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**The future of paid work in “post-industrial” society: Labour’s Evacuation from the Fordist System**

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## **1. Introduction**

A new economic system is emerging which has the potential to eliminate paid work on a grand scale. Yet, political and social institutions have shown little ability to adapt to the changing structure of capitalism. Many observers maintain that technological development will increasingly diminish the urgency and centrality of paid work in our social psyche. The movement to a high-tech, post-industrial (or post-Fordist) economy represents a profound transformation that will likely reduce the incidence of work, dissolve the wage relationship, and reduce the fraction of the working population devoted to material production to around 2 percent.

Although the demographics of an ageing population will minimize the salience of unemployment as a socioeconomic problem over the next few decades, the emergence of a 'post-industrial' economic system has the potential to eliminate paid work on a grand scale. If not properly managed, the transition to this post-industrial condition could be fraught with labour market inequities and struggles.

Political and social institutions have shown little ability to adapt to the changing structure of capitalism. Gorz (1999) argues that while capital has orchestrated its 'Exodus' from the Fordist system quite adroitly, society has failed to transform itself to allow labour a similarly munificent evacuation. In addition to minimizing its reliance on labour, capital has increased its mobility in order to access a larger army of workers and, thereby, reduce labour costs. In an effort to sustain the work ethic, capitalists have segmented the labour market so that primary and secondary workers direct their animosities at each other rather than management. When the growth of the contingent sector is added to the peripheral sector, the forces behind the growing polarisation of the labour market become evident.

This paper attempts to identify the structural transformation toward a post-industrial society as a chief cause of contemporary labour market inequities. It investigates the advantage experienced by capital relative to labour in negotiating the decline of Fordist production techniques. It explores the impact of the recalcitrance of social systems to adjust to changing economic and labour market realities. Finally, it explores the implications for labour market policy with broad suggestions about how to ameliorate the power imbalance between capital and labour so that workers can share in the bounty of a post-industrial economy in a socially- and environmentally-sustainable manner.

## **2. The diminution of paid work in post-industrial society**

For decades now the lives of workers in the developed world have been emancipated from the exigencies of the agricultural or factory system. Employees may still face rigid and stressful work patterns, but such pressures are socially imposed; they are no longer an industrial necessity. Technological development has created the possibility for a greater flexibility of time use for the vast majority of workers. The prospect of further technological development into what Gross (1971) has called the 'post-service' economy will require the wholesale reconfiguration of the labour market. Jones (1995: 1) cogently describes both the metamorphisms and challenges facing labour markets,

Advance economies have now moved into a post-industrial era, in which services such as welfare, education, administration, and the transfer of information dominate employment. The displacement of agriculture by manufacturing as the dominate employer was the first of two major 'cross-overs' in economic history. The second was the displacement of manufacturing (industrial) employment by service (post-industrial) employment. The post-industrial era may be of short duration, the computerized revolution of the 1980s will contribute to a further major transition - to a 'post service' society in which routine and repetitive service employment will be significantly reduced, or eliminated. This change will raise unprecedented human

problems, the whole relationship of people to time use, personal goals, economics, politics and culture must be re-examined.'

The term post-industrial was first used by Art Historian Ananda Coomaraswamy in 1913. The modern use of the expression refers to an economy where the majority of the labour force is no longer employed in agriculture, mining, manufacturing, construction and related storage and transportation. In its stead, employment in post-industrial societies has been found in the service sector, retailing, teaching, office work, transport, administration, entertainment, personal care, and the, now bloated, finance, real estate, and insurance industries.

Jones (1995: 4) estimates that employment in the services reached 50 percent of the paid labour force by 1945 in Australia, 1947 in the US, 1948 in the UK, 1955 in Canada, 1960 in Sweden, 1965 in New Zealand, 1966 in Belgium, 1972 in France and Germany, and 1972 in Japan. Today, well over two-thirds of employment takes place in the service sector. A great deal of the recent employment growth in the service sector across developed nations can be classified as 'in-person services.' The classification includes such occupations as retail sales workers, waiters and waitresses, hotel workers, janitors, cashiers, hospital attendants and orderlies, nursing-home aides, taxi drivers, secretaries, hairdressers, auto mechanics, real estate agents, flight attendants, physical therapists, and security guards. Robert Reich (1993: 177) points out that in the 1980s over 3 million *new* in-person service jobs were created in American bars, restaurants, and fast-food outlets alone, which was more than the *combined total* number of existing production jobs in the automobile, steelmaking and textile industries by the end of the decade. Yet, not all service sector jobs center on people. Contemporary work tasks are increasingly related to information with more people engaged in collecting, processing and storing data than are employed in agriculture and mining combined (Jones, 1995).

