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The Welfare Society in the 21<sup>st</sup> Century

Jean-Louis Laville



## EMPLOYMENT

The Future of Work



# The Future of Work

## The Debate in France

Jean-Louis Laville

**Fafo**

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ISBN 82-7422-287-3

Originalens tittel: Le futur du travail : Le debat francais

Cover illustration: Jon S. Lahlum

Cover design: Kåre Haugerud

Printed in Norway by Centraltrykkeriet AS

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## Preface

This report is one of the products from a project entitled *The Welfare Society in the 21<sup>st</sup> Century*. Funded by the Norwegian Confederation of Trade Unions (LO) and the Norwegian Labour Party in commemoration of LO's 100<sup>th</sup> anniversary in 1999. The project spans a broad range of issues, including economics and working life, everyday life and civil society, social services, social security and welfare state distributions. A number of publications show how Norwegian society has developed in recent decades, and discuss challenges and opportunities on the threshold of a new millennium.

The project is based on contributions from scholars in Norway and abroad. Some reports are based on papers delivered at seminars while others are the result of more comprehensive studies. A list of all publications resulting from the project – a total of 44 reports and the main book *Between freedom and community* (in Norwegian only) is annexed.

The project has been directed by a project group headed by Ove Langeland and otherwise composed of Torkel Bjørnskau, Hilde Lorentzen, Axel West Pedersen, and Jardar E. Flaa and subsequently Reid J. Stene. The group received useful and constructive comments from several colleagues at Fafo and from other sources. Jon S. Lahlum has ensured that the reports are published in professional form. The project group would like to express its gratitude to the sponsors for making the project possible.

Oslo, April 1999

Ove Langeland

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## Summary

In France, as in Italy and other European countries, scholars are vigorously debating the future of work, and either support or debunk the thesis that the nature of work has been irrevocably transformed. The goal of this paper is to summarise the principle opposing arguments in this debate. First, however one must ask why analysing work is of crucial importance at this period in time and why it constitutes a new political issue.

To this end, the introduction examines the importance of salaried employment during the era of expansion. During this period of growth, commonly known as the 'trente glorieuses' (the thirty illustrious years from 1945 to 1975, when economic expansion in the West was in full swing), access to steady work was of key importance in sanctioning the division and hierarchical organisation of time in society; at specific stages in their lives, people attached greater importance to periods of productive work than to the periods of training or inactivity that preceded or followed them; salaried employment, as distinct from leisure time and time consecrated to domestic and family duties, dominated work time and was highly influential in identity formation<sup>1</sup>. Over the last twenty years, profound changes in the nature of work have cast doubt on the model for structuring social time provided by the period of expansion. Since we are dealing here, not with marginal phenomena, but with destabilising forces which strike at the very heart of society, we identify the dominant economic policy responses in the countries under consideration, as well as the limits of these policies; indeed, it is these limits which explain why a debate on the future of work has arisen.

The paper divides the debate into two parts. The first part contrasts liberal and social democratic views which, in spite of their differences, believe that work must continue as a key requirement for full membership in society, with those that maintain that the status of work in society has to decline. The second part of this paper goes beyond this clash of opposition, selecting several major issues that were previously formulated in reaction to specific social and economic changes; it does so with a view to exploring how the French debate can contribute to a more general discussion throughout Europe on the future of work.

<sup>1</sup> R. Sainsaulieu, *L'identité au travail*, Paris, Presses de la Fondation Nationale des Sciences Politiques, 1977.

## Introduction: From expansion to transformation

After the Second World War, the expansion period constituted the quintessential expression of the growth paradigm, which held that scarcity was the source of unhappiness and conflict. Salaried employment was central to a society that placed heavy emphasis on the development of productive forces. Employment, which had previously constituted just one form of work among many, now became the definitive form, to the extent that scholars began to use the term “salaried society”<sup>2</sup>.

While the development of salaried employment was built on extraordinary gains in productivity, it would have been inconceivable without the continuous shift toward industrial employment kept alive by the rural exodus, immigration and the rapid expansion in women’s participation in the workforce. Salaried employment was accompanied by a homogenisation of lifestyles and this further emphasised the centrality of work in modern life. The growth in the wage-earning population, unlike that which occurred in the nineteenth century, could not be explained by forced labour. People accepted the attendant redeployment of manpower because growth was considered socially useful. Rather than linked to the triumph of voluntary servitude<sup>3</sup> alone, the trend highlighted the ambivalence of modern work, which is a vehicle for both exploitation and emancipation. Work permits the owners of the means of production to appropriate profits; they view it simply as a factor of production; as such, it is heteronomous or part of “all the specialised activities which individuals must perform, duties co-ordinated from the outside by a preestablished organisation”<sup>4</sup>. That said, in spite of the dispossession it generates, and the external control and functionality that permeate it, work typical of the period of expansion allows access to the public sphere. This access has three dimensions.

- The first dimension is the relationship between the employer and the worker performing a particular task and is mediated by money; the monetary exchange also involves a third party, the recipient of the goods and services

<sup>2</sup> As does R. Castel, Chapitre VII : La société salariale, in *Les métamorphoses de la question sociale*, Paris, Fayard, 1995.

<sup>3</sup> A.H. Arendt, *Condition de l’homme moderne* (French translation), Paris, Calmann-Lévy, 1983.

<sup>4</sup> A. Gorz, *Métamorphoses du travail. Quête du sens*, Paris, Editions Galilée, 1988, p. 49.

produced. This exchange can take two forms, market and non-market. Market exchange occurs when people purchase goods and services at the market and pay for them directly; non-market exchange occurs when taxpayers pay indirectly for goods and services which satisfy needs underwritten by public resources following collective norms. These two forms of exchange are facilitated, respectively, by private companies whose owners expected a return on their capital and by public services said to act in the general interest. In both cases, the work is removed from the domestic sphere and takes on universal significance since its product can be exchanged; one might even say that it acquires the status of “corporate member” of society.

- The second dimension involves workplace identity. Work performed co-operatively for the purposes of production gives rise to recognition by others and this recognition is discernible in social relationships. Such work generates secondary socialisation<sup>5</sup> of individuals through their immersion in a group performing similar tasks and facing similar constraints. Stated differently, this type of work surpasses, qualitatively and quantitatively, what is achieved in the context domestic economy. The worker, who becomes aware of his professionalism by interacting with his colleagues, endows his work with a particular expertise; it is not just a matter of doing what anyone else could do in the allotted time, but of leaving his personal stamp, which derives from his knowledge and know-how, however minimal these may be. Whenever formal production structures repudiate his professionalism, which he identifies with self-respect, the worker resorts to clandestine practices in which he is able to observe the difference between his own capabilities and the practices designed to standardise his work. In this way, shop floor workers learn new techniques – and social skills of benefit to interpersonal relations – even if these are not recognised by private firms or public administration. The sociology of work has revealed the existence of a little-known paradox inherent in even the most taylorist jobs: the worker’s contribution to production is made possible by an appropriation of the work through which he exercises autonomy. The dream of an industry in which tasks are totally imposed and independent of actual work situations is unattainable.

<sup>5</sup> See: C. Dubar, *La socialisation. Construction des identités sociales et professionnelle*, Paris, Armand Colin, 1991.

- The third dimension involves the worker's participation in a group that enjoys certain rights. This dimension, too, contributes to secondary socialisation by asserting that the worker belongs to a political community whose negotiating power is based on the existence of organisations representing wage earners.

The socialisation surrounding work is relatively autonomous because it is isolated from the employer in two ways: first, the market or non-market monetary relationships governing the exchange of goods and services create a situation in which the socialisation takes place in isolation from the employer; second, the production techniques are implemented by a production team that has been granted specific rights. Paid work carried out within private firms or the public services facilitates social integration because it liberates people from private bonds and opens access to the public sphere. A specific contract to sell one's work is also, in a sense, a general or social contract: all obligations are subject to legally enforceable regulations and the worker is only required to perform tasks specified in the contract. In the salaried society, work, the source of socially recognised use value accomplished within the public sphere, is inseparable from citizenship.

## The Double Crisis

From the end of the 1960s and onwards, new social movements<sup>6</sup> arose and challenged the prevailing universal belief in progress. Just as they criticised homogenised demand, which is the result of linking supply to mass consumption and stereotyped services, these movements also criticised the fact that wage-earners had little opportunity to influence work-related matters, or that user-consumers had little impact on patterns of individual and collective consumption. People began to insist on a better quality of life; they increasingly demanded qualitative as opposed to quantitative growth. These changes in attitude meant taking an active part in society, gaining acceptance of the need for environmental protection, and recognizing the importance of gender relations and generation differences.

The new social movements were linked to socio-demographic changes. The ageing population, the diversification of household profiles and the increased participation by women in the labour market now challenged the standardisation that had prevailed during the period of expansion. Although the waves of protest to which these movements gave rise were disparate in character, they nevertheless

<sup>6</sup> A. Touraine, *La voix et le regard*, Paris, Le Seuil, 1978.

began to undermine the faith in growth. They accomplished this by propagating the idea of zero growth and exposing the destructive side of progress; anti-nuclear protesters, ecologists and feminists made new claims on both the public and private spheres. People also kindled new hopes for independence in their places of work; while this might manifest itself as individual withdrawal, it could also take the form, among less qualified workers, of incensed collective revolt.

To summarize, just as the synergistic relationship between State and market was reaching its peak, it became the focus of a crisis in culture and values that cast doubt on the consensus characterising the economic system of the expansion period. It was followed by a second crisis which, compared to the first, was more clearly economic in nature since it did not deal with ends but with means, namely, markets and techniques.

Developed countries began to experience slow growth in the demand for all basic goods; each sought to increase its exports and this gave rise to heightened international competition, especially when new producer countries entered markets. In this new competitive environment, product differentiation based on quality constituted a distinct advantage; new production methods were linked to new markets. The nature of demand itself was transformed. It was no longer the powerful economic motor driving national production as a whole. Instead, demand came down to deciding which firms had the best performance records. The concept of market share dominated since, in the absence of internationally co-ordinated economic recovery policies, it was the only sphere subject to intervention. Subsequently, and notwithstanding the variety of approaches adopted by different nations, the dominant problem encountered by most economic policies in responding to the crisis was keeping wages and costs under control. As a result, the leading interpretative frameworks that derived from Keynesianism in the post-war period were challenged, since they were considered out-of-date<sup>7</sup>.

Market transformation was accompanied by the transformation of technology. Three developments gave rise to a veritable information revolution and turned prevailing production methods upside down: information could now be transmitted at greater speeds, technology was miniaturised and, as a result, costs were lower. Electronics, computers and advanced materials had brought about creative destruction<sup>8</sup>.

<sup>7</sup> J. Freyssinet, *Les mécanismes de création-destruction d'emplois*, Paris, IRES (mimeograph), 1989.

<sup>8</sup> J. Schumpeter, *Capitalisme, socialisme et démocratie* (French translation), Paris, Payot, 1941.

The efficacy of the Welfare State was largely linked to its ability to come up with safety mechanisms for a social nexus that had been homogenised by salaried employment; by forcing the productive apparatus to restructure, the economic crisis had created financial difficulties for interventionist States whose resources depended on the level of national production. Different countries reacted in different ways to these problems. There arose two major trends, which we will call the Anglo-American model and the European model.

