

# Work as Key to the Social Question

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



## Collective Actors and Human Work

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The theme of the Encyclical *Laborem Exercens* (1981) and of our conference today is about human work, labor, the social question and social justice. So, my remarks will focus on: first, how to handle the new rhythm in life and work in our time and whose responsibility is it? And, second, work and the optimal economic model for our societies.

### I. New Rhythm in Life and Work [\*]

Nowadays employers and employees are faced with plenty of new opportunities and questions related to our changing work environment. Some of them potentially have a major social and religious impact, like for example, optimal working and resting times, labor participation between locals and immigrant workers, unpaid work and the retirement age. As employers and business executives, we have to cope with increasing pressures to remain competitive in a globalized market but at the same time, as Christians, we are fully aware that we have a role to play in preserving human dignity and its primacy over consumerism, economism and all those trends which put at risk the difficult balance between life and work. How do we promote an ongoing humanization of the world of work? What are our guidelines for working time and leisure time, family life and reflection, for ourselves as well as for others in our enterprises?

### Change in the Value of Work

The role of work in society has changed. It used to be central and exclusive of concern and desire. Today, where physical survival is no longer a primary concern in the industrial countries, society has opened to new experiences in which enjoyment has become an end in

itself, up to the point where many people just accept a "boring job" in order to spend more time watching television, or on sports and leisure. Job satisfaction and how people perceive their work is changing in this enjoyment society. An increasing number of people are prone to value their work purely by the amount of money which they can make, or inversely by the number of hours of work needed to earn the income that they individually deem necessary for their spending. Fewer people seem to be able to find inherent satisfaction in a job well done, although international research generally shows rather high levels of job satisfaction. However, the real source of this satisfaction is often not looked into, nor is the willingness to continue the same job until the official retirement age. There is a danger when workers and also managers start practising "economism", as John-Paul II has termed it, because they begin instrumentalising what is an integral part of themselves. In the words of the Pope, they indulge in the self delusionary thinking that money can justify one's existence. The strange thing is that at the same time, the human person, and especially knowledge, becomes more and more the core asset of modern companies. The highly qualified people with this knowledge are able to form new coalitions very quickly and effectively. The primacy of the person, meaning man including the relations with his or her fellowmen and with God, threatens to be replaced by the primacy of the individual, in society as well as in business.

Traditional structures like families, neighbourhoods, Churches and trade unions have lost much of their strength and influence. Amongst other things, high mobility, high divorce rates and smaller families have contributed to this development. Much of society has got a business-like status: leisure has become an industry on its own, professional sports and culture seem to replace the amateurs, family care switches to paid care, public goods and enterprises are privatised. The old habit of "lifetime employment" with only one employer is fading away. Partly because many workers feel less loyalty to their employer and move easily to a competitor. Partly because all restructurings and acquisitions/divestitures of companies lead to situations where employers lay off workers in one place and recruit others in other places at the same time. The mutual commitment is weakening.

Within companies also, there are threats against the community, or group or loyalty aspect of business: self employment is the extreme example of the falling away of hierarchy, but in a way flexible work also is: you are only part of the working community as long as you have work. Some jobs can be performed nearly anywhere: even laptops seem to have become outmoded now that all kinds of connections can be made by mobile phones. So many jobs can become standalone jobs, in a way closely connected with other jobs, but with less real co-operation and human contact as in the old moving belt. All this can lead to enormous cost reductions but it may kill the community aspect of the company and the loyalty to the company as well.

However, there are hopeful countervailing tendencies as well. Based on the growing acknowledgement of the importance of 'human capital' there is more and more attention being paid to combining work and private life. Moreover, there is now increasing concern for corporate citizenship and corporate social responsibility. Many employees demand more than just an income, they want their company to be a good and respectable member of society. At the same time corporations are becoming aware of the importance of codes of ethics. However, these codes of conduct must be strictly implemented; otherwise they

remain a mere fashionable business tool. There is also interest in questions of sense and meaning, which take the form of courses, books, seminars and training. The number of best practices in the field of "Work and Life" combinations and "Corporate Social Responsibility" is increasing and this is an encouraging sign. Basically, however, people may forget that the company they deal with on the other side of the planet - or even around the corner - is built up from human beings, that companies always are - or should be - more than communities. They should be communities as well where people act as people, not as machines and where they are allowed, and encouraged to take their own responsibilities.

### **Changes in the rhythm of life**

The general evolution of the economy and of values in modern times changes the importance of work in people's lives. For example, we could stress the paradoxical situation where, on the one hand, more free time is available for each individual worker (shorter working week, longer vacations) but on the other, not everybody is free at the same time.

In an individualistic society, where society turns out to be the combination of everyone's desires and no standard rhythm for work and life is available, the pressure for competition is likely to push entrepreneurs to organise work on the basis of flexibility, a system in which people could be requested to work at any hour, any day of the week. This is the so-called 24-hour economy, even though no one will work that long. The need for a rest period in this situation of continuous working activity - and consumption as well - has become all the more necessary. However, because of religious pluralism where Christians live together with Jews, Muslims, Buddhists and non-believers, this period of time cannot be imposed by a given religion on all members of society. Could Christians impose the Sunday rest if they do not respect the Saturday rest of the Jews and the Friday rest of Muslims? Could a specific religion impose a specific rhythm on one's own believers without taking into account society as a whole? The answer is definitely no.