Imminent advances in automation and robotics threaten to make the military, manufacturing, and service worker as redundant as the farm hand. The employment effects of automation at US Steel are emblematic of trends in manufacturing in general. In 1980, US Steel employed 120,000 workers, but by 1990 it was manufacturing the same amount of steel with 20,000 employees (Rifkin, 2000: 34) Technological unemployment has been equally dramatic in mining. In 1925, it required 588,888 miners to extract 520 million tons of bituminous coal and lignite. By 1982, 774 million tons of coal was processed by less than half as many workers – 208,000. Experts estimate that each robot replaces four jobs in the economy, and that it will pay for itself in just over a year through near-continuous use (Rifkin, 2000 131). Indeed, once robots are utilized to stock selves, hoards of service sector employees – including a million Wal-Mart workers - will be rendered expendable.

Two competing views have emerged regarding the impact that further technological advance will have on the labour market. The optimistic view is that the productivist system will quickly adapt and generate positive employment effects. In this Panglossian perspective, firms operating in competitive markets will pass the lower production costs from technological change on to consumers in the form of lower product prices. The price savings will translate into greater output demand (for existing and new products), expanding employment in the aggregate.

While market entrepreneurs maintain that technological development will increase production, profits, employment and consumption, the broader public has expressed hopes and desires for an alternative vision – one that replaces the perpetual expansion of human labour with a growth in leisure time. Some argue that market-based service employment will decline -- perhaps even more rapidly than industrial employment -- due to the introduction of miniaturized, sophisticated, low-cost technology. The labour market in such a society would be characterized by a reduction in the number of people working in large-scale service employment with routine and repetitive tasks that can be replaced by computerized

operations that are cheaper, faster and more accurate. The free time generated by the automation of service-oriented tasks could be directed toward liberating the working class from the work and spend cycle of the productivist system.

### **3. The deterioration of paid work in post-industrial society**

Some corollary developments of post-industrial societies are worthy of mention when anticipating the effect of technological change on the labour market. First, technological development and information-based employment has arguably accelerated the rise of the global economy. With instant worldwide communication, vastly reduced transportation costs, and footloose financial capital, multi-national corporations have challenged the political capacity and will of nations to regulate the impact of international trade on their economies. Secondly, the occupational base of the post-industrial society, requiring less physical exertion, has increased labour participation rates, primarily driven by a feminization of the work force and retention of aged workers. It has also introduced the possibility for a more flexible (part-time and/or contingent) attachment to the work force. Lastly, there has been a growing divide between the 'information-rich' and the 'information-poor.' All of these developments have the potential to intensify the growing labour market inequities and class conflict brought about by the post-industrial system.

The emergence of Post-Fordist capital arrangements has greatly diminished the working conditions of large segments of the work force in advanced and developing economies alike. Gorz (1999: 27) describes the transformation from the Fordist mode of production,

Competitiveness was no longer to depend on the economies of scale previously achieved by mass production. It was, rather, to be achieved by the capacity to produce an increasing variety of products on shorter and shorter time scales, in smaller quantities and lower prices. Growth, which had been quantitative and material, was now to become 'qualitative' and 'immaterial'. It was now 'image', novelty and symbolic value that were to sell products...Firms had to be capable of continual improvisation; they had to know how to whip up passing fads, unpredictable and transient fashions, and exploit them to the full.

The hegemony of capital in the 'new high-tech economy' suggests that productivist development of the pre-industrial regions of the world will not create the same levels of employment and compensation that were eventually afforded Western workers during the golden era of capitalism in America. Technological development has so improved the production process that mass quantities are easily produced with minimal use of labour. The new emphasis on quality and differentiation poses a conundrum for labour productivity and labour relations. When there is little scope for the quantity of production to increase, what is to be done to raise productivity? The rapid globalization of production is prima facie evidence that the answer has been sought in lower labour costs by minimizing the use of labour and its relative bargaining power. Not only has footloose capital thrown workers into competition with their brethren from far-flung locations, but the labour that continues to be employed in the production process is skilled at a low common denominator so that any one worker is potentially employable and redundant.