## The Anglo-American Model

The Anglo-American model, as exemplified by policies pursued in the 1980s by the United States and the United Kingdom, was that of a Welfare State downscaling its role and allowing market forces to establish new rules in the area of labour management.

It is true that by following this model the United States was able to create many jobs; between 1990 and 1995, the flexibility of its labour market allowed 7.5 million jobs to be created. However, this ability to reduce unemployment, which some held up as proof of American success and European failure in the area of job creation, can not be separated from the transformations that affected the nature of the work itself.

The phenomenon of the overworked employee is noteworthy here. According to calculations made by Schor<sup>9</sup>, Americans worked, on the average, one month more per year in 1987 than they did in 1969. In the manufacturing sector, they worked two months more each year than their French or German counterparts. During the 1980s, while factories slashed more than a million jobs, overtime increased at a rate of 50 per cent per year, with firms offsetting the cost of this overtime by lowering their base salaries. On average, American wage earners had to work an additional 245 hours per year in order to maintain their standard of living at a level comparable to the one they enjoyed in 1973. It was therefore the decline in wage costs that constituted the key change in the traditional sectors, and it affected the new service jobs even more; for although wage earners employed in industry were overworked, they preferred to keep these jobs than to look

<sup>9</sup> *The Overworked American, The Unexpected Decline of Leisure*, Basic Books, New-York, 1991; cited by M.R. Anspach, "L'archipel du Welfare américain, âge d'abondance, âge de pierre", in *Revue du Mauss*, Vers un revenu minimum inconditionnel ?, n° 7, first quarter, 1996; and by A. Lipietz, *La société en sablier. Le partage du travail contre la déchirure sociale*, Paris, Ed. La Découverte, 1996.

for work in the service sector, where openings were all too frequently part-time, temporary or even more poorly paid. For twenty years, average household income stagnated; from 1979 to 1995 real weekly wages declined by three per cent, or by nearly 20 per cent if the calculation is based on deflated salaries, that is, as if prices had not changed. From 1973 to 1993, total real remuneration (wages and fringe benefits) increased by a mere 0.7 per cent per year, compared to three per cent during the preceding twenty years. During the same period, certain categories of real income experienced a decline of 20 or even 27 per cent for those without a high school education or who dropped out; while there was an increase of 0.2 per cent in the real median family income over the same period, this can be attributed essentially to a 42 to 53 per cent increase in the number of households where both parents worked<sup>10</sup>.

Thus, the other face of job creation was a deterioration in living conditions and an increase in inequality borne out by the number of working poor. For the 1973-1993 period, real average household incomes increased by 18 per cent and nine per cent respectively for the two most favoured quintiles, but decreased by up to 15 per cent for the least favoured quintile<sup>11</sup>. “The poorest 20 per cent got poorer, while the richest 20 per cent got richer”<sup>12</sup>. There was “a clear increase in the percentage of individuals living below the poverty line, from 11.4 per cent in 1978 (the low point after two decades of decline in the rate) to 14.5 per cent in 1994”<sup>13</sup>. In both the United States and the United Kingdom pay scales grew wider, and the growing disparities in income exacerbated “problems of incentive to work, poverty, and social”<sup>14</sup>.

In short, the path to economic recovery adopted in the United States gave rise to social pathologies of major concern. Numerous publications sounded the alarm by showing that a sub-class had arisen, that there had been a squeeze on the middle class and that the increase in inequality had contributed to growing insecurity.

<sup>10</sup> Council of Economic Advisors, 1995 Annual Report

<sup>11</sup> Council of Economics Advisors, *op. cit.*

<sup>12</sup> As summarized by A. Lipietz, *op. cit.*, p. 53, employing data provided by L. D’Andrea Tyson on all American households by quintile (a range of 20% = 1/5th of households).

<sup>13</sup> See: J. Gadrey et F. Jany-Catrice, *Créer plus d’un million d’emplois dans le commerce de détail pour la baisse des charges sociales en s’inspirant du modèle américain ? L’erreur économique*, Appel des Economistes pour sortir de la pensée unique, Working Paper, February 1998.

<sup>14</sup> OCDE (OCED), *L’étude de l’OCDE sur l’emploi*, Paris, 1995.

Minorities were the first to be affected: one third of black youth between 20 and 30 years of age were subject to judicial control (in prison, on probation or on parole). Even mainstream experts at the OCED maintained that such transformations raised disturbing questions about “the economy of the nation in the long term”<sup>15</sup>.

In any event, while the performance of the Anglo-American model in terms of employment seemed remarkable, it proved to be much more fragile if one included data on poverty and insecurity. Moreover, one also needed to take into account the varying levels of activity among different populations: between 1990 and 1995, 10 per cent of American males between the ages of 25 and 50 were not on the labour market; at the same time, the active population of the United Kingdom declined by 400,000 while in other countries, notably France, it increased by 500,000.

Moreover, the Anglo-American model, whose effects were and continue to be mixed, should not be viewed as a real innovation; rather, it up-dates a residual Welfare State tradition of supplemental State intervention, responding to the needs of individuals only in cases of family breakdown or market failure<sup>16</sup>. The State thereby re-affirmed the primacy of the market and only the disadvantaged had the right to institutional protection. In this context, employment and training programs were frequently confused with the struggle against poverty. Intervention by the State, guided by precepts of human capital, focussed on disadvantaged persons whose resources were below the official poverty line or those with several handicaps; this “obscures all consideration of the social and economic forces underlying the creation or elimination of jobs”<sup>17</sup>. Social policies as well as repressive policies reinforced the hardships experienced by some of these disadvantaged people, though proponents of the individualistic vision responded by launching a debate on the moral integrity of the disadvantaged, whom they lumped together in a single category; The upshot was that ‘Welfare’ gave way to ‘Workfare’, a form of compulsory work which was intended to provide a return to normalcy and reduce

<sup>15</sup> For a rigorous and particularly well-documented summary of social issues in the United States, see: W.J. Wilson, *The Truly Disadvantaged. The Inner City, the Underclass and Public Policy*, University of Chicago Press, 1987.

<sup>16</sup> H. Hecló, *Modern Social Politics in Britain and Sweden*, Yale University Press, New Haven – London, 1974.

<sup>17</sup> C. Perez, La “politique publique d’emploi” américaine, in J.C. Barbier, J.J. Gautié (ed.), *Les politiques d’emploi*, (forthcoming), p. 19.



dependence on social assistance. This policy, which imposed an obligation to work in return for social security benefits, meant that a threat of forced work loomed over the poor; this was apparent in the numerous attacks on the culture of social assistance, which was said to entrap welfare mothers supposedly only too ready to take taxpayers money instead of looking for work<sup>18</sup>.

## The European Model

The Welfare State tradition in most European nations is quite different from its counterpart in Anglo-American nations. Particular national characteristics aside, the Welfare State in continental Europe generally has a more universal outlook, one based on the principal of social citizenship secured through social transfers and organised public services, financed through taxes and designed to maintain equality of opportunity. However, it can sometimes be more corporate in outlook, when it is structured around the concept of compulsory prepaid insurance, for example, and supplemented by social policies which help individuals who pay no premiums and thus are not eligible for insurance<sup>19</sup>.

Irrespective of the form it took, the Welfare State enjoyed greater legitimacy on the continent and this was not substantially affected by the rise in unemployment. Minimum wages and professional relationships were maintained, while the market was not seen as the sole source of employment. Still, there were calls for new forms of public intervention that would change the social role of the State. These would take a more practical approach to employment policy and included innovations based on new forms of work, linking production to labour market re-entry; they were born out of a simple observation: on one hand there existed a group of unsatisfied needs, on the other many individuals were unemployed; it therefore seemed reasonable to proceed with job creation in areas that responded to the new needs.

In France, 'employment-solidarity contracts' (CES) are designed to promote the out-placement and labour-market entry of the unemployed through the 'the

<sup>18</sup> For examples of the abundant literature on the deleterious effects of welfare and an explanation of the obsessional reference to "lonely mothers", see: M.R. Anspach, *op. cit.*

<sup>19</sup> See the classic works on the Welfare State, including those by Esping-Andersen and C. Jones: Esping Andersen, *The Three Worlds of Welfare Capitalism*, Princetown University Press, Princetown, 1990; C. Jones, *New Perspectives on the Welfare States in Europe*, Routledge, London, 1993

development of activities responding to unsatisfied collective needs'; the State contributes from 85 to 100 per cent of the cost. Approximately half a million of these contracts, which resemble the ABM<sup>20</sup> in Germany, are awarded each year. As with the CES in France, the German State finances about 80 per cent of employees' wage-related costs over one or two years, at the end of which – and due to this aid – it expects that employers will be able to assume complete responsibility for these costs.

Thus, as a response to the high unemployment, some countries with strong Welfare State traditions took a social approach to unemployment; this was significant since such an approach was based on the belief that participation in economic life constituted an important vehicle for social integration. They also introduced forms of work whose status was intermediary – somewhere between employment and social assistance.

Indeed, all these programs broke with the norm of full-time, salaried employment of indeterminate length. Having access to work for even a limited period of time was now highly valued; such work was made possible by the introduction of an intermediary employment status which, through public financing, enabled employers to lower their personnel costs. There were several limitations that came with establishing a shortcut between the new form of redistribution and growth in employment: first, the jobs were reserved for target populations that were particularly disadvantaged; second, the fields of work were limited to collective concerns, and involved tasks not performed by the private sector; finally, host organisations were pre-selected, and were usually limited to local authorities, the public sector or non profit organisations. Without wishing to totally discredit this social strategy for combating unemployment, for it allowed many to avoid being completely cut off, with time its limitations became apparent.

The first limitation related to the fact that the number of places available in the programs was restricted; this affected the doctrine of 'following one's personal path', an over-used slogan exploited by many training programs. Irrespective of the programs' concerns with the qualitative dimensions of training, the pressures brought to bear by the sheer volume of unemployment were such that programs inevitably reverted to quantitative objectives; in the last analysis it was a 'numbers game'. While at the outset there were strong assurances that programs would not act as a substitute for regular jobs in the private or public sectors, and that

<sup>20</sup> Arbeits Beschaffung Massnahmen.

they would serve as vehicles for *bon fide* labour-market entry, these guarantees gradually wore thin. “Especially in the communes, where the workforce falls off on a regular basis, it is hard to avoid certain tasks being filled or taken over by individuals benefiting from these programs. Using such alternative means to extend public services has given rise, at the periphery of official services, to a labour market niche in which unskilled tasks are performed within the framework of short-term, low-pay work contracts”<sup>21</sup>.

Social responses to unemployment created a secondary permanent labour market, but one which continued to hire workers on a strictly temporary basis. The programs failed to provide an effective transition between unemployment and stable employment. As in Germany, where six months after terminating the program 43 per cent of beneficiaries began yet another ABM, 23 per cent of their French counterparts found themselves either unemployed, in training programs or inactive. When it came to labour-market re-entry, the results of the CES were far from convincing. “By the end of 1991, young people who had left the school system in 1989 were more likely to find themselves unemployed if they had gone through a CES program than if they had followed any other program of studies, and this applied to all skill levels”<sup>22</sup>. Unemployed adults appeared to be in a better position to build on their CES experience “but their labour-market entry was attained in most cases by embarking on a second CES, especially when they were older and their chances of finding new work remained poor”<sup>23</sup>. Out of a total of 611, 200 individuals completing a CES in 1994, over a third immediately found themselves unemployed<sup>24</sup>.

