the homes of potential workers, assigning at least a modest remuneration to those carrying out jobs of social usefulness. If going to an extreme, work should be shared, i.e., reduce the maximum legal duration in order for everyone to have work.

This «reformist» approach claims centrality of work and that of business at the same time.

A deep transformation should also be undergone by the conditions in which work itself is carried out, as is the traditional way of businesses, in order to eliminate its alienating character. Domination of technology as well as the changes in the organization of businesses and the process of work are a must to get an access to the information on the progress of a business and its participation in decision-making. These are the basic conditions needed to make it more autonomous, to allow personal and group individual expression, to constitute a source of communication and cooperation within the collective work, and to serve to the creation of a personal identity whose configuration be an object of negotiation among social interlocutors.

Now then, technological changes deriving from microelectronic automatization produce varied effects: a disqualification of certain positions on the one hand and, on the other, the requirement of new qualifications and competences for newly-arrived young, or the reconversion of older workers by means of permanent training and learning through experience; but it also produces the mobilization of human intelligence and creativity of the collective whole, the capacity of having an integrated vision of the productive process and its operation so as to foresee and anticipate events, the access to polyvalence, a more important involvement, autonomy and personal initiative, and a favorable attitude towards communication and cooperation within the collective work.

3. Another philosopher of German origin, Hannah Arendt, claims in her central thesis that the active life of human beings comprises three dimensions: work, what is done, and action. But she adds that it is work the one to have recently occupied the whole of active life. And that would be a mutilation, a lowering of man.

She conceives work as the extension of the biological process of consumption, resulting from necessity. Work would not then be an essence, for it would be an action deriving from a natural process, making up the cycle of life, an endlessly repeating cycle with a succession of moments of growth and decline.

She considers what is done more important than work; it is accomplished when an object is



finished. While work is a cyclical process resulting from biological processes of a living organism, which does not survive and ceases, what is done is what remains. The result of the activity work is destined to be consumed, to reproduce the cycle of life, to reproduce the necessary work force to maintain the body. Man, then, is an animal laborans. The emancipation of man from work Marx suggested would not be utopian but attainable thanks to automatization, that enabling the majority of the work force not to be destined to working but to consuming, which in turn would enable me to consume more and reach a level where everything shall be consumed. That moment is still far ahead, for the reduction of working time –according to her– has been slow. This claim, however, finds a contrast in the serious statistical studies on the subject.

The fatigue work brings about is something permanent and impossible to eliminate. It is terminated only with the death of the organism.

Her theses are original and have brought about a lot of controversy; her thought has doubtless fulfilled an important function in the revision of Marxism. According to Arendt, for Marx work was a mere metabolism or interchange between man and nature, a change being the means by which nature adapts to human needs. Marx' reflections on this metabolism would not be on human work but rather on what has been done. Consensus, however, exists to state that Hannah Arendt was right when she highlighted that work is but one of the dimensions of human beings, together with what is done and action, that is of word, for as Habermas shall state later, communicational activity is inherent to man. Life without words or action is not human life, concludes Arendt.

4. Jean-Lves Calvez in a recent publication on work makes an interesting reflection on the conception of work that arises from the last official documents of the Catholic Church, especially the Pastoral Constitution *Gaudium et Spes* dictated by the Council Vatican II in 1965, and the encyclical letter *Laborem Exercens* announced by Pope John Paul II in 1981. (Calvez, J.I., 1997)

According to *Gaudium et Spes*, work is a personal, necessary, human activity, carried out in solidarity which associates workers permanently to God's creative act. The statements it includes allow this conception to be placed near those considering work an essential activity of human beings, but not the only one. «Man's work –states the document–, that exercised in the production and exchange of goods or the one rendered for economic services, must be placed before the other elements of economic life, having but an instrumental value. This work, in fact, carried out independently or by means of a contract with an employer, proceeds immediately from the person: it is he who prints in some way his nature, and subjects it to his objectives.» «Through work –continues the document– man habitually ensures his subsistence and that of his family, he associates with his brothers and renders them a service, he can practice true charity. From this can be

deduced the obligation for every man to work loyally as well as the right to work. Society, on its part, must help citizens enabling their access to enough employment. As economic activity is the result of the work of men associated, it is unfair and inhuman to organize it to the detriment of any worker whatsoever. The process of work must adapt to the person and to the way he lives. Workers must have the possibility of developing their qualities and personality when doing their work. They must have the possibility of freely unfold his personal capacities and skills in the professional work. An active participation of them all should be fostered in the management of businesses and at the higher levels, where economic and social decisions are made and from which the future of workers and their children depend, directly or through its representatives».