Although technological development may represent a Silverado for the 'efficiency cult', a failure to harness it in the best interest of society presents the possibility of severe social disruptions. Gorz (1999) argues that while capital has organized its 'Exodus' from the Fordist system in a lucrative manner, society has failed to free labour from a Fordist existence. In addition to minimizing its reliance on labour, capital has increased its mobility in order to access a larger army of workers and lower costs. The capitalists' need to perpetuate the work ethic has resulted in a labour market segmentation that shifts the traditional antagonisms between management and labour to animosity between the 'elite' workers in the primary sector and those in the peripheral sector. The insiders are chosen for their passion for, devotion to, and identification with work. Capitalists have already begun to

create the macro-social conditions needed to maintain the work fetish and mask the liberating potential of technological change by concentrating the shrinking amount of necessary work in the hands of a few, who will gratify themselves with the pride of being distinguished from the 'losers.' Economically and technically, a sharing of the work by a larger number of workers is feasible, but those people might fail to possess the appropriate attitude regarding paid work.

It should be recognized that the establishment of an elite sector of chosen workers comes at the expense of social welfare. Since they simultaneously produce wealth and unemployment, elite workers impact both the fortunes and miseries of society. Gorz (1999: 45) writes,

The greater their productivity and eagerness for work, the greater also will be unemployment, poverty, inequality, social marginalization and the rate of profit. The more they identify with work and with their company's successes, the more they contribute to producing and reproducing the conditions of their own subjection, to intensifying the competition between firms, and hence to making the battle for productivity the more lethal, the threat to everyone's employment -- including their own -- the more menacing, and the domination of capital over workers and society the more irresistible.

The new economy is restoring the worst forms of domination, subjugation and exploitation by forcing workers to compete with each other in a quest to obtain the very work that it is abolishing. It is not the dissolution of traditional employment that we should object to, but the charade of perpetuating that same work -- the norms, dignity and availability of which it is abolishing -- as an obligation and an inimitable wellspring of the rights and dignity of all. It is important to note that embracing the dissolution of traditional work need not require an abandonment of the ongoing physical human action that provides essential philosophical and anthropological purpose. As Gorz (1999: 3) claims, 'we have to exit from 'work' and the 'work-based society' in order to recover a taste for, and the possibility of, 'true' work.' Yet, as long as the abolition of work also restricts access to social participation, a flourishing of unpaid work in the third sector is unlikely to fill the void created by post-industrial development. In order to maintain its privileged position in the class struggle, the establishment denies that traditional work is being eliminated. Gorz (1999: 58) writes,

We are a society of phantom work, spectrally surviving the extinction of that work by virtue of obsessive, reactive invocations of those who can imagine no other future than the return of the past. Such people do everyone the worst service imaginable by persuading us that there is no possible future, sociality, life, or self-fulfillment outside employment; between inclusion through employment and exclusion; between 'identity-giving socialization through work' and collapse into the despair of non-being.

#### **4. Greater socio-economic participation, A lodestar for employment policy.**

The manner in which we approach the unemployment problem is an important looking glass into the nature of things to come. Competing employment policies contain varying degrees of homage to the market mentality, which not only influences the future success of the policy but the type of the society we confer on our progeny. The society our grandchildren inherit hinges on the social policy choices we make today. It remains an open question whether future generations will be able to obtain greater wellbeing by better balancing their lives and livelihood or if they will continue to 'live to work' under the yolk of the work fetish.

It is useful then to examine how competing schools of thought have chosen to approach the role of paid work in social provisioning. The goals and expectations of alternative employment programs prove to be extremely revealing in anticipating specific policy outcomes and the consequences to society. Therefore, this section is devoted to the governing

principles of alternative approaches to the issue of unemployment; it gives significant shrift to the Post-Keynesian, Marxian and Institutionalist schools' of thought.