<sup>21</sup> P. Auer, *Emploi, marché du travail et stratégies de lutte contre le chômage*, in *Chroniques internationales du marché du travail et des politiques de l'emploi 1986-1989*. Paris : La Documentation française, 1990, p. 56.

<sup>22</sup> According to M. Elbaum, *Les activités intermédiaires : une sphère d'insertion “autonome” et un mode de partage du travail “par défaut”*, *Travail et emploi*, October, 1994, p. 234.

<sup>23</sup> According to M. Elbaum, *op. cit.*, pp. 238-239.

<sup>24</sup> See: “Les contrats emploi-solidarité débouchent rarement sur un travail”, *Le Monde*, March 27th, 1995.

## Workfare and integration

In France, the inability to restore full employment, even with an employment strategy, led in 1988 to the establishment of income support (RMI : revenu minimum d'insertion). For a long time, France resisted providing income support to individuals who, while lacking resources, were able to work; while the country eventually resolved to move toward such support a quarter of a century after Germany and the Netherlands had taken similar measures, this was due to the fact that the French society had not been able to procure jobs for everyone and because the needs of those 'cast aside by unemployment' became impossible to ignore. France distinguished itself from its European neighbours by refusing to introduce pure support payments, even though this rejection of pure assistance was tantamount to imposing a form of conditionality; the granting of an allowance was conditioned by the negotiation of a contract between a beneficiary seeking labour-market entry (or re-entry) and a the public institution. Gradually, and taking into account difficulties encountered along the way, the contract involved not only labour-market entry but also other forms of intervention that might contribute to the social integration of the beneficiary.

The conditionality associated with income support (RMI) was ambivalent in its contractual coupling<sup>25</sup> of the allowance and the integrative activities; the rationale for this ambivalence resided in the "persistence of uncertainties with regard to its legal and technical content"<sup>26</sup>. The legislation of December 1st 1988, dealt with

<sup>25</sup> We will not review the numerous works illustrating the unusual mixture of two types of contract, the civil law contract and the contract used in social work and educational psychology practices. In these two approaches, the contractual mechanism employed presupposes both an examination of the situation of the client and a psychological and moral commitment that ties him to referral services in return for the RMI allowance. This commitment is based on a form of reinforcement which, coupled with material assistance, falls within the competence of the educational psychology contract, whose aim is to dismantle dependency relationships. But this approach was combined with another which had stricter legal weight and which, during parliamentary debates, provided the focus for a discussion on the identification of the contracting parties and their responsibilities, and on the content of the contract, its legal basis in public law and its litigation. See, for example, X. PRETOT, "Le droit à l'insertion", in E. ALFANDERI (ed.), *L'insertion*, Paris, Sirey, 1990, p. 639 sq. Similarly, Robert Castel and Jean-François Laé show the multivocal character of the notion of contract in the case of the RMI, which is simultaneously an educational contract, a work contract and an administrative contract (R. Castel, J.F. Lae, "La diagonale du pauvre", in R. Castel, J.F. Lae, *Le revenu minimum d'insertion. Une dette sociale*, Paris, Editions de l'Harmattan, 1992, p. 24 sq.).

<sup>26</sup> F. Chateauraynaud, L.H. Choquet, *Enquête sur les archives administratives du RMI. Note n° 2 : ligne du contrat d'insertion*, CEE (European Economic Community), mimeograph, April 1991, p. 17. The subsequent quotations also refer to this text.

a “compromise [...] between two opposing options, each of which derives its strength from the fact that either may be re-deployed at any time; the first option favours a general minimum income or a universal allowance that is distributed *a priori* and assures adequate living conditions for individuals in difficulty; integrative activities may subsequently be envisaged or negotiated with these individuals; in the second option, the commitment demonstrated by the claimant constitutes a *sine qua non* for paying the allowance, and assures that there will be no undesirable associated effects (such as work disincentives) ...”. The first option constituted a ‘no-string-attached’ form of support, and as such represented a fundamental right; it also served as a pre-condition for building contractual strategies in collaboration with beneficiaries. In the second option, the terms were reversed: a contractual agreement involving social integration constituted a pre-condition for allowance eligibility.

Analysis of parliamentary debates shows how attempts were made to fashion a compromise between these two options. In the end, the substance of the contract always remained ambiguous. RMI conditionality, which involved contract negotiations between the affected parties, was highly general and indeterminate; ultimately, ‘finding a practical way to link’ income allowances and integration strategies was relegated to the local community level. This resulted in numerous attempts to establish a practicable link between the allowance and integrative activities. These gravitated around two poles; on one hand there were the contracts which, while they may have had social utility, often led the most disadvantaged and vulnerable citizens to increase their dependence on local political and administrative authorities; this dependence meant that RMI beneficiaries were for all intents and purposes under local tutelage, although this was camouflaged by the formal contractual equality of the parties. On the other hand, the lack of labour-market entry contracts, not to mention the existence of fictitious contracts, validated the *de facto* unconditional character of the allowance; in the end, nothing was demanded of RMI recipients in return for the allowance. But by making no demands, society was as much as admitting that it was unable to fulfil its obligation toward beneficiaries, particularly in terms of labour-market entry. From that point forward, other forms of integrative activities characterised as ‘social’ would prove to be nothing more than *ersatz* activities, providing the beneficiary with little more than a subordinate role lacking real social utility and a social status devoid of legitimacy. The decision to entrust local authorities with the responsibility of sustaining the link between the allowance and labour-market entry led to

inequalities between beneficiaries, as demonstrated by the wide gap between opportunities for real labour-market entry and the likelihood of dependence on local institutions. In 1998, less than one in two RMI recipient signed a contract that included labour-market entry. This low rate of contractualisation highlighted the shortcomings of government-sponsored labour-market entry initiatives. It also indicated that the contract was not well-balanced since the right to income support took precedence over the requirement that recipients make an effort to enter the labour market.

This ambiguity explains why appraisals of the RMI are more diverse than those of workfare. Nevertheless, some authors<sup>27</sup> point to a convergence between labour-market entry and workfare. According to Donzelot and Jaillet, labour-market entry policies in France and workfare policies in the United States could herald the emergence of a new understanding of the social nexus; its common traits might include the following:

- the systematic use of contracts in the allocation of certain social security benefits. The requirement that beneficiaries be on the labour market would challenge the principle of automatic eligibility for benefits. “It is no longer need – or need by itself – which justifies benefits, but rather the demonstration by applicants of their commitment to a process of entry into the workforce”<sup>28</sup> ;
- the increased use of specific employment policies targeting specific populations and the introduction of territorially based positive discrimination; this would challenge the principle of the universality of benefits.

For Donzelot and Jaillet, the difference between policies promoting social integration and workfare policies, is not one of kind but of degree. From this standpoint, France takes a relatively ‘soft’ approach to labour-market entry, while American workfare takes a ‘harder’ approach.

Other authors place the accent on the differences between social integration and workfare. Barbier<sup>29</sup> shows that in social integration programs the activity to

<sup>27</sup> P. Rosanvallon, *La nouvelle question sociale. Repenser l’Etat-providence*, op. cit., J. Donzelot et M.C. Jaillet, Europe, Etats-Unis: convergences et divergences des politiques d’insertion, *Esprit* magazine 1997, p.70.

<sup>28</sup> J. Donzelot et M.C. Jaillet, *ibid.*

<sup>29</sup> J.C. Barbier, *La logique du “workfare” dans les politiques sociales en Europe et aux Etats-Unis : limites des analyses universalistes*, CEE (European Economic Community) Working Paper.

be performed is a matter of negotiation between government officials and beneficiaries, whereas in the case of workfare the work to be performed is imposed by the authorities. Furthermore, in the case of workfare, refusing a job or activity offered by the authorities can lead to significant financial penalties; in the case of the RMI such penalties are minor. In France, beneficiaries seem on the whole to have more options. Another important difference is that in contrast to the British approach the French approach to integration does not “question the legitimacy of insurance, which is clearly different from minimum income (RMI)”<sup>30</sup>. Lastly, integration policies set themselves apart from workfare in that their employment assistance programs were not designed to serve as obligatory complements to minimum incomes or other allowances, nor were they intended for use by allowance recipients exclusively. As noted by CSERC<sup>31</sup>, one of the distinctive characteristics of French RMI is that compared to other European countries, it places less stress on the link between the minimum income on one hand and the corresponding job search and integrative activity on the other.

The transition from French-style integration to workfare requires taking two steps:

- in the case of the RMI, relinquishing the negotiated aspect of integration contract and defining and developing real financial penalties (reduction or even elimination of benefits) when beneficiaries turn down employment or training offered by government officials;
- providing integration programs only to minimum-income beneficiaries, excluding all other groups.

To sum up, while there are still marked differences between the Anglo-American and Continental models, there is nevertheless a partial convergence between workfare and labour-market entry programs; this may be attributed to the fact that salaried employment has been de-stabilised. No country can avoid this destabilisation and, as Krugman<sup>32</sup> suggests, both increasing inequality in the United

<sup>30</sup> J.C. Barbier, *ibid.*, p.15.

<sup>31</sup> Conseil Supérieur de l'Emploi, des Revenus et des Coûts (CSERC), *Minima sociaux, entre protection et insertion*, Paris, La Documentation Française, 1997.

<sup>32</sup> P. Krugman, “L'Europe sans emploi, l'Amérique sans le sou ?”, *Futuribles*, September 1995 (translation of article in *Foreign Policy*, summer 1994).

States and the rise of structural unemployment in Europe reflect this reality. In under-regulated labour markets, such as that of the United States, it is unskilled workers who suffer the most from growing wage differentials; in European countries, where labour markets are the most regulated (due to minimum wages, the role played by unions in collective bargaining, unemployment compensation, etc.) this unskilled group is also the one hurt most by unemployment.

The impossibility of restoring forms of employment that existed during the expansion period has increased insecurity and led to a crisis of confidence in democracy<sup>33</sup>. For in spite of electoral promises, once politicians take office, they pursue policies that have proved ineffective in controlling mass unemployment. Accordingly, there is a widespread belief that living conditions deteriorate irrespective of changes in government, a view that also suits the purposes of populist demagogues on the extreme right. For many, the economy has a life of its own and is impervious to political intervention.

The ongoing debate on the future of work in France must be understood as an attempt to counter this fatalism. By facing up to the erosion of salaried employment – a phenomenon that is not unique to France – many authors, researchers and essayists are simultaneously confronting the passivity that seems to prevail. Prior to embarking on a detailed account of the individual views of these writers, we should note that they have something in common: the desire to demonstrate that resignation is not the only available path. They all argue that democracy can and must confront the issue of the future of work. Dominant social and political forces have succeeded for far too long in relegating their views to the sidelines; nonetheless these writers have recently gained increased recognition, notably in governmental inquiries.