For the encyclical letter *Laborem Excerrens*, work is a fundamental dimension in man's existence on earth, and declares this conception would be in keeping with the opinion of human sciences, religious faith and the Scriptures. Quoting the Genesis, it concludes «when working, man is God's image by the command he received of subjecting and dominating the earth» (...) «Work has a subjective dimension, for it is the result of the action by a subject who is able to act in a programmed and rational way, capable of making his own decisions, tending to self-realization. It also has an ethical dimension, for who executes it is a person, an intelligent and free subject. Because of all this, every work has an equal dignity, regardless its differentiation» (...) «But man is not for work, work is for man», thus opposing to the economicist conception «that would make merchandise from work, or a simple work force» (...) «Man is not an instrument for production, but an efficient and creative subject».

The encyclical letter reaffirms what Pius XI had said in *Quadagesimus Anno*, in 1931: «inert matter exits the workshop ennobled while the men who work there corrupt and degrade», for «work should not tolerate diminution in its dignity while allowing matter to ennoble at the same time».

In 1982, when massive unemployment is made manifest in the great western capitalist countries, John Paul II, addressing the International Labor Conference had declared: «... I resist the thought that contemporary humanity, capable as it is to achieve prodigious scientific and technical deeds should be unable through an effort of creativity inspired in the nature of human work itself and because of the solidarity that links every being, of finding solutions that may be fair and efficient to the essentially human problem that is employment».

## **Part Four**

### **VI. The current debate: is there any policy of full employment or full activity that may be a substitute for salaried full employment?**

Faced with the predictable evolution of a situation characterized by an elevated and persistent level of unemployment, different alternatives to the situation have been suggested in France, all of which refer to the salary relation.

### **1. The «worker-businessman»**

Michel Godard's theses, a specialist in prospective studies at CNAM, on the matter may be synthetically presented in the following way: as result of the crisis and the reduction of economic growth, the traditional work contract has been surpassed, for it would correspond to the previous period, known as «Fordist». It was characterized by the big industrial businesses where strictness prevailed in the organization of work. Globalization and new competition rules would demand more flexibility and business capacity to rapidly adapt to the changes in demand, conditions those corporations could not meet.

On the other hand, the rules of work law, either collective or individual, are so many, complicated, strict and expensive for businessmen that prevent them from creating positions and generating new activities to provide work for everybody. The alternative is the development of individual work considering it as business work, which would be the source of pleasure and personal development at the same time, that would fuse with human activity and would embrace a person's lifetime. This activity would be subjected to market rules. To achieve this, M. Godet and colleagues suggest:

- To institutional and legally dissociate work from employment (in particular, as regards duration, stability, social protection, work law norms ruling it).
- To create single-person businesses, without salaried workers, such as the so-called microundertakings, participating in the market.
- To set up «activity contracts» instead of the traditional work contracts, flexible, the statute of workers not being really that of salaried.
- To substitute certain work contracts by commercial contracts, where parties are independent, there is no remuneration relationship and pay for work executed is exclusively based on result.
- To set up systems of professional promotion of the individual type, according to the rules agreed on by each worker with the one responsible for personnel management at each business.

### **2. To set up activity contracts instead of traditional work contracts**

#### **Activity contract: The suggestion of Rapport Boissonnat to face massive unemployment**

A new suggestion that has not been divulged or applied in a generalized way to reality yet, is that of replacing at general level the traditional employment or work contract by an activity

contract. Its essence consists of establishing a pluriannual contract relationship between a salaried person and a collective entity, made up by a group of corporations and/or institutions located in a determined region, that would coordinate among themselves to cooperate and produce a collective management of work force. Thus, workers would pass from one business or organization to another according to the needs of work force, no interruptions in their activity leaving them in the state of unemployed reducing their income. The activity contract would be easily entered into as well as flexible, searching to attract to the new situation current workers from the informal sector working «in black» or not registered, providing them a certain social protection.

The justification of the need for transformation given by J. Boissonnat in his Rapport (Boissonnat, J. 1995) can be summed up as follows:

Businesses need more flexibility to be able to adapt to the deep and rapid changes taking place in the market.

Work is increasingly performed in a less subordinated way, and workers would be more autonomous and responsible for their work, these being the necessary conditions for businesses to be efficient.

Norms of individual and collective law ruling the work contract are strict, are not adapted to the changes taking place as regards the time of work: domiciliary work reappears, time for training during active life is dedicated to reconvert the work force, there are long and frequent transitions between the situation of employment, unemployment, training, and those modifications in the situation provoke breaks in the employment contract and consequently income loss.

Businesses start to organize into net, to coordinate and exchange with increasing frequency their resources.

The proposal made in the Rapport would have explicitly excluded the policy tending to reduce the maximum legal working time.

### **The suggestion of going from a work contract to the «bylaws»**

Prof. François Gaudu, on the other hand, suggests that instead of a contract people should be granted bylaws. His point of view is the affirmation that a sufficient number of positions will be impossible to create so as to efficiently combat against unemployment, and that the distribution of employment (or unemployment) would not be a good solution.