For most of the 20<sup>th</sup>- century, a clear delineation existed between orthodox economics and heterodox views over the characterization of unemployment. Neoclassicalists, as well as many NeoKeynesians, believed that persistent unemployment was largely voluntary. Conversely, heterodox observers of the macroeconomy have insisted, often vehemently, that long term unemployment is involuntary. Recently, the distinctions have blurred. Mainstream economics has gradually come to acknowledge the existence of structural unemployment, embracing it as a necessarily evil that should be accepted on the grounds of efficiency and stability (Shapiro and Stiglitz, 1984 and DeVroey, 1988). Given the putative tradeoffs associated with unemployment, the mainstream policy objective becomes the maintenance of optimal unemployment rather than its outright elimination.<sup>2</sup>

By contrast, a uniting cause for many heterodox economists has been a condemnation of involuntary unemployment and the promulgation of policy prescriptions designed to reduce it. Mindful of J.M. Keynes's exposition of the structural inability of capitalism to provide adequate employment levels, Post Keynesian economists often argue for greater government spending as a means of stabilizing and maximizing employment. Indeed, Post-Keynesians can be broadly characterized as under-consumptionists, relying on demand-side management to redress the bulk of unemployment. Recently, some Post-Keynesians have advocated that the government directly employ all those individuals willing and able to work on a temporary basis as part of a buffer stock employment strategy (Wray, 1998; Mitchell 1998). Yet, such a program is essentially an aggregate demand stimulus that uses the existing level of desired labour force participation as its fiscal target. Other things equal, aggregate demand will be larger with a buffer stock program at every phase of the economic cycle as it addresses unemployment by placing a floor under spending. Other Post-Keynesians subscribe to a basic income approach, which provides individuals with an unconditional or participatory income stream (Widerquist, Lewis, and Pressman, 2002). Income guarantees impact unemployment by removing some job seekers from the labour force while stimulating consumption to increase the labour demand for those still seeking work. In essence, both job and income guarantees rely on a stimulation of aggregate demand to achieve employment gains.

Marxian economists view the sustenance of involuntary unemployment as a class struggle. According to Marx, there is always and everywhere an excess supply of labour, which depresses wages and ensures that surplus value (and consequential profit) is positive. The disparate social and political power of the capitalist class grants them the wherewithal needed to maintain a reserve army of surplus workers. The ranks of the reserve army are swollen by technological unemployment, labour market segmentation, and footloose capital that inflames geographical imperialism. Marxian economists generally subscribe to a 'social conflict theory' and question the effectiveness of aggregate demand policy due to its dependence on the state of the relative bargaining power of the two opposing classes (Rowthorn, 1977 and Goldthrope 1978).

In kindred spirits with Marx, Michael Kalecki believed that the opposition to sustained full employment was driven by political motives related to class rather than economic principles. Kalecki (1943: 351) writes that,

obstinate ignorance is usually a manifestation of underlying political motives...among 'economic experts' closely aligned with banking and industry. With permanent full employment the slack would cease to play its role as a disciplinary measure. The social position of the boss would be undermined, and the self-assurance and class-consciousness of the working class would grow.

Kalecki points out that maintaining the power inequity is so important that the business class often forfeits profits in order to perpetuate the bargaining advantage it has over workers. Kalecki (1943: 351) contends that 'discipline in the factories and political stability are more appreciated than profits by business leaders.' As long as the business class wields its disparate political clout, counteracting an economic slump by means of stimulating private investment through aggregate demand policy will not result in lasting full employment and the largesse offered to employers will have to become increasingly generous. Kalecki (1943) argues that after successive recessions the interest rate would have to fall to negative and the income tax would have to be replaced with an income subsidy to eliminate cycles. According to Kalecki (1943: 353), traditional aggregate demand stimulus becomes problematic when 'the entrepreneur remains the medium through which the intervention is conducted.' The political motives against full employment will still be intact under the status quo, so that extremely large subsidies will be needed to stimulate a level of investment that approaches full employment. Through the autonomy capitalists exercise over investment decisions, they wield tremendous influence over politicians, employment levels and their own incomes. Short of a large scale socialization of investment, employment policy intent on reversing the capitalist's bargaining advantage would require direct regulation of working conditions. Since temporary make-work programs essentially subsidize the capitalist for the social costs of unemployment, the entrepreneur's role as the medium of government intervention is maintained. Granted a buffer stock of workers might improve the treatment of the most vulnerable workers in the secondary sector, but the temporary and growth-dependent nature of the buffer stock yields little improvement in the power imbalance between workers and capitalists. This is particularly true when make work programs are designed to have minimal impact on inflation as they must then maintain a certain level of labour market segmentation in order to curtail the wage demands that arise from the government spending on public payrolls.