## 1 The principal positions

The first two positions present in the debate advance variants of policies based on the Anglo-American and European models; both positions agree however that the models must be applied in a more thoroughgoing manner. The proponents of each variant maintain that while certain economic policies are more relevant than

<sup>33</sup> See: L. Drin, *La société française en tendances 1975-1995*, Chapter V-13: Affaiblissement des grands conflits idéologiques et montée d'un sentiment de mal-être, Chapter V-14 : Développement de signes d'anomie, Paris, Presses Universitaires de France, 1998.



others, their superficial implementation has so far prevented policy-makers from reaching their objectives in fighting unemployment.

### 1.1 Sacrificing jobs in order to safeguard work

Liberal thinkers and ideologists are the leading advocates of this position. Their main line of argument is that the unemployment problem is a distinctively French or European problem, which is very much the same as saying that the Anglo-American model is the only one capable of creating full employment. B. Majnoni d'Intignano has noted that "since 1975 we have been faced with a cruel choice between employment on one hand and social security protection for workers on the other"<sup>34</sup>. Europe chose to safeguard the 'rights of the excluded', while America opted instead to support 'hard-toiling but integrated workers'. Europeans nevertheless cautiously recognizes that the American model is not without fault since it may "require workers to upgrade their skills or work for starvation wages in order to survive"<sup>35</sup>. Other liberal thinkers however are less cautious and are content to contrast the relative successes of the American approach to the failures of their European counterparts. They accomplish this by restricting their comments to evidence that is either ill-defined or focuses on the recent period alone; M. Godet, for example, highlights the case of the United Kingdom which, he maintains, escaped the crisis experienced by other European countries and the United States by creating "10 million jobs over the last four years; of which most are now skilled occupations, rather than menial jobs"<sup>36</sup>. To be sure, such highly selective observations serve to remind us that many of the American jobs are skilled, something that cannot be denied; on the other hand, they obscure the considerable impoverishment and insecurity endured over the last two decades, something implicitly admitted by Majnoni d'Intignano when she acknowledges that, as it happens, only "one case out of three involves skilled work or work that is a first step toward steady employment"<sup>37</sup>.

<sup>34</sup> B. Majnoni d'Intignano, *L'usine à chômeurs*, Plon, Paris, 1998. This work was summarised in an article bearing the same title; it appeared in the Autumn 1997 issue of the journal, *Commentaire*.

<sup>35</sup> B. Majnoni d'Intignano, *op. cit.*, p. 619.

<sup>36</sup> M. Godet, *Emploi : le grand mensonge*, Éditions Fixot, Paris, 1994, p. 25.

<sup>37</sup> B. Majnoni d'Intignano, *op. cit.*, p. 616.

Though its manifestations may vary, there is a new liberal orthodoxy: the new economic order, dominated by globalization and technical progress, calls for increased flexibility in the work relationship, even though the necessary adaptation is hindered by government bureaucracy. Although it is a recurring *leitmotif*, the critique of the French civil service which focuses on its size is unfounded, because ‘assuming that the number of civil servants assigned to the various service sectors is accurate, one observes that government administration in France barely surpasses its American counterpart in terms of the number of employees’. After painstakingly comparing the statistics of the two countries T. Piketty concludes: “The frequent portrayal by the media of a French civil service two to three times larger than that of other countries, and even larger than that when compared to its Anglo-American counterpart, make no sense”<sup>38</sup>. Thus, the only remaining explanation for the French employment bottleneck is the pervasive corporatism which seems to have a stranglehold on the economy. This second explanation was advanced in certain official reports, including the one published by the Mattéoli Commission; according to Godet, this report “clearly demonstrated the incompatibility between the acquired rights logic and one that supported the type of changes dictated by increased competition”<sup>39</sup>. Even if the charges against trade-unions accused of “a corporatism that defends the status and privileges of their members before any other consideration”<sup>40</sup> are oversimplifications, the criticism of rigid social and cultural attitudes nevertheless has the merit of underscoring the fact that specific sectors of the population have had to bear the brunt of the crisis. In this context, it should be noted that women, the very old and the very young have high unemployment rates, “whereas the unemployment rate is low among men over thirty and less than fifty”<sup>41</sup>.

Accurate as this observation may be, it does not change the fact that the conclusions most fervent liberal thinkers draw from it, are extreme. Given that it is an imperative to procure work for all, and since flexibility is a requirement, the best

<sup>38</sup> T. Piketty, *Les créations d’emplois en France et aux États-Unis*, “ ‘services de proximité’ contre petits boulots” ?, Notes de la Fondation Saint-Simon, Number 93, December 1997, Paris, p. 34; see also pages 13 to 16.

<sup>39</sup> M. Godet, *op. cit.*, p. 37. In 1993, a Commission chaired by Jean Mattéoli submitted a report to the Prime Minister of France on “structural barriers to employment”.

<sup>40</sup> *ibid*, p. 39.

<sup>41</sup> *ibid*, p. 47.

solution is to abandon the notion of the job as such, and replace it with the notion of occupation; as Godet put it: “work is dead; long live occupations”<sup>42</sup>. To the extent that texts making use of the notion of occupation are able to convey its meaning clearly, one might say that it represents work that no longer includes the social benefits associated with salaried employment. Employment, as an historical construction of work, is thus seen as doomed, while supporting work for all presupposes ‘getting rid of employment’ and “then restructuring the organisation so as to tap into the skills of the de-waged workers”<sup>43</sup>. The process of “de-waging” society consists in abolishing the status and security associated with work, that is, in eliminating work’s collective rights and guarantees; for if such rights were perceived as excessively rigid they could no longer be tolerated.

‘It is the wage-earning class born of the industrial revolution which indeed finds itself challenged by the new organisational bases of economic life’. Furthermore, “the full-time open-ended contract has already disappeared as a ‘normal’ form of work”<sup>44</sup>, notes H. Landier who, together with B. Audrey<sup>45</sup>, H. de Jouvenel<sup>46</sup> and M. Paysant<sup>47</sup> is a leading representative of this liberal current of thought, which has been strongly influenced by Anglo-American<sup>48</sup> approaches

<sup>42</sup> The sub-title to his book, *Emploi : le grand mensonge : vive l’activité*, Pocket, Paris, 1997.

<sup>43</sup> According to W. Bridges, in *La conquête du travail : au-delà des transitions*, Village Mondial, Paris, 1995; cited by R. Castel in “à propos de la fin du travail salarié de William Bridges”, *Partage*, a weekly information publication on unemployment and work, n° 96, April 1995, p. 22.

<sup>44</sup> H. Landier, *Le syndicalisme à réinventer*, *Sociétal*, n° 1; for further details, see his book, *Dessine-moi une vie active*, Village Mondial, Paris, 1995.

<sup>45</sup> Audrey, *Le travail après la crise*, Interéditions, Paris, 1994.

<sup>46</sup> H. de Jouvenel, *La société française à l’horizon 2010 : réinventer l’univers du travail*, in *Le travail au XXIème siècle*, Dunod, Paris, 1995.

<sup>47</sup> M. Paysant, *Travail salarié – travail indépendant*, Flammarion, Paris, 1995.

<sup>48</sup> Authors such as Gorz note that this “ultra-liberal utopia had its beginnings with the re-engineering approach popularised among firms through works such as M. Hammer, J. Champy, *Le Reengineering*, Dunod, Paris, 1993 ; cf. A. Gorz : “ A propos de l’utopie ultra-libérale de Bridges : Re-Engineering ”, *Partage*, n° 96, April 1995, p. 11. For a recent critical view, see also: D. Méda “Travail, emploi, activité : des redéfinitions en cours”, paper delivered at the conference: “Travail, activité, emploi : formes, rythmes et règles. Une comparaison France-Allemagne”. Paris, Ministère de l’emploi et de la solidarité, 9 et 10 October, 1997.

such as those advanced by W. Bridges, C. Handy<sup>49</sup> and H. Dent<sup>50</sup>. These authors refuse “purely and simply, to confuse work with employment”<sup>51</sup>, since for their purposes this clouds the issue. Instead, they conceive of a future in which the rules and mutual commitments governing the work contract have disappeared, giving way to more flexible and selective relationships that are driven by the fluctuating needs of firms. In order that the incomes of workers avoid dropping to a too low level, this dependence on variable levels of activity could be mitigated by the introduction of a subsistence income, which would provide make-up wages whenever work dropped off; at least this is what has been suggested by liberals who do not want to entirely eliminate State intervention<sup>52</sup>; as for the others, they have unlimited praise for the individual who transforms himself into an entrepreneur. For Bridges, ‘it is better to adopt the mind-set of the tradesman than that of the traditional wage-earner’.

Ultimately it comes down to seeing oneself as a self-employed individual performing tasks that have been contracted out by a firm. The worker must therefore function in a truly independent fashion, that is, work out a career plan, assume responsibility for his basic social security coverage and renegotiate remuneration the moment the needs of the firm change [...]. For most people will never gain access to stable, long-lasting employment<sup>53</sup>. According to Landier, “The firm manifests itself as the nerve centre for diverse contracts with a common purpose; at the same time, the legal distinction between work contracts and commercial contracts is increasingly revealed as artificial when contrasted with the emerging social and economic realities”<sup>54</sup>. This approach combines individualism and a definition of work incorporating the full range of human activities. Everyone is encouraged to foster the human capital they embody, and to mold their activities into a set of services and portfolio management that includes residual salaried employment; independent, household and volunteer work and lifelong education.

<sup>49</sup> C. Handy, *Le temps des paradoxes*, Village Mondial, Paris, 1995.

<sup>50</sup> H. Dent, *Job Choc*, First Éditions, Paris, 1995.

<sup>51</sup> H. Landier, *op. cit.*, p. 53.

<sup>52</sup> B. Majnoni d’Intignano is a liberal who falls into this category.

<sup>53</sup> W. Bridges, *op. cit.*, p. 73-74.

<sup>54</sup> H. Landier, *op. cit.*, p. 75.

“Entrepreneurial work seeks to re-organise time by incorporating a wide variety of occupations [...]. Simultaneously, human development – a common goal – benefits from this re-organisation”<sup>55</sup>. Work therefore has no boundaries if one knows how to remove all barriers to development. Sectors such as construction tend to take advantage of legislation which recognizes this fact, as did the Madelin Law of 1994<sup>56</sup> whose goal, according to its governmental sponsor, was to promote “the individual firm, the most natural unit of economic activity”. As chains of subcontracts develop, commercial law gradually replaces labour law in governing the relationship between supply and demand for labour, with the least efficient contractors paying the highest price. There are “two dimensions to the transition from salaried labour to independence, one based on the skills of the salaried employee which permit him to exercise greater organisational autonomy [...]; the other, primarily of interest to less skilled workers, is based on risk management”<sup>57</sup>. Liberal analysis tends to underestimate the influence of the second.

