

# Work as Key to the Social Question

The Great Social and Economic Transformations and the Subjective Dimension of Work



## Social and Economic Transformations and the Subjective Dimension of Work

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During the last thirty years, every industrialized country has witnessed a profound transformation of its job market as well as of the nature of work itself and of the conditions under which it is performed. This transformation was negatively experienced and governments put into effect policies intended to restore the ancient order that represented a balance arduously constructed throughout what was known as «the glorious thirties», a balance between the demands of economic competition and those of social justice. Little by little, we realized that these policies of restoration had failed and that if we wanted to take up again the challenge presented by the new economy to those who continue to promote social justice and human dignity in the workplace, we had to arrive at a better understanding of the changes that had taken place in order to eliminate or attenuate their disastrous consequences.

In trying to understand them better, I shall group the changes that have taken place into three categories: those affecting the demand for goods and services, those arising from these very goods and services, and lastly those transformations of the market where this supply and demand are encountered.

What has been going on in the area of demand? During the past years, even if it has been slow, economic growth has been taking place. Our income has increased as has our level of living. We have also grown older. We are making less demands for consumer goods and are making more and more use of individual services. This is the case in the sector of personal care, which no longer consists only of the field of health — even in the broad sense of the term — but has grown to include care of the body in general. This is also the case with personal services and services aimed at comfort, housekeeping, security, pet-grooming, etc. The same is also true in sectors related to education and culture, and even in the area of spirituality. This transformation is also clearly evident in the area of manufactured goods. We want to acquire goods that correspond to our tastes, to our personality. We are moreover invited to «create» our own products by making use of a

great variety of components, colors and accessories. Things are custom-made and factory-produced series are becoming more and more exclusive. Having access to ever greater information, we have become very demanding in matters of quality, reliability and with respect to time limits. We are often fickle, disloyal and completely ungrateful. It is in the realm of consumption that we find the most general tendencies of modern individualism.

Together with supply, our business ventures too have adapted to this new spirit, which they do not hesitate to encourage through suitable marketing tactics. Do I not have the right to the greatest attention and the best product, because, as a line of beauty products puts it, «I am worth it»? To meet the demands of the new behaviour of consumers, businesses have transformed themselves. In industrial society, business was a huge pyramid structure, strongly hierarchical with well-established relationships of subordination. In order to respond more flexibly to market fluctuations, modern businesses are organized in «networks» that are sometimes external (by means of sub-contracting), sometimes internal. The hierarchical structures are simplified to the extreme. This is the result of a new philosophy of business management and organization that was begun principally in Japan and combined with an intensive use of new means of communication and long-distance information processing. The key-words of business today are flexibility, just in time, total quality.

Lastly, supply and demand come together today in a market that is larger and ever more global. From a macroeconomic point of view, this globalization is the result of different factors: geopolitical transformations brought on by the end of the Cold War; technological innovations in the field of information processing and transmission; the political will to facilitate trade, as seen in the conclusion of the Uruguay Round and the creation of the World Trade Organization. International trade is growing and contributes more and more to world growth. Financial markets are interconnected and are forming more and more one unified system.

During all these years, we have seen the development of a movement of corporate acquisitions and take-overs that have given rise to truly global businesses. This process required a considerable mobilization of capital, and short-term business profits became a veritable obsession to the detriment of other growth and development factors. On a more microeconomic level, consumers — and above all intermediate buyers — have access via internet to supplies coming from every part of the world. They can make use of data bases and analyses enabling them to have a better understanding of the prices and the quality of the goods and services offered. Competition expands to unexpected dimensions and becomes more unrestrained. A large part of business activity therefore aims at ensuring client loyalty. Businesses seek also to know us better, to understand our tastes, our desires. They analyze our purchasing practices in order to be able to respond to, indeed to anticipate, our needs. New marketing strategies based on brand names and the level of quality that they are supposed to guarantee are clearly seen.

The major consequence of all these changes in the nature of modern work is found in the fact that workers are more and more in direct contact with the market, that is to say, with the needs and demands of clients. What is in the process of disappearing is the classical

industrial business model of work organization, what is known as the Fordism model. In this model, imperatives of business efficiency and competitiveness are balanced against those of worker security and well-being by appropriate labour and social legislation. In this classical scheme, work was carried out in the framework of a full-time, long-term contract supported by safety-nets in case some risk should arise. Mechanisms for representation and collective action enabled workers to establish a more favourable position of power in the context of negotiations with employers.

Beyond the competition between businesses and products, there now exists a competition between workers themselves insofar as they constitute an element, and at times a decisive element, of the products exchanged and the services rendered.

From this there arise four broad consequences:

- the heterogeneization of statutes;
- the growth of inequalities in salaries;
- new training requirements;
- new relationships with work and with co-workers.

In other words, the work market is now fragmented. It is being pushed upwards, being stretched between two extremes. It is creating uneasiness and dissatisfaction.