The Institutionalist approach to unemployment is in many ways a hybrid of the Marxian and Post-Keynesian views. Institutionalists generally accept the Post-Keynesian premise that macroeconomic stimulus can ameliorate some of the suffering related to unemployment, but they also contend that fiscal responses alone are incapable of addressing the inherent power structures and institutions within capitalism that often result in the social mismanagement of resources. Institutionalists are generally more concerned with increasing economic participation and improving the life process than maximizing paid work per se. Stanfield (1999: 240) writes, 'by extending participation, a democratic culture draws from a larger pool of society's skill and insight, first, in the tinkering form which scientific and technical advances flow, and, second in grappling with the problems of institutional adjustment.'

Ayres (1961) espouses a democratic welfare state as the preferred political-economic system because it draws most broadly upon the skills and attributes of the population. To make such a claim, Ayres had to abandon long-standing notions of a conflict between economic security and incentive toward purposeful action. Stanfield (1999: 240) advances the vision, 'once clearly understood, the next step is to convert the welfare state into the Creative State that celebrates and mandates universal and diverse participation toward the greatest possible achievement and progress.' For Ayres and the Institutionalists, the failure of conventional wisdom to grasp the pervasive and powerful force of technological development leads to a misplaced concreteness on the market form. For Institutionalists, the market system is not a necessary precondition for material abundance and improved social well-being - as rendered evident by the many non-capitalist social structures that have prospered throughout history.

For Institutionalists, any serious economic theory must consist of two elements. First, there must be an acknowledgement of an evolutionary adjustment process. Second, the theory should lead to a furtherance of the life process - 'doing more things or doing them better.' In the context of full employment policy, reliance on threadbare Keynesian spending programs fails to acknowledge the evolution toward an abundant post-industrial economy in which the

need for physical work is less urgent. In an abundant society, more production is capable of doing more harm than good when measured by life satisfaction. This relates to the second principle in that blind devotion to more material throughput may lead to society doing more but with little betterment to mankind.

In the context of regulating employment in post-industrial economies, the Institutionalist concern of properly situating the economy in the larger social structure is quite useful. In particular, Karl Polanyi's promotion of an economic methodology that subordinates economic forces to the fundamental purpose of individual freedom and development serves as a valuable lodestar when considering alternative social provisioning schemes. As Stanfield (1986: 25) writes, 'Polanyi's conviction was that the good economy is one that provisions the lives of individuals, provides for their fullest development, and does so without disrupting or distorting those lives or their development.' A central premise of this paper is that the conflict between 'lives' and 'livelihood' has become considerably inflamed in the developed world and that a growth-neutral employment policy governed by instrumental value theory should be implemented as a preferred method of ameliorating the conflict.

Absent prudent labour market regulations, stimulating the economy may only result in current (largely primary sector) workers toiling longer and harder, reducing their socioeconomic participation without increasing the participation of the involuntarily unemployed (or the bargaining position of those in the secondary sector). Evidence of the seamy side of growth in the developed world is emerging from research on the inability of economic growth to enhance wellbeing. Surveys and studies increasingly indicate that the idolatry of economic growth and paid work is starting to wane. In 2006, 77% of surveyed Australians agreed with the statement, 'A government's prime objective should be achieving the greatest happiness of the people, not the greatest wealth (Relationships Forum, 2007).' And when asked 'What is the most important thing for your happiness,' almost 60% of surveyed Australians cited partner/spouse and family. A further 8% specified community and friends. It would appear, then, that a large proportion of the Australian population believes that a primary responsibility of government is to support and protect their happiness, founded in relationships with their family, friends and the broader community. At the same time, only one quarter of those surveyed think that life is getting better, despite 17 years of economic expansion.