As R.Castel observes, without doubt the individualisation of tasks can have a positive effect on certain categories of workers by freeing them from cumbersome regulations and rigid hierarchies, with the result that they can then express themselves more effectively through their work. But this applies to those who have the most resources and can mobilise various sources of capital. For every salaried worker who is able to meet the challenge, ten are likely to founder once they are deprived of all support and social security benefits. For from that moment forward they would not be ‘employable’, yet could not draw social security benefits, since these too would represent a kind of constraint that needed to be abolished<sup>58</sup>. Castel, who has written a history of salaried employment<sup>59</sup>, maintains that ultra-liberalism lacks in his *apologia* for free choice, a truly sociological approach to the individual in society; this defect, he maintains, distorts the ideology’s view of social relations. For it employs a myth that was current in the nineteenth century,

<sup>55</sup> B. Audrey, *op. cit.*

<sup>56</sup> Legislated on 11 February 1994, this law promotes autonomous work.

<sup>57</sup> As demonstrated by M.L. Morin, in the conclusion to his research based on empirical analysis, M.L. Morin (ed.), *Prestation du travail et activité de service*, Laboratoire interdisciplinaire de recherche sur les ressources humaines et l’emploi, Toulouse, 1997, p. 20.

<sup>58</sup> R. Castel, *Métamorphose de la question sociale*, Fayard, Paris, 1995.

<sup>59</sup> R. Castel, *op. cit.*, p. 22.

namely, the contractual equality of individuals; it thereby obscures the power relations established between contracting parties that have diametrically opposite positions. The paradox of entrepreneurial individualism, which is defended by a number of authors from Bridges to Landier, may be stated as follows: on one hand, it recognizes that job creation is a categorical imperative, since work is the principle vehicle of social integration; on the other hand, it advocates sacrificing 'employment' in order to attain the goal of 'work', without acknowledging that employment was precisely the form of work supporting social integration during the expansion period.

If, in some of the quoted texts, liberal analysis is taken to extremes, what rather concerns us is that these approaches take a critical interest in institutional conditions favouring initiative renewing, in the best liberal tradition. While one may be sceptical of the exaggerated individualism discussed in some of the works above, one should nevertheless take Godet seriously when he proclaims that the differences in the job creation results of different regions and countries, "does not hinge on infrastructures or employment assistance, but in the ability of individuals to take the initiative in economic development"<sup>60</sup>. One should also take seriously the remarks of Majnoni d'Intignano, who pleads for the recognition "of those who initiate, particularly youth"<sup>61</sup>. Such remarks reflect a genuine interest in supporting the spirit of initiative. But authors who express such concern by maintaining that initiatives must receive greater support so as to increase the overall supply of work, go too far when they characterise personal initiative as incompatible with the concept of job sharing. These authors are phobic in their opposition to job sharing, viewing it as a diversion from the main and ultimate goal, namely, support for personal initiative. We see this in the writings of Majnoni d'Intignano who attacks "the Malthusian mantra that misleadingly gets us caught up in the sharing of a purportedly fixed amount of work"<sup>62</sup> as well as in those of Godet, who wages battle against the sharing of work since, "rather than acquiesce to a distribution of the existing employment pie, a more suitable approach would be to make the pie even larger by working more and better [...] so as to develop

<sup>60</sup> M. Godet, *op. cit.*, p. 35.

<sup>61</sup> B. Majnoni d'Intignano, *op. cit.*, p. 620.

<sup>62</sup> B. Majnoni d'Intignano, *op. cit.*, p. 143

new occupations capable of responding to new needs, needs that are inherently elastic and limitless”<sup>63</sup>.

## 1.2 Reaction to the erosion of salaried employment

This is quite different from the preoccupation with job sharing characteristic of the sociological and economic approaches that adapt European social history to the requirements of the present, but whose traditions are quite different from those of the Anglo-American world. Many progressive liberal and social-democratic views contradict the above-mentioned authors by favouring salaried employment, which they feel would facilitate social cohesion by narrowing the gap in living conditions. As Castel notes, the security provided by the Welfare State has become so vital that “to eradicate it would amount not only to abolishing ‘existing benefits’, even though these might be of questionable value, but also to shattering social cohesion in its modern form. That cohesion depends on this particular type of regulation is understandable, since in large measure it was this regulation that created the cohesion in the first place. To subject all of society unconditionally to the dictates of the market would amount to destroying a century-old form of regulation, and would thus be equivalent to instituting a veritable cultural counter-revolution whose social consequences would be unpredictable”<sup>64</sup>.

The authors who defend salaried employment all base their arguments on this premise, but then divide themselves into two groups. One tends to focus on the lowering of mandatory employee contributions and has rallied many progressive liberals anxious to differentiate themselves from ultra-liberal dogmatism; the other is more oriented toward a general reduction in working hours, and in a number of respects reveals itself as an attempt to reform social democracy. The debate between these two options is far from resolved<sup>65</sup>; in fact, it is periodically re-activated with even greater enthusiasm whenever certain of the recommendations it generates find an echo among governments. In truth, it is at the political level that

<sup>63</sup> M. Godet, *op. cit.*, p. 621.

<sup>64</sup> R. Castel, *op. cit.* p. 438. The sheer scope of his contribution to the analysis of this topic, and the frequency with which we cite him, testify to R. Castel’s position as the leading exponent of the sociological school concerned with the erosion of salaried employment.

<sup>65</sup> The latest episode in this saga is provided by the report submitted in July of 1998 to the Prime Minister by E. Malinvaud, and which call for a decrease in mandatory employment related costs.

positions seeking to combat the erosion of salaried employment have been most influential, and it is this characteristic that distinguishes them. While both right and left-wing governments have largely dismissed<sup>66</sup> explicit proposals for de-regulation, since public opinion sees such proposals as unacceptable, political officials concerned by the inefficiency of measures taken to deal with unemployment and social integration, have suggested lowering mandatory employment related costs and reducing working hours. The debate surrounding these is not only theoretical, and some application in practice provide some elements for evaluation of these respective proposals.

Thus, since 1993, employers have benefited from a reduction in mandatory employer contributions for the low-wage category; this has meant that employers have been able to benefit from lower job-related costs for the least skilled positions, without having to decrease the employees' remuneration.<sup>67</sup> A variety of similar measures followed but did not appreciably reverse unemployment trends. The sensitivity of the demand for labour to its cost, and the substitution of capital for labour and skilled for unskilled labour, remain open questions. Without wishing to pass final judgement on this matter, past experience nevertheless permits us to draw some partial conclusions. "In recent years, retail trade in France has been the principal benefactor from reductions in employer contributions (to the salaries of part-time workers or to salaries associated with the minimum wage<sup>68</sup>, with some employers benefiting from both deductions); yet since 1990 there has been no noticeable trend toward job creation – in fact the opposite is true"<sup>69</sup>. To the list of unconvincing examples one may add the exemption of employers from contributions, amounting in 1996 to 36.6 billion francs, which gave rise to massive

<sup>66</sup> Except for a few innovative laws, such as that of 11 February 1994.

<sup>67</sup> Government efforts to raise awareness on this issue goes back to a French Planning Office report (chaired by J. M. Charpin) entitled "The French economy in perspective", and to the "Drèze-Malinvaud" report, which was discussed in the 1993 White Paper of the European Commission.

<sup>68</sup> In France, the *salaire minimum interprofessionnel de croissance* ("minimum guaranteed interoccupational wage for growth"), or SMIC, corresponds to the legal minimum wage.

<sup>69</sup> J. Gadrey, F. Jany-Catrice, Créer plus d'un million d'emplois dans le commerce de détail par la baisse des charges sociales en s'inspirant du modèle américain ? L'erreur économique, working paper of the Appel des Économistes pour sortir de la pensée unique ("Call by economists to go beyond the one-track thinking"), February 1998 (paper published by Partage, n° 124, July-August, 1998, p. 3.)



windfalls<sup>70</sup>. As for the exemptions granted to certain disadvantaged groups and geographical regions, these generated significant abnormal effects. The substitution effects resulting from the policy of industrial free zones<sup>71</sup> led to firms relocating their facilities, while there was a rise in unemployment among categories of unemployed that had not been selected as “target populations”<sup>72</sup> for assistance. This does not take into account certain threshold effects which by their very nature create ‘low-wage traps’, while employers’ marginal costs increase significantly. Concentrating public finance on exemptions from mandatory contributions for the low waged could ultimately revive a phenomenon of hiring over-qualified candidates at the expense of unqualified persons or untrained youth<sup>73</sup>.

Studies confirm the modest results in terms of job creation. “Many simulations were carried out in France, taking into account either the entire population of wage-earners or just the low waged, in order to evaluate the impact of lowering mandatory contributions. The results vary, among other factors, according to the scheme employed for transferring social security expenditures, but they converge on at least one point: the impact on employment is modest, given the high cost”<sup>74</sup>. The analysis carried out on behalf of the government in 1996 is clear on this point: “in these circumstances, the wise use of the various instruments leads to the creation of 10, 000 to 50, 000 jobs in the mid- to long-term for a reduction in employer contributions of 6 billion francs on salaries lower than 1.33 times the SMIC, once macro-economic effects have been taken into account”<sup>75</sup>. Anyway, at the macro-economic level, lowering of social security contributions does not appear to be of the sort to stymie the problems inherent in the present period of

<sup>70</sup> Le Monde, 19 May 1996.

<sup>71</sup> According to a report of the *Délégation interministérielle à la ville*, an industrial free zones policy for neighbourhoods would cost 1.2 billion French francs per year per 2,000 jobs created, or nearly 600,000 francs per job; an unemployed individual costs 50,000 francs per year. See A. Lipietz, *op. cit.*, p. 184.

<sup>72</sup> M. Lallement, “L’État et l’emploi”, in B. Eme, J.L. Laville, *Cohésion sociale et emploi*, Desclée de Brouwer, Paris, 1994.

<sup>73</sup> P. Frémeaux, L. Maurin, “Emploi, le grand contresens”, in *Alternatives Économiques*, n° 135, March 1996.

<sup>74</sup> J. Gadrey, F. Jany-Catrice, *op. cit.*, p. 22.

<sup>75</sup> Conseil supérieur de l’emploi, du revenu et des coûts, *L’allègement des charges sociales sur les bas salaires*, Rapport au Premier ministre (Report to the Prime Minister), Paris, 1996.

transformation since it does not allow for remedying the decline in purchasing power experienced by most workers and the disintitiled. Now, in contrast to those in lower income brackets, better off individuals may opt to save rather than consume, especially when there are attractive and diversified investments in global financial markets; what we have here therefore is an example of the “returning cycles”<sup>76</sup>, that are linked to swings in savings and consumption, and that were forgotten during the expansion period due to the growth in mass consumption.

This is, no doubt, the reason that job sharing became a major theme, for it seemed to be a way to make a contribution to economic recovery by benefiting those living on low or modest incomes but whose propensity to consume is relatively strong<sup>77</sup>. Keynesian thinking of this sort was a determining factor in adopting the 1998 law on reduction of work time<sup>78</sup>. It was an approach that had been supported for several years by influential writers, of which R. Castel is the most noteworthy example. Castel, who reads historical material on salaried labour from a sociological perspective, gives his opinion on the changes underway in job sharing, without treating such sharing as a myth. By treating job sharing in this way – so as to avoid substitution by ‘supernumeraries’ and ‘those who have no useful function’, and to prevent precarious work from becoming widespread – he sees it less as an end than as a means, the most direct one, apparently, for achieving a real redistribution of whatever it takes to fulfil one’s role as a good citizen; it envisages the possibility of everyone finding, keeping or restoring one’s place in the continuum of socially recognized positions which, when reflecting work actually performed, are associated with decent living conditions and social rights<sup>79</sup>. Support for reduced work time was also included in the “Call by economists to renounce the one-track approach”<sup>80</sup>, in which more than three hundred French economists sought to create a forum for public debate on economic policy. For the purposes of the forum, work time was promoted as a macro-economic issue; as noted by the chairman of this initiative, the goal was to demonstrate that “an

<sup>76</sup> Cf. Lipietz, *op. cit.*, pp. 42-45.