The different employment policies enforced by the French government since mid 80s were oriented to the access of the unemployed to a new form of work contract, but facts demonstrated these policies were only trying to facilitate the search for an insertion, unable to grant stability to the end, or ensure duration, or the protection that make it up. Consequently, the essence of true work contract was being progressively denaturalized. The suggested

solution was inventing a new modality for the salary relationship: the *bylaws*, which set up a work relationship among unemployed individuals and society —not a business, but at the same time establishes duties and rights, for the period of activity that goes between two positions or till the moment the person inserts in a «real job». It is society, through the State, the one to suggest the unemployed the tasks to be carried out —not amounting to hard labor— which once accepted and carried out grant an income as compensation. This income is granted in exchange of a socially helpful activity, though that may not always be an activity directly producing goods.

Workers under this statute would not be unemployed benefiting from a subsidy but rather active workers. Work contract would not be then denaturalized, but would remain reserved for «real jobs».

### **3. Creating or consolidating the third sector or social sector of economy**

Another alternative to face massive unemployment is the development of activities of the third sector or the constitution of the social sector.

This idea is shared by suggestions based on different ideologies stating the need to increase the number of activities that could provide social benefit. In France, the following are the most known: Centre des Jeunes Dirigeants d'Enterprises (CJD), Jean Roustang and Alain Lipietz. In the USA, Jeremías Rifkin stands out.

All of them criticize the dominant conception of employment because it is very restrictive, and they remark that we are faced with new needs and the emergence of new activities. Full employment would have been an exceptional historical experience (of the «Fordist» and «glorious thirties» period), on the other hand, employment could not be the only vector for the activity of human beings nor can commercial business be considered the only place for socialization and personal realization. Salaried employment would be but just one of the possible work modalities and it would be worth stating the problem of employment in terms of activity. As it would be impossible to obtain full employment, it should be possible to ensure every employable person the possibility of practicing an activity.

Within this alternative are those criticizing commercial economy in its essence and denying it the fact of being the only sector creating social usefulness and wealth; instead, they suggest the creation of work places thanks to the development of an *economy of solidarity*. Workers occupying those positions would not be under the public sector, they would be in organizations of the associative type that would make less direct the relationships the worker has with either public or private employer who, in turn, would act through said associations.

To sum up, this would mean that the elements making up the traditional salaried work

(stability, social protection, and income in exchange for a socially helpful work) shall be incorporated to that type of contract. As in the case of activity contracts and bylaws, this suggestion is not absolutely doing away with the risk of dualization in society, for the third social sector shall have as vocation to receive in a first stage the unemployed and all those excluded from the traditional system of salaried work.

Alain Lipietz specifies that the third sector is not just a transitional stage but the only correct solution. The condition to create it is that it should be permanently subsidized and that its function be the concern with activities other sectors are not in charge of. It is an absolutely new sector within the structure of employment. One of the activities leading to this sector would be proximity employment, suggested by the White Book of the European Union written under the direction of Jacques Delors. In fact, it would mean the stratification of at least two work markets, as it creates the commercial sector in parallel, penetrating the whole of the social life, a sector of economy of solidarity, where work produces an income, bylaws and allows social helpful activities to be carried out, either producers of goods or service suppliers, but on a different criterion of rentability. It would be left to define the degree of freedom of individuals in order to accept or refuse the work offered, so that it may not be assumed as hard labor, and on the other hand to define how it shall be financed: public subsidies, new taxes based on solidarity, or a re-distribution of the taxation on the wealthier sectors of society, at least on the launching stage.

#### **4. Acknowledging the existence of different spheres and full activity**

The philosopher Dominique Meda, on her part, makes a different suggestion. She is a philosopher and currently responsible for the Mission Animation of Research in DARES, from the French Work Ministry. In her book *«El trabajo, un valor en vías de desaparición»*, she states that «work is not an anthropological category, an invariable of human nature... it is a simple historic category... linked to a particular period, after that marvelous Greek time». (Meda, D., 1995)

Firstly, assigning the denomination work to a very important number of activities does not seem to be the best solution, for if it does not produce, instead of work we would merely have an activity. The suggestion would be to claim full activity, where one would have either an employment or an activity, leaving the idea that human activities are limited to just productive activity aside.

D. Meda thinks the domination employment has over us should diminish, its duration should be shortened, and there should be more time and space for other activities apart from leisure: politics, culture, society, friends, family, love. Each person should be prepared to perform all of those activities, because they are useful for social cohesion, they provide utility and grant a real dignity to the one who carries them out. But this suggestion does

not formally acknowledge that the other activities, different from work that citizens should be able to contribute to being at the same time users, can only effectively work on condition that there be workers keeping them operating and dynamic. On the other hand, there is a countertrend to the development of the above mentioned third sector and to those multiple activities: capitalism does not entrench in capitalist businesses for it has a vocation for expansion, and through the market –that operates according to its logic of production and accumulation– its dynamics lets it penetrate every other form of business and also the political, social, cultural and sport activities, even domestic life.

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