Indeed, the evidence available from a variety of measures of national and individual well-being should prompt serious sociological introspection. A pregnant question that emerges is whether a curtailment of much of the invidious consumption that has taken place over the last half-century would have improved society? If the resources devoted to 'relative' consumption, including advertising, were instead channeled into work time reduction for instance, might societies have achieved improved levels of social well-being? Stanfield (1986: 47) contends that 'the needs for social esteem and even invidious distinction may be insatiable but it is not inevitable that they be expressed through an endless treadmill of commodity consumption. Moreover, insatiability based on envy is a neurosis, a sickness, more to be pitied and cured than celebrated and legitimated as a primary social force.' Indeed in the non-market society of Ponape, Micronesia, farmers attempt to curry societal recognition by growing the biggest yam (Bascom, 1948). Some of the prize yams weigh more than two hundred pounds and must be carried on poles by a half dozen men. The Ponapean yam-growers are willing to work long, arduous hours, even for years, to produce something they will give away at feasts but will attest to their skill as farmers. They are motivated to work by a desire to be admired for their skills and generosity, not for their accumulated wealth. In modern industrial capitalism people rarely share or exchange the product of their work directly; perhaps this is one of the reasons for the lessened solidarity among them and the enhanced desire for invidious financial distinctions relative to non-market cultures.

A close reading of Institutionalist writings on the subject of 'participation' suggests that a prudent employment policy would incorporate more than a stimulation of aggregate demand intent on increasing employment and industrial output. The contributions of Institutionalists such as Ayers (1961) on economic participation have in large part been misinterpreted into a paean for greater paid work. In an attempt to 'fit' the Institutionalist interpretation of enhanced participation into contemporary, market-based ideology, many scholars have yielded to the temptation of achieving greater economic 'participation' through an expansion of remunerative employment. Although it is true that in many of the harshest capitalistic societies, individuals and families are largely responsible for their own fate and that failure to obtain remunerative work has a dire impact on the unemployed, it is not true that this must be, and always will be, the case. Societies are always capable of devising alternative ways of distributing the dividends of the social product. Indeed, for public policy to be truly progressive and sustainable it will have to address the structural changes occurring in post-industrial societies by recasting the emphasis placed on paid work. Current market societies manifest a disconnect between the usefulness of individuals as consumers, voters, nurturers, volunteers, and citizens and the value we place on them as workers. Remunerative work - be it the tangible bias of production or the questionable 'service' of persuasive advertising - is engrained in our social psyche as an activity worthy of reward. Unpaid work is treated as far less valuable. The disparate treatment is patent in many public policies and programs in the industrialized world. Governments have increasingly made paid labour a condition of material and physical well-being, ostensibly signaling that individuals are valued more for their productive qualities than their many other social attributes.<sup>3</sup>

As postindustrial production techniques reduce the relative amount of labour demanded by employers, how will individuals continue to participate in the economy? How will they obtain the means to be effective members of a socio-economic system that requires or allows fewer workers? Increasingly, post-industrial societies will have to address the deeply-engrained veneration of remunerative work and its umbilical connection to socio-economic involvement. A greater societal recognition of the usefulness of individuals as consumers, parents, volunteers, companions, household producers, or merely engaged citizens could facilitate the severing of employment from socioeconomic participation and diminish the idolatry of paid work. As the urgency and primacy of paid work evaporates, the distribution of the means of social participation will need to be commensurate with the volume of wealth socially produced rather than the quantity of work performed.

Institutionalist economists have long recognized the non-productive virtues that individuals offer the economic system. Emphasizing economic participation proves useful in devising full employment policies that are not contingent on greater throughput and are therefore more compatible with 'Marxian' and 'Green' approaches to social provisioning. The Institutionalist approach forces one to acknowledge that unemployment is a definitional concept which is inextricably tied to our social definition of what is an acceptable attachment to the labour force and what jobs are appropriate for paid work. Throughout history societies have erected limits to the types of activities and products that could be provisioned for pay. Many of the most intimate and meretricious activities, such as love and sex, have long been excluded from social definitions of paid work. Social mores have also led to the regulation of an individual's attachment to the labour force. The prohibition of childhood labour, regulation of work time, and the granting of retirement status all manifest an evolving social concept of acceptable labour force participation.