<sup>77</sup> J. Gadrey, *Croissance ou partage ? Deux logiques à réconcilier*, in “Appel des économistes pour sortir de la pensée unique”, *Pour un nouveau plein emploi*, Syros, Paris, 1997, pp. 77-89.

<sup>78</sup> The law instituting the 35-hour work week was adopted on 19 May 1998; an initial assessment must be presented to Parliament no later than 30 September 1999.

<sup>79</sup> R. Castel, *op. cit.*, p. 451-454.

<sup>80</sup> Translation of the french : “ L’appel des économistes contre la pensée unique ”.

immediate reduction in work to 35 hours per week without loss in salary – as an interim measure in anticipation of a further cut – would have a more beneficial impact on employment than measures to lower labour costs”<sup>81</sup>. The success of such a strategy may be measured by its ability to avoid bartering reduction in work time for deterioration in social conditions; it cautions against allowing work flexibility, the annualisation of work time and loss of salary to be used as concessions to management, since these would misrepresent the nature of the process. Providing one exercises vigilance with respect to such concessions, “a significant reduction in work time could unleash a trend toward sustainable, full-time employment [...]. Clearly, what we have in mind here is not mere distribution of work”<sup>82</sup>. This is in dramatic contrast to the most liberal of analyses which, we saw, maintained that employment conservation was impossible. The belief that reduction in work time would create a virtuous circle of job creation, counter-balances the ultra-liberal fatalism able to contemplate only a single outcome: the disappearance of employment.

However, some advocates of a reduction in work time do not see it as a panacea, and many economists and sociologists qualify their support of this approach to fighting unemployment by focussing simultaneously on the creation of new jobs. As D. Schnapper observes, and he is supported here by R. Castel, “to be sure, work is never as critical an issue as when you don’t have any”<sup>83</sup>; she then emphasises the importance of developing employment in the area of personal services<sup>84</sup>. This interest in new forms of employment is comparable to that advanced by liberals, except in one distinct way: it is not the individual entrepreneur who in their view should be idealised; rather, sociologists insist that if new jobs “incorporate modes of regulation that are based on salaried employment – essentially the right to work and social security – they can avoid the sort of under-employment similar to what André Gorz has characterized as neo-domesticity”<sup>85</sup>. By contrast, the

<sup>81</sup> L. Hoang-Ngoc, *Existe-t-il une “autre politique” pour sortir de l’impasse libérale ?*, in “Appel des économistes pour sortir de la pensée unique”, *Pour un nouveau plein emploi*, Syros, Paris, 1997, p. 35.

<sup>82</sup> *ibid.*, p. 36.

<sup>83</sup> R. Castel, D. Schnapper, “Non, le travail ce n’est pas fini”, *Libération*, 24 June 1994.

<sup>84</sup> D. Schnapper, *Contre la fin du travail*, Textuel, Paris, 1997, p. 101 et sq.

<sup>85</sup> R. Castel, D. Schnapper, *op. cit.*; André Gorz develops his ideas on neo-domesticity in A. Gorz, *Métamorphoses du travail : quête du sens*, Galilée, Paris, 1988.

economists of me call to renounce the one-track approach, see a future for work in public and collective services; while such services play a central role, this does in itself does not pose a problem<sup>86</sup>. “It is essential to consolidate and extend jobs in the civil service; one should not fear the criticism that this might increase taxation”<sup>87</sup>. On this issue, too, we find an approach that contrasts with the liberal orthodoxy denounced in the *Call*

### 1.3 Facing the end of work

The renewed confrontation between authors that are more open to the initiative concept and those that are more interested in re-distribution and sharing, (henceforth including employment), constitutes an extension of the confrontation between supporters of self-regulation through the market and defenders of social security. In spite of their opposition, they share a general belief in modern democracy : work as a key value is strongly re-affirmed in both of these positions, even though the second, in contradistinction to the first, considers that it is employment and not work that is worth preserving. In fact, the hypothesis of work’s centrality is challenged by a group of views that may be defined as utopian, since they manifest a desire to break with the existing hierarchy of values that gives work its prominent status.

In reaction to this focus on employment which seems to lead nowhere, these views place the problem of job sharing within its long-term historical context. There exists a long-term downward trend for working time: compared to our great-great-grandparents we are working half time. This trend is amplified by technological change resulting in productivity gains the magnitude of which demonstrates that the promise of full employment is nothing but an illusion. “From 1970 to 1990, as production doubled in volume, man-years spent on production

<sup>86</sup> See Coutrot, “ La réduction du temps de travail : mesure technocratique ou innovation conflictuelle ? in “Appel des économistes pour sortir de la pensée unique”, *Pour un nouveau plein emploi*, Syros, Paris, 1997, p. 42.

<sup>87</sup> F. Lefresne, “Politique de l’emploi : les vrais enjeux du débat sur son efficacité”, in “Appel des économistes pour sortir de la pensée unique”, *Pour un nouveau plein emploi*, Syros, Paris, 1997, p. 73.

diminished by a third”<sup>88</sup>. To be obsessed by the quest for full employment therefore constitutes a refusal to face up to the facts. If this is difficult or even dangerous to admit, it is because we cling to the concept of employment. As a result, the solution that brings hope consists not in keeping our attention riveted on the past, but in circumscribing employment in order to give ourselves the institutional means for achieving an undertaking that remained beyond our reach for so long: freedom from compulsory work. In addition, the inversion of social time<sup>89</sup> is already underway, given that “on the average, women spend 8 per cent of their waking hours engaged in formal employment, and men fourteen per cent”<sup>90</sup>.

In order to transform this phenomenon, which has already been initiated on a wide basis, into a movement which will have positive results, the main stimulus must come from a new redistributive policy which widens the nexus of social security and employment relationships. Attaining a society where there is leisure time (the leisure society) presupposes that incomes will no longer be indexed to the jobs performed. The methods recommended may vary. Some favour a ‘second cheque’ to indirectly pay for an occupation taking a form other than waged work; others look to a universal payment, an unconditional and inalienable income distributed to all citizens of the nation<sup>91</sup>, and able to play an investment role “for the rapid expansion of the quaternary sector, a sector where by definition work is not routine, and which could simultaneously serve as a vehicle for autonomous work and social integration”<sup>92</sup>. One may also refine the objectives. The emphasis could be placed on individual development or, if one prefers a less self-indulgent approach, on the need to devote oneself to activities with a collective vocation. Nonetheless, beyond nuancing methods and final goals, the main idea is to give a boost to occupations defined as unrestricted and independent, made possible by giving up on the myth of a return to full employment.

<sup>88</sup> J. Robin, *Quand le travail quitte la société post-industrielle*, Volume 1, Paris : GRIT éditeurs, 1993, p. 7.

<sup>89</sup> J. Dumazedier, *La révolution culturelle du temps libre, 1948-1988*, Paris : Méridiens-Kliensieck, 1988.

<sup>90</sup> A. Gorz, Mutation technique et changement culturel, *Échange et Projets*, n° 73, February 1995, p. 23.

<sup>91</sup> As formulated by the Association pour l’instauration d’un revenu d’existence (A.I.R.E.).

<sup>92</sup> J.M. Ferry, *L’Allocation universelle*, Paris : Les Éditions du Cerf, 1995, p. 104

<sup>93</sup> The famous expression of H. Arendt.

This call to invent occupations of greater intrinsic value than employment so as to avoid foundering in “a society of workers without work”<sup>93</sup> is relevant to political philosophy. But the position that sees constrained forms of work being virtuously transformed into self-directed occupations seems to ignore the sociological dimensions needed for such a transition. It is difficult to support the notion that guaranteeing primary needs through a minimum income is all that is required “to liberate individual and collective creativity and innovation, and not have to worry about providing food”<sup>94</sup>. A guaranteed income by itself would not generate involvement in self-directed occupations.

Conversely, in an environment where firms are seeking all-out flexibility, those who obtain an unconditional allowance might look more favourably on deregulation and less restrictive rules, since they would now have additional revenue to supplement their poorly paid jobs; there are even examples demonstrating that historically the right to assistance facilitated a re-organisation of the labour market according to liberal precepts unfavourable to workers interests<sup>95</sup>. While certain groups or individuals with artistic or social capabilities may become part of a quaternary sector scenario, the right to an income may, on the other hand, encourage black market labour or entrapment in the dependency associated with the domestic and informal economies; this is even more true if one considers that those who have been excluded from large-scale automated production are not in an ideal position to experiment with forms of work that in large measure are novel<sup>96</sup>. A guaranteed revenue, no matter how reassuring this may be in a society replete with risks and where people fear downgraded status, does not by itself constitute a sufficiently strong incentive for embarking on a path of personal growth, getting involved in mutual aid or contributing to the public sphere. Individual emancipation has been too successful, to the point where many people are losing their bearings and are unable to find meaning in their lives. It generates disruptions whose numerous manifestations have been identified: “a rise in the divorce rate, growing numbers of single people, waning interest in institutions such as churches and unions and political parties, a long-term decline in voter participation, a high level of geographical mobility (which undermines developing lasting relationships with neighbours), the sudden appearance of homeless people and the

<sup>94</sup> J.M. Ferry, *op. cit.*, p. 105.

<sup>95</sup> Cf. the example of rural handicraft cited by R. Castel, *op. cit.*

<sup>96</sup> Cf. S. Wuhl, “Quelle politique d’insertion pour quel chômage”, *Esprit*, 12, December 1994, p. 35.

growing wave of mindless violence. Unemployment weakens family ties, cuts off individuals from interest groups and unions, dries up community resources and leads to alienation and withdrawal from political commitment”<sup>97</sup>.

These are the phenomena acknowledged by the most perceptive critics of salaried employment. Free time or, rather, social time that has not been filled by salaried employment, is not inherently virtuous<sup>98</sup> and reduced work time entails several risks: ‘the rise of certain forms of domination that we thought had disappeared’ exacerbating age and sex discrimination especially; the spread ‘of overconsumption, frustration and withdrawal into oneself’ and “disinterest in collective action and responsibility”<sup>99</sup>. Moreover, alienation from work may lead to abandoning transformation of the workplace, to the disappearance of any desire ‘to improve working conditions or investigate further possibilities for co-management’, and to lessening “incentives to extend training, to raising the overall level of training in the country”<sup>100</sup>.