First, fragmentation. In order to respond more flexibly to market concerns, companies tend more and more to concentrate on their essential task and to call on other specialized firms for a gamut of services, from personnel selection to cleaning crews for the premises, from billing and accounting to logistics. This phenomenon, known as "outsourcing", must not be confused with the phenomenon of subcontracting, which itself is growing and diversifying. This first type of fragmentation gives rise to a second that directly affects workers. The ties that join workers to the company, and more specifically the duration of these ties, are undergoing changes (interim, temporary, etc.). Telemarketing is growing and we even hear talk of virtual companies. A third type of fragmentation entails the very notion of wage-earning work that always implies remuneration by salary and a particular kind of subordination. The ambiguity of work today encompasses both of these concepts. It therefore becomes more and more complicated to know whether we are dealing with a paid employee or an independent entrepreneur. One's relationship to the company, to work, to co-workers is thus disrupted and feelings of belonging, of loyalty and of solidarity end up being greatly changed. In many countries the regulation of work and social security struggle to adjust to this fluid situation. Countless numbers of workers thus risk finding themselves, sometimes without even knowing it, in situations that are precarious and offer no security.

The second consequence, closely connected to the first, is the tendency for salaries to be unequal. In the large-scale undertakings of industrial firms the production processes require workers who operate essentially under the same working conditions and who receive

in recompense an identical remuneration. Collective negotiations extend even further the effects of salary homogenization. In subcontracting companies and service firms, these kinds of frameworks disappear and differences in productivity are marked much more clearly by differences in salary levels.

More subtly, there develops in this way a process known as selective coupling, a modern expression of an old adage according to which «birds of a feather flock together». In this way, lawyers form law firms or practices, doctors do the same. There are consultants of all types and for everything. But in the majority of cases, different levels of quality are established: the best lawyers work together and associate with one another. They tend to choose the best collaborators because they can offer the best salary, etc. The same thing happens at the level of businesses where, according to the degree of product sophistication, a similar process of selective coupling is set up with subcontractors. It is the circles that one moves in that determine income levels.

Third, companies dealing with knowledge tend to create quality jobs that entail ever higher training levels. A recent European analysis confirms developments in America and demonstrates that skilled non-manual positions are responsible for the principal changes in job distribution regardless of the level of growth in the sector studied. Unemployment, and long-term unemployment in particular, afflicts above all the less skilled segments of the population: workers in traditional sectors fired because of restructuring, women, heads of single-parent families, immigrants, etc. The fundamental social question becomes less that of exploitation of the worker than the exclusion of a certain number of them from the job market. This exclusion is not only economic but also social.

In the end, the new economy gives rise to consequences for work itself. Workers in direct contact with the market, that is, in touch with the needs and demands of clients, are given more room for personal initiative, but they pay for this freedom with greater personal responsibility. Companies do not seek employees who before all else are obedient, they expect them to act like independent and responsible people. Thus, every co-worker is at the same time autonomous but also obligated to work for the interests of the group. Moreover, some authors do not hesitate to say that we have entered a kind of new vassal state where a free person places his freedom at the service of his suzerain. Like a knight of the Middle Ages, the worker of today no longer makes acts of obedience but of allegiance. The worker who doubts this will face serious consequences of alienation. In addition, workers have the feeling more and more of being squeezed like oranges without receiving anything in return, and above all without the long-term job security offered by vassalage and its modern manifestation, the Japanese business firm. Stress has become the most common pathology in our society. According to a recent study of the International Labour Office, the hidden costs of work-related stress are enormous: on the order of 10% of the gross national product for Great Britain and 200 billion dollars for the United States, or ten times the cost of labour strikes.

As in the past, then, it is in the very heart of production systems that are born the social phenomena that, if not corrected, give rise to the new inequalities of our day:

instability, disparities, marginalization, even exclusion.

Fortunately, though, the available data show that it is not «written in stone» that technological progress or worldwide capitalism must necessarily lead to greater inequalities, to increased instability or stress. It clearly appears that the same causes, be they technological or of other types, do not everywhere have the same effects. Cultural traditions, institutional agreements, political practices all continue to be important factors for modulating and moderating the harmful consequences of the changes that have arisen. We must come up with appropriate social responses for the times in which we are living.

Among the most important political actions that can be taken, we may cite the following:

1. The pursuit of efforts undertaken in the area of labour legislation and social security legislation. A significant report submitted to European authorities and drafted by Professor Supiot emphasizes the need not for deregulation but for a new approach to social regulation intended to guarantee the continuity of a professional trajectory rather than the stability of professional states.
2. It is necessary to urge those actively involved in the social sphere to take into account the new challenges facing the world of work, and to encourage them to pursue social dialogue and the practices of collective bargaining.
3. Training, especially life-long training, must constitute a major investment for Nations and those actively involved in the social sphere if we wish to avoid the phenomena of impoverishment and marginalization.
4. Given the increase in single-parent families, investment in different collective facilities (day-care centres, nursery schools, hospices for sick relatives, etc.) will prove to be crucial in the fight against social exclusion.
5. Lastly, an adequate understanding of the process of economic globalization. At the beginning of the twenty-first century, the social question is more than ever a global question.