The Institutionalist approach to employment policy sheds a penumbra of doubt on the urgency of the productive process in high-consumption, industrialized economies. Questioning the idolatry of economic growth similarly casts suspicion on the urgency of paid work and particularly long work hours. If the primacy or urgency of the production process is suspect, then a maniacal attachment to the workforce may be of questionable social worth. Given the questionable impact of economic growth on well-being and the environment, the

Institutionalist approach to participation may be better suited to post-industrial economies as it emphasizes technological development and institutional change designed to further the life process, which is not necessarily dependent on more growth.

## **5. An alternative vision**

The lodestar of an employment policy should not be an obsession with keeping everyone busy, but rather an effort to increase socioeconomic participation. Employment policies that rely on a stimulation of aggregate demand suffer from a work fetish that corrodes non-market values and activities. Employment policy should seek to diminish the link between work and income by regulating *directly* the power that employers exercise over workers. As Marx (1977) argued, the power inequity between capitalists and workers is most apparent in the negotiation over work hours. Thus the most effective leverage point against the concatenation of work and income is likely to be a regulation of the distribution of work time. Work time regulation directly addresses the power inequity that Kalecki railed against by reducing the command the employer has over the lives and livelihoods of the workers at every stage of the business cycle. Whereas employment policies dependent on greater aggregate demand have level effects – they may raise minimum work standards but fail to alter the dialectic oppositions between capital and labour – work time regulation does not require greater throughput to ameliorate the distribution of socially necessary labour.

Capitalism has systematically entangled the need for adequate, stable income with the need to interact, strive, and be appreciated and accepted by others. Yet, the anxieties of the working class suggest that permanent paid work as a means to social and personal identity and fulfillment is threatened by the marginalisation of increasingly large segments of the labour force. In post-industrial societies, the remedy may not lie in creating more work, but in ameliorating the distribution of socially necessary labour and socially-produced wealth. If it can overcome the invocations of the work fetish, the growing welter among disenfranchised workers may crystallize an alternative method of producing and distributing the wherewithal of social continuance. Unlike the Industrial Revolution, which was oriented towards increased material output, the information revolution has the potential to yield greater leisure time for the masses. A democratic expansion of leisure is more likely to prompt genuine human progress than an expansion of output because greater leisure time provides the potential for satisfying a variety of needs (i.e. social, intellectual, familial, and spiritual), as opposed to the satisfaction of mere physiological and material wants.

Jeremy Rifkin (2000) argues that the expansion of the ‘third sector’ is the preferred way to supplant the psychological and social benefits that workers currently derive from paid work. The third sector is distinct from the private market and the government sector and is analogous to household or communal production. Rifkin (2000: 220) writes, ‘this is the arena where men and women can explore new roles and responsibilities and find new meaning in their lives now that the commodity value of their time is vanishing.’ Growth of the third sector offers a much needed antidote to the materialism and rapacious consumption that grips contemporary society. Engagement in the third sector can provide a source of the dignity and respect that humans seek as social beings. Once workers are liberated from paid work by finding an alternative source of social integration, society may reflect upon its defense of paid employment as tantamount to the way the slave system was defended in the past. Testaments to the physiological, psychological, and social well-being of the subjects of the wage system will be revealed as being as mythological and spurious as testimonies about the putative weal of slaves in the Southern United States.

Given the proper social arrangements, a discontinuous attachment to the labor force would not create insecurity for workers. On the contrary, the more discontinuous the work, the greater the employment security will be in the aggregate. Since the growth in the contingent workforce is essentially a reduction in total work hours, discontinuous employment means that work will be spread out over a greater number of people. Constructing a social system

that embraced a sporadic attachment to paid work would recognize that the right to work and the right *not* to work are of equal social importance.