“The challenge is to surpass the historical stage characterized by the idea that “work is everything”<sup>101</sup>, without however falling back on regressive practices from which work had partially liberated us, something which could not be envisaged were it based solely on the introduction of a living allowance or a universal allowance; it presupposes finding a ‘convincing distributive method’<sup>102</sup> which might simultaneously ‘ensure equal access to work’; aiming for an acceptable distribution for all work, income, status and guarantees; accepting approaches to

<sup>97</sup> Ces phénomènes qui produisent “des individus indépendants, indifférents, isolés, fragilisés” sont cités par M. Walzer, *Individus et communautés : les deux pluralismes*, *Esprit* 6, juin 1995, p. 109, pour les États-Unis, mais ils s’appliquent largement à la situation d’autres pays comme la France. The phenomena cited here, and that result in “independent, indifferent, isolated, and vulnerable individuals, are taken from M. Walzer,

“Individus et communautés: les deux pluralismes” in *Esprit*, June 6 1995, p. 109; they refer to the situation in the United States but are also largely applicable to other countries, such as France.

<sup>98</sup> Cf. D. Mothé, *L’utopie du temps libre*, Éditions Esprit, Paris, 1998.

<sup>99</sup> D. Méda, *Le travail. Une valeur en voie de disparition*, Aubier, Paris, 1995.

<sup>100</sup> *Ibid.*, pp. 308-309.

<sup>101</sup> *Ibid.*, p. 308.

<sup>102</sup> The expression used by B. Guggenberger, *Wern uns die Arbeit ausgeht*, Hanser, 1988, p. 123, cited by D. Méda, *op. cit.*, p. 303.

revenue distribution other than through work alone”<sup>103</sup>. According to D. Méda, egalitarian distribution of work is the necessary condition for transcending the salaried society; at the same time, redistribution must be improved so that ‘part of the wealth resulting from production goes directly to public services available to all’ and toward “making areas other than production more appealing”<sup>104</sup>. Beyond the attention given to employment distribution and protection of public services, already noted in other approaches discussed previously, this position is distinguished by the fact that it broaches the wider question of extending the horizons of public life: increasing time allocated to public life at the expense of time dedicated to work and engaging in a re-invigorated citizenship can not be achieved spontaneously nor generated simply by making changes in distribution that are linked to untied income. The reference to an alternative equilibrium in social time, which results from putting employment in a new perspective, cannot content itself with hypothesizing that there exists a propensity for finding occupations that promote personal growth or for contributing to the common good. A society in which work is less dominant can only be achieved through a more extensive reorientation of public action. ‘The challenge for the State today’ is to “promote groups and associations capable of assuming responsibility for particular interests and instill individuals with a desire for commitment, independence and freedom”<sup>105</sup>. “A policy for redeeming time must from the outset create space for new life projects, space for pursuing new forms of sociality”<sup>106</sup>.

This conclusion, however, raises many questions. Which kinds of concrete investment, for example, would permit the transition from a society where the allocation of incomes and social status is determined by the imperatives of competitiveness and profitability to a society in which ultimate political and cultural aims would provide a pattern for its social foundations? In which areas would it be possible to establish mutual recognition when the work sphere shrinks? How can the State encourage an autonomous organisation of civil society and promote “revitalized associations that assume responsibility for a particular set of skills”<sup>107</sup>.

<sup>103</sup> D. Méda, *op. cit.*, p. 304.

<sup>104</sup> *Ibid.*, pp. 307-309.

<sup>105</sup> *Ibid.*, p. 302.

<sup>106</sup> Selon A. Gorz, *Sortir de la société salariale*, mimeograph, p. 8.

<sup>107</sup> D. Méda, *op. cit.*, p. 307.



How can a government stimulate activity based on voluntary action, yet avoid the paradox of making autonomous involvement and volunteer work obligatory?<sup>108</sup> These problems are of the same order as those J. Rifkin confronts when he announces not the ‘end of work’, as the provocative title of his work might suggest, but rather the limits of work performed in the market and public spheres. His reply, which is more social and less overtly political<sup>109</sup> in character, advocates ‘reinforcing the third sector’ and the ‘social economy’, that is, building upon the vitality of associations in order to promote a sector which is distinguishable from the private and public sectors; as did Méda., he finds comfort in de Tocqueville: “in democratic countries, the science of association is the mother of all sciences”<sup>110</sup>. That said, in spite of its manifest pragmatism this approach also requires clarification. Rifkin, who is aware of the dangers of using volunteer work as ‘Trojan horse’ for the withdrawal of the State<sup>111</sup>, favours providing a social wage (instead of unemployment payments) to millions of people in exchange for their work in the social economy”<sup>112</sup>. The first point to be clarified involves the respective responsibilities of the public and third sectors; as G. Roustang notes: “How would one establish the relationship and the division of tasks between this third sector and the public sector? The second point involves the manner in which one assigns individuals to each sector: “How does one avoid creating two categories of citizens: one for the ‘regular’ salaried employees of the private and public sectors, and one

<sup>108</sup> A paradox which is illustrated both in new public policies such as those of the Corporation for National Service Act, which became law in the United States in 1993, and in suggestions such as those advanced by R. Zoll; cf. respectively M. Simonet, “Le bénévole et le volunteer: ce que traduire veut dire” and R. Zoll, “Pour un revenu de citoyenneté légitimé par un service civil”, in A. Caillé, J.L. Laville (ed.), *Une seule solution, l’association? Socio-économie du fait associatif*, *La Revue du MAUSS*, (a bi-annual publication), n° 11, first half, 1998.

<sup>109</sup> This does not stop D. Méda from reproaching him for this stance. See “Quelques réflexions sur la ‘fin du travail’ “ in *Partage*, January 1997, p. 11.

<sup>110</sup> A. de Tocqueville, *De la démocratie en Amérique*, Gallimard, Paris, 1961, Volume 2, p. 113, cited by J. Rifkin, p. 321.

<sup>111</sup> As evidenced by his criticisms of the policies pursued by Reagan and Bush: “le tiers secteur manipulé par les partis”, J. Rifkin, *op. cit.*, pp. 331-336.

<sup>112</sup> *ibid.*, p. 338.

for the unemployed, who would be induced to work for tertiary sector organisations ?”<sup>113</sup>.

There is no denying the heuristic value of the comments on the slogan ‘the end of work’ since they cause one to reflect on the manner in which the totality of social time is distributed, something the other perspectives ignore. Nevertheless, even with the benefit of this broader framework numerous questions go unanswered and the arguments remain for the most part within the realm of the desirable. The changes noted are so pervasive, however, that appropriate methods for examining them require further study.

## 2 The future of work and socioeconomic reality

The observation is not only valid for the ‘the defenders of the end of work’, the catch-all phrase designating the authors we have just presented. The entire debate on the future of work denotes a tendency to axiological analysis. The resulting risk is to abandon the empirical references in which the reasoning is anchored and let the authors be swept up by the polemic familiar to intellectual circles. There are some indications that this drift has not been avoided. Aided by their publishers, some authors ‘harden’ opposing ideas, in order to to affirm their own. This is evident by the largely artificial rift between the so-called adherents and opponents of the end of work. Castel and Schnapper, for example, in their joint article ‘No, it’s not the end of work’ or in their individual writings ‘Against the end of work’, are considered to respond to ‘The end of work’ propounded by Rifkin or Méda, for whom work is ‘a vanishing value’. But as Roustang points out, “when we read the books, the categorical oppositions affirmed by the titles melt away like snow on a sunny day”<sup>114</sup>. Méda and Rifkin converge with Castel and Schnapper when they advocate job sharing to counter the weakening of the salaried employment. Schnapper agrees with Rifkin that “competitive production requires fewer workers, at least in the short term, in today’s economic sectors”<sup>115</sup>.

<sup>113</sup> G. Roustang, “A propos de ‘la fin du travail’ de Jeremy Rifkin. Vers un nouveau contrat social” *Partage*, n° 110, January 1997, p. 9.

<sup>114</sup> G. Roustang, *De la politique économique à l’anthropologie économique*, mimeograph, CNRS-Laboratoire d’économie et de sociologie du travail, Aix-en-Provence, 1997, p. 1.

<sup>115</sup> D. Schnapper, *op. cit.*, p. 83.

These stage directions, which accentuate differences of opinion, “are regrettable, however, because they sow confusion and blur the real conflicts”<sup>116</sup>. As we have seen, real contradictions between liberalism and social democracy are expressed via the claim that the iron laws of economics require people to sacrifice their jobs in order to safeguard work, while others maintain that a strong political will is sufficient to create jobs by reducing working hours and funding new public services. At the same time, the veritable contradictions are sometimes confused with the wrong dichotomies associated with the question of the end of work.

Faced with these complex positional manoeuvres, there is a great danger of being caught between false quarrels and repetition of old arguments. To avoid it, it can be useful to come back to a basic synthesis about the main evolutions of the amount and the nature of work. Then it is possible to confront all the positions with the evolving economic and social reality so as to detect how this reality can validate or invalidate certain hypotheses. In other words, the implicitly or explicitly normative approach of each of the positions cited above can be coupled with a comprehensive approach so as to determine what paths emerge from the changes already under way, especially for the key problems of entrepreneurship and work time. This is the posture<sup>117</sup> adopted by several authors. For this current<sup>118</sup>, theories can be tested by confronting them with economic and social reality, thus making it possible to go beyond clear-cut oppositions that claim to be definitive, while clarifying certain questions covered in the approaches previously mentioned.

## 2.1 Economic tertiarisation: a fundamental change

In this perspective, the preliminary question to be re-examined is the volume of work: should one endorse its shrinkage triggered by “the information

<sup>116</sup> G. Roustang, *op. cit.*, p. 1.

<sup>117</sup> As Polanyi notes, they find in this a posture peculiar to thinkers like Rousseau or Owen, concerned about articulating reflection on change and analysis of social practices.

<sup>118</sup> Among the recent publications in this current, A. Lipietz, *La société en sablier*, La Découverte, Paris, 1996; B. Eme, J.L. Laville, *Cohésion sociale et emploi*, Desclée de Brouwer, Paris, 1994; J.L. Laville, *L'économie solidaire. Une perspective internationale*, Desclée de Brouwer, Paris, 1996; B. Perret, G. Roustang, *L'économie contre la société*, Seuil, Paris, 1993, and a manifesto authored by G. Roustang, J.L. Laville, B. Eme, D. Mothé, B. Perret, *Vers un nouveau contrat social*, Desclée de Brouwer, Paris, 1997.

revolution”<sup>119</sup> or should one seek to expand it by organising the response to new social needs?

Everyone feels that the positions seeking to prolong the existing system and those favouring a break with it all hold part of the truth. This is what perplexes many citizens about the debate on the future of work. Yet it is possible to have a better grasp of the ambivalence that many people feel if one incorporates into the discussion the phenomenon of ‘tertiarisation’ of productive activities, this expression is “very generally designating the intensification of social interactions within productive systems”<sup>120</sup>.

Such a generalisation of service relationships, which extends far beyond the mere field of service activities, involves a change in the content of industrial employment which ‘puts more complex forms of co-operation and mobilisation of resources into play’, both subjective and intersubjective in production. At the same time it involves a reduction of the volume of this industrial employment in contemporary economies. At least this is what the statistics show for the 1973-1982 period, with a loss of 743,000 jobs<sup>121</sup>. This decline is only partially explained by the phenomena of reliance on subcontracting for certain activities (consulting, cleaning, security, restaurants, etc.). More fundamentally, the forms of competition extend beyond prices to quality and delivery times, leading to a massive introduction of new technologies, especially those integrating microelectronics and microcomputers, which reduce work force needs.

Correlatively, services are acquiring greater importance in the total volume of employment. However, services are not a homogeneous category. Distinctions can be applied depending on their productive configurations, that is, the relationships that are established within these services between work, technologies and organisational mechanisms<sup>122</sup>.

<sup>119</sup> To borrow a term used by several authors, including J. Lojkine, *La révolution informationnelle*, Presses universitaires de France, Paris, 1992.

<sup>120</sup> B. Perret, G. Roustang, *L'économie contre la société*, op. cit., pp. 59-60.

<sup>121</sup> The statistics for France reflect the same trends as those of other European countries: from 1973 to 1982, the industrial sector lost 1.526.000 jobs in Germany, 51,000 in Italy, 2,057,000 in the United Kingdom, P. Petit, *La croissance tertiaire*, Économica, Paris, 1988, p. 95.

<sup>122</sup> C. Du Tertre, Le changement du travail et de l'emploi: le rôle majeur des “relations de service”, *Les Cahiers de Syndex*, no 4, 1995, pp. 95-116.

- Standardisable services cover logistical services (transportation, mass distribution, etc.) and administrative services (banking, insurance, administration, etc.), which are becoming more akin to mass production or assembly line activities. These services, which mainly concern objects or technical systems or deal with encoded information, have been altered by the use of new information technologies. Their trajectories therefore converge with industrial activities, which limits their job creation capacity.
- Relational services<sup>123</sup>, on the other hand, confer a key role on the service relationship because the activity is based on direct interaction between the provider and the recipient. They seek to influence the organisation's operations for corporate services and improve the physical, intellectual or moral status of the user-customers when personal services are involved. New technologies are only supporting elements of the relationship, offering additional options with respect to the variety and qualitative growth of services delivered. Innovation in the production process does not necessarily lead to standardisation. Innovation may occur, but as such complex work is displaced, not eliminated. A variety and quality effect thus offsets the capital-labour substitution effect, making it possible for these relational services to support new activities and new jobs. Moreover, despite difficulties stemming from the organisational methods of national accounting, which do not treat these relational services separately, the available figures show that such services have accounted for a greater share of job creation. In all, in the OECD countries (Organisation for Economic Cooperation and Development), commerce, corporate services, hotels and restaurants, personal and domestic services, education, health-care, social action and public administration account for a majority and a constantly growing share of jobs<sup>124</sup>.

Thus, the relevant distinction is not between industries and services but between two sets of activities which coexist in the productive landscape: on the one hand, standardisable industries and services, high productivity growth activities which

<sup>123</sup> W.J. Baumol, *Microeconomics of Unbalanced Growth: the Anatomy of the Urban Crisis*, *American Economic Review*, June 1987, pp. 415-427; G. Roustang, *L'emploi: un choix de société*, Paris: Syros, 1987.

<sup>124</sup> Thus, from 1962 to 1981, in six of these countries, the share of employment increased in the non-market sector, a composite aggregate statistic but one similar to a large part of relational services.

had been essential to economic expansion until the 1970s and which since then have reached unprecedented limits in terms of employment levels; and on the other hand, relational services, which have a growing role in the economy and which are crucial to the future of creation of activities and jobs. These two categories follow contrasting trajectories, making it easier to understand the paradoxical concomitance of discourses on the disappearance of jobs and the enthusiasm for “new services” and “new jobs”<sup>125</sup>. In fact, the itineraries of these two different categories should be analysed successively in terms of their respective consequences.

## **2.2 The reduction of working hours: a barrier against rising inequalities**

Employment has peaked in standardisable industries and services; this largely explains why those involved in the struggle against unemployment and casualisation are discouraged. The illusion that employment would increase in these standardisable activities has guided a number of employment policies; the result has been *de facto* job sharing. Certainly in France, none of the great social symbols have been challenged (minimum wage, social security, retirement pensions ...) but there has been a price to pay for maintaining these rules. The burden of the crisis has been shifted toward sectors of the population who have had to pay for the collective blindness maintained by the constantly reiterated promise of an impending return to previous standards.

### **Unemployment and inequality**

Older workers were the first victims. Early retirement has become so generalised that for the over 55 age bracket France now has the lowest employment rate among industrialised nations (42% compared to 63% in the United States, 62% in the United Kingdom and 52% in Germany)<sup>126</sup>. Unemployment has risen among workers over fifty, destabilising the end of their career. From the corporate point of view, measures that take age into account have created an opportunity to

<sup>125</sup> Among the many official publications on this theme, we can cite: X. Greffe (ed.), *Nouvelles demandes, nouveaux services*, Commissariat Général du Plan, Paris, La Documentation française, 1990; Ministère du travail, de l'emploi et de la formation professionnelle, *Nouveaux services, nouveaux emplois*, Paris, La Documentation française, 1993.

<sup>126</sup> On this theme, see the contributions of X. Gaullier, for example. Quel avenir pour les quinquagénaires?, *Le Monde*, May 24, 1995.

reduce staff, with the essential financial burden being assumed by society. Contradictions erupt as active employment ends sooner while life expectancy increases, pushing people who are still in full possession of their faculties out of salaried employment. At the same time, pension plans require extended careers to maintain their balance, yet the average term of corporate employment is decreasing.

Like older workers, young people are subject to casualisation, or job insecurity. The youth unemployment rate is twice as high as the average rate calculated for the active population as a whole. In addition to these declared unemployed, there are at least as many young workers on low-paying alternating apprenticeship and education contracts. Through the extension of such formulas, the principle of a minimum wage specific to unskilled youth has been tacitly endorsed at the same time as an explicit special minimum wage for youth (“SMIC-jeunes”) project for graduates triggered a violent wave of protests. This sums up the hypocrisy of French-style modernisation, which tolerates infringements on social rights when they affect groups too fragile to defend themselves and when they are not made too explicit. With interns-in-training and young people hired under employer cost exemptions, youth unemployment is entrenched while the level of youth education steadily rises. From 1982 to 1992, the percentage of students obtaining their high school diploma doubled from 30% to 60%, with the result that 25% of new unemployed reported in 1992 and 1993 had completed at least two years of higher education and had at least this diploma. Stated very simply, out of twenty young people between the ages of 16 and 25, nine are students and one is “inactive” or in the military. Out of the ten who are active, four have a steady job, three are interim and three are unemployed or covered by a youth employment assistance measure<sup>127</sup>. The door to adult society is closing, leaving a majority of young people in a transitional status with a longer waiting period.

### **Women and job sharing**<sup>128</sup>

The liberal alarm cry<sup>129</sup> is therefore justified, because it is appropriate to point to age discrimination in access to employment. However, the liberal impasse becomes patent when the proposed remedies can only make the problem worse, that

<sup>127</sup> According to the summary of the situation by F.Wenz-Dumas, *Les jeunes stationnent dans la zone grise du travail*, *Libération*, September 15, 1993.

<sup>128</sup> S. Hirata, D. Senotier (ed.), *Femmes et partage du travail*, Syros, Paris, 101996.

<sup>129</sup> Issued by authors like M. Godet, cf. above.

is, when the condemnation of the inequalities induced by social corporatism leads to recommendations which, if implemented, would introduce even more acute forms of segregation. It is clear, in this regard, that the replacement of wage earners with independent workers cannot constitute a solution to unemployment. First of all, there is currently no trend in this direction, neither in France which had 1.8 million more employees in 1997 than in 1985 (apart from government employees) and 710,000 fewer independent workers, with wage earning jobs accounting for 88.6% of total employment, nor in the United States, where the proportion of wage earners is growing, now representing 92% of all jobs<sup>130</sup>. The second weakness is that this evolution – advocated by the sycophants of individual free enterprise as an “an excellent principle of natural selection”<sup>131</sup> – would, according to Bridges, separate “the survivors from the doomed species”.

Those who support “activity” as a substitute for employment but who do not endorse this exclusionist elitism, nonetheless reveal an ignorance of social gender relations when they argue in favour of reduced professional activity for women, either by interrupting the activity in order to raise young children, or by part-time work. While ostensibly showing respect for individual choices, they are in reality endorsing the “natural” division of labour. The same people who were vigilant about inequalities between age groups remain blind to gender inequalities. They forget that “access to the wage-earning world has represented the high road to autonomy for French women”<sup>132</sup> because “everything transpired as if French women had promoted their economic independence and built their identity through work more than through politics”<sup>133</sup>. As for part-time work, the conditions of its development in France make it “a social construction of a form of women’s work”<sup>134</sup>, since out of 3.2 million active part-time workers, more than 80% are women. 28% of women work part-time, compared to only 4% of men.

<sup>130</sup> G. Duval, “L’ère des entreprises-réseaux”, *Alternatives économiques*, no 162, September 1998, pp. 33-34.

<sup>131</sup> As R. Castel puts it, “concerning the end of salaried work for William Bridges”, *op. cit.*

<sup>132</sup> B. Perret, *L’avenir du travail*, Paris, Le Seuil, 1995, p. 100.

<sup>133</sup> M. Perrot, *Vendredi-Idées*, June 1993, p. 35, cited par B. Perret; on this subject also see A.M. Grozelier, *Pour en finir avec la fin du travail*, Les Éditions de l’Atelier, Paris, 1998.

<sup>134</sup> M. Maruani, Marché du travail et marchandage social, in M. Lallement (ed.), *Travail et emploi. Le temps des métamorphoses*, Paris: L’Harmattan, 1994, p. 242.



Part-time work reinforces “the segregating logic of women’s activities”<sup>135</sup> by making them the object of discrimination. “Recognition of qualifications can vary, even for equal work performed with an equal level of training; it all depends on whether a person is a part-time employee, or employed for a fixed or indeterminate term”<sup>136</sup>. Moreover, “in corporations, obtaining and keeping management status is still incompatible with reduced schedules”<sup>137</sup>. The reduction of working hours through part-time work, even when it responds to an expressed demand, raises questions about the lifestyles it favours. If it is not truly legitimised, part-time work is used to create jobs without worrying about compensation for employees or constraints concerning the demands on their time. Since it is considered women’s work, it helps to marginalise women in the working world by accentuating the sexual division of labour within the family, in which women continue to look after the essential household chores and family care<sup>138</sup>. Far from translating into free time, “even when it is freely chosen, part-time work destabilises the relationship to work of the women who engage in it, while simultaneously reinforcing traditional roles within the family. For this reason, part-time work does not give women more free time, since the time saved from wage earning work is inevitably taken up by domestic tasks”<sup>139</sup>. Finally, part-time work is increasingly imposed due to the way work is organised, particularly in personal services and commerce. “The jobs are designed this way and the employees have no choice”<sup>140</sup>.

<sup>135</sup> M. Maruani, *op. cit.*, pp. 242-244.

<sup>136</sup> *Ibid.*

<sup>137</sup> According to INSEE Première, *La montée du temps partiel*, no 237, December 1992, cited by L. Maurin, *Le temps partiel ou la réduction du temps