Even though religion cannot be the sole motivation for a common break in work, there is a real need for periods of rest shared by all, so that people can meet each other, spend some leisure time together and participate in social and family life. The purely individualistic society cannot be accepted, either for ethical or for practical reasons. The need for a common period of rest must be rooted in a global code of ethics, which can be understood and shared by believers and non-believers across all races, continents and classes. This does not mean that all economic activity should be banned during that time. But the respect for this break should be included in the general preoccupation for balance between life and work.

Practically speaking, at least some of the recovery time and breaks should be part of the working time. Part of this rest or at least non-working period may be dedicated to matters of strategy, sense and meaning: what your job really stands for, what is the goal of the working community you are part of, what is going on in other parts of that same working

community?

### **Christians could bring some vision**

In this debate, Christians have an important and meaningful role to play. Their faith can provide a change in the inner orientation and the hearts of the people. The ethical and spiritual powers of their faith can offer a fundamental sense of trust, ultimate standards and a spiritual home. They should develop openness among fellow workers, as human beings, and not just as income earners. In our present situation of confused values, where the meaning of life has become scarce, religious belief can provide the ground for new meanings and actions because of its power of motivation and its call for responsibility and commitment.

Christian entrepreneurs are fully aware of all economic imperatives and work demands but they also read the Gospel and documents issued by their Church, and they know that their vocation is to follow Christ in their job. They experience, on a daily basis, the tensions between hard economic reality and the call of the Gospel. Their faith paves the way to a specific vision of humanity where work is not the end of one's life. Meaning is to be found in justice, equity and respect for others beyond competition and even success.

This vision will give the entrepreneurs an incentive and desire for concrete realisations. By their actions, they participate in building new values and by their example, they can inspire their fellow employers to bring more meaning into every worker's life. They should offer structures in which their employees can do the same. Churches should support entrepreneurs and employees alike to realize this dream.

Companies need to play a supportive role in their communities and neighborhoods, wherever their factories or offices are located in the world. This goes beyond providing jobs: they could provide support (in money and kind) for social education - sport - cultural infrastructures and activities that contribute to a more meaningful and better quality of life for their employees and their families, friends and neighbors. This includes volunteer work by their employees. All this is particularly helpful in deprived and poor communities.

## II. Work and the Economic Model

In the industrial countries, particularly in Western Europe, governments and the private sector face a fundamental choice. One option is to give priority to flexibility, competition, deregulation and employment, by way of creating additional jobs. This is genuinely a social policy; that is to say: it leads to more work through reduction of the prevailing rigidities in our European societies - in the labor market, the social security system and the tax system - which form the basis for the still extremely high and structural unemployment in countries

such as Germany and France.

The alternative option is priority for safety, security and financial entitlements through high and prolonged welfare payments. It implies social cohesion and employment by way of protecting and maintaining existing jobs (although in reality this is artificial work). It also implies a rigid labor market, state intervention and government subsidies to keep inefficient, non-competitive and loss-making companies alive. This approach, too, is a social policy but in a fundamentally different way than in the first option.

One can describe these differences also as follows. Do we want a society focused on growth and new opportunities, a society with probably larger income differentials and possibly less equity but also less exclusion of men and women from work and jobs? Or do we prefer a more egalitarian society focused on more equality, with more equity but also more exclusion: structural unemployment, people sitting at home and benefiting from expensive social safety nets? Experience in modern industrial societies tells us that in the long run a high minimum wage and a lack of incentives to find and accept work, or to engage in (re) schooling and (re) training, result in low participation in the labor process, a large percentage of inactive people and many men and women structurally unemployed or permanently in disability schemes (which are used in several countries such as the Netherlands as an alternative safety net for many people who are in fact unemployed). Similar adverse effects are the result of the prevailing large obstacles (legal or financial) to dismiss employees. This sounds harsh but we should bear in mind that the reality is: if one cannot fire people, one does not hire people. (See also H. Onno Ruding, "De Paus als profet over economie en kapitalisme" (in Dutch), in: Maatschappelijk verantwoord 2000, pp. 104-113.)

In my opinion we should aim at a shift from entitlements and social security to work. This is the move from welfare to workfare introduced in the USA and the UK by progressive or social-democratic leaders such as Clinton and Blair. Practical experience in the USA and studies by the OECD indicate that many people who enter the labor market in jobs with low wages, later move to better paid functions, provided that the labor market is sufficiently flexible. This is upward mobility. Within the context of the current globalization, the direction and destination of international private capital flows - and particularly employment creating foreign direct business investments - tend to be influenced by the economic and social models and the kind of market economy a recipient country has opted for. Flexible and open countries are likely to attract more foreign investment - and therefore jobs - than rigid and closed economies.

I plead for a compromise between the above-mentioned two approaches or "models": the Anglo-American and the Rhinelandish [1]: a combination of the good elements of each of these forms of market economies. On the one hand, I favor flexibility, mobility, structural reforms, dynamism, competition and new opportunities, in line with the Anglo-American approach. This offers more hope to address high and long-time unemployment. On the other hand, we should retain certain essential and good elements of the Rhinelandish model, particularly in the area of social security. We should, however, also correct the elements

where this model has gone too far and basically become asocial. I mention:

- no social entitlements for those who are not willing to accept available jobs or to retrain themselves for different professions;
- stricter measures against misuse of social security (and subsidies and taxation);
- reduction of the excessive burden on labor in the form of high taxes and social premiums.

Western society must concentrate more on the Biblical tradition of good stewardship of the assets of this world as well as providing a shield for the in our society. For those who really are economically or social weak and needy, a social safety net must remain available that is sufficiently high and large to prevent this group from hitting the floor. Financing should come from the public sector supplemented by private charity and volunteer workers.

What is also needed is constructive cooperation between the social partners labor unions and employers associations, preferably in conjunction with government - aiming at consensus rather than permanent fighting, without however indulging in the extremes of this consensus-society, such as endless talking without concrete action. The Dutch economic model ("polder model" as one of the versions of the Rhinelandish society) of constructive dialogue and consensus between social partners has worked well in this respect. A crucial point - socially as well as politically - of the Dutch approach is to give priority to (more) work and sharing the available work among more people rather than the level and (re) distribution of income of the workers and those who are currently unemployed. Our society could benefit from more elements of flexibility such as: part-time jobs, variable work hours, temporary job agencies, longer opening hours of shops, etcetera.

What we, hopefully, have learnt from previous decennia is that the solution to the unemployment in Western societies today cannot be found in artificial creation, or protection of jobs in public sector-companies, or in subsidized or state-aided sectors. Governments cannot create lasting employment through decrees; they will do so by promoting the right general economic and social conditions for the private sector to create jobs.

In our efforts towards a better society we all - politicians, employers, employees and others - should try to combine and balance:

- a human and caring approach with efficiency;
- individual responsibility with community-feeling and care for our fellow-human beings, particularly with the weaker among them, wherever in the world;
- a role for the State with a role for the private corporate sector;
- rights with obligations;

- checks with balances.

### The Plight of developing Countries

Until now, I have spoken of the industrial, "Western" societies. The situation in the emerging or developing countries (LDC's) is much more problematic. Whereas in the industrial countries the dilemma is: work (with a satisfactory income) versus no work (with, as fall-back, social security, at a lower but still acceptable income), in the LDC's the choice is worse: work (with a low income) versus no work (that is: no income).

One of the current questions, of major importance is the growth in the number of immigrant workers in the industrial countries coming from poorer countries. In an ideal situation, this human flow addresses simultaneously two problems: it provides jobs and income to many immigrants and it provides young workers needed in aging countries in Europe with stagnant populations.

However, as we all know, the immigration of large numbers of guest workers frequently creates serious problems between these growing minorities and the local majority. If one decides to allow these flows of immigrant workers to grow further, it is crucial, in my view, that our societies on the one hand accept - politically and socially - this concept of a multi-racial and multi-cultural society, but that on the other hand, we insist on a high degree of assimilation and integration of permanent immigrants in our countries. Without the high degree of assimilation, particularly good command of the local language and adjustment to the local culture, we allow them to grow. More specifically, high unemployment among immigrants and racial and social tensions.

Finally, we all should promote the opportunities for work in the LDC's themselves (rather than to industrial countries). This goal can only be achieved if both sides make major contributions:

- a. The local  
governments in the LDC's themselves should improve their own domestic policies which in many countries are still deplorable (time does not allow me to say on this subject), and,
- b. The industrial  
countries should act and contribute in at least three areas:
  1. Trade: open their borders for products from LDC's;
  2. Aid: provide sufficient aid by the public sector (ODA) and the private sector (NGO's and charity); and
  3. Business sector: Increase FDI (foreign direct investment) in LDC's by companies in industrial countries, particularly by the multinationals. Their contributions create

jobs for local workers in their factories and offices in LDC's as well as training of local staff and transfer of technological, managerial and administrative know-how. These Western companies should also apply and observe strict standards in their factories and offices concerning: child labor, safety regulations, maximum working hours, etcetera. Much improvement has been achieved already in this respect but more should be done.

It is my opinion that the views of the Church - and particularly the Encyclicals *Laborem Exercens* and *Centesimus Annus*, together with the work of the Pontifical Council Justice and Peace - provide Christian businessmen, employers and entrepreneurs - and hopefully others as well! - with an important and helpful set of guidelines for our day-to-day work and practice.

[\*] This first part is drawn from the paper submitted by a working group of Uniapac to the European Dialogue Churches - Business held in Brussels on February 9, 2001 and organized by Uniapac in collaboration with Comece (Commission of the Bishops' Conference of the European Community) and CSS-CEC (Church and Society Commission of the Conference of European Churches).

[1] Michel Albert, *Capitalism against Capitalism*, 1991.