Some European countries, such as the Netherlands and Denmark, have incorporated the right to discontinuous working into their social and labour market policy (Hayden, 1999; Gorz, 1999). The reduction of hours and voluntary switching to part-time work in the Netherlands has contributed immensely to the metamorphosis of the Dutch 'miracle' economy. Unemployment in The Netherlands fell from peak of 12 percent in early 1980s to 3.4 percent in 1999, remaining low at 3.1 in 2007. By empowering Dutch workers with the right to choose their hours, average annual work hours in The Netherlands has fallen to among the shortest in the world. In 1970 the average Dutch worker worked 1,800 hours per year. By 1983 the number had fallen to 1,530 hours per year, decreasing to 1,397 in 1995. Much of the employment gains are related to a growth in part-time work. From 1983 to 1996 the fraction of employees working part-time (less than 35 hours per week) increased from 21 percent to 36.5 percent, with 75 percent of part-time jobs being held by women. A crucial difference in the Netherlands, however, is that part time work is desired and viewed as providing a sufficient means of existence. Employer discrimination between full- and part-time work is illegal, and pay, benefits, and promotion are rather equitable. Consequently, most part-time work in the Netherlands is voluntarily chosen. A 1996 Eurostat study (Boulin and Cette, 1996), found that only 6 percent of Dutch part-timers said they wanted a full-time job but could not find one (versus 37 percent in neighbouring France for example). A great variety of work time arrangements can be found in the Netherlands, where there is the highest percentage of part-time workers in the world. Work regime options range from the two-, three- or four-day week to the four-, six- or nine-month year. Relative to other industrialized democracies, Dutch workers are at great liberty to 'choose' their work hours. The improvement this choice makes to their socioeconomic participation might account for the high well-being rankings that the Dutch perennially achieve as a nation.

Gender issues also come to bear on the division of labour between paid work and the third sector. The realization by employers that they can no longer offer 'jobs with wives' creates a new urgency for a redistribution of social labour along gender lines. Belinda Probert (1993: 49) illustrates the exigency for change

The traditional pattern of full-time employment from the age of 18 to 65, with a 40 hour week and four week annual leave, was only ever offered to men, and only possible because armies of women were available to do all the socially necessary work. However, women are more and more likely to be in the paid work force. Fewer and fewer will be available to staff the voluntary social services, run the school canteen, take care of older relatives. And it's not just the social implications, but the environmental ones that need to be considered. Those women carrying the double burden have little time for sorting their garage into glass, plastic, paper and compost components for recycling.

Rather than to continue the double standard of asking women to be more like men while conducting paid work but not while performing unpaid work, a redistribution of remunerative work could free labour resources to be used more equitably in the third sector. Making work time regimes more androgynous needs to become a central focus of work time reform. It should begin with the recognition of the masculine structures and practices that dominate the contemporary labour market. After gaining a consciousness of gender inequities, genuine reform should endeavor to redistribute paid work to narrow the gender gap. Significant progress could be made by making shorter hours available across a wider range of industries and occupations, increasingly their attractiveness to both male and female workers. As more men then opt for shorter paid hours, they will be freed to make a greater contribution in the third sector.

Enlightened economic policy should foster a post-service society that affords a golden age of leisure and personal development based on the cooperative use of technology and resources. Economic stability and progress depend on the socio-economic participation of the vast majority of citizens. In our postindustrial economy of growing abundance, it has become less important to hatch new ways of creating more jobs for the sake of jobs alone. Indeed, the employment situation in contemporary industrial democracies that has resulted in large numbers suffering from either a leisure or income famine has striking parallels to the issue of world hunger - the concern being better distribution rather than more production. John S. Mill's century old warning that growth is not an appropriate response to a maldistribution should have enough evidence on its side by now that governments can start getting serious about work time regulation. What should attract serious thought is how to divide society's necessary labours among the working age population in a manner that is consistent with social and ecological sustainability. As the European experience has shown, work time regulation holds the promise of not only achieving macroeconomic objectives but also greater socio-economic participation – all in a sustainable manner.

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<sup>2</sup> The occasional mainstream economist, such as Edmund Phelps (1996), will recognize the social costs of unemployment as worthy of government intervention. Phelps (1996) and Layard (1996) advocate wage subsidies as a means of generating positive externalities associated with lower unemployment while not disrupting the firm's labour cost structure. The advocacy of wage subsidies by mainstream economists is a patent acknowledgement that the labour market cannot achieve full employment on its own accord and that government intervention is needed.

<sup>3</sup> Policy examples abound in the United States including, the 1996 Welfare to Work Act, Earned Income Tax Credits, unemployment compensation, and a variety of Social Security disability and survivor benefits that are tied to work credits and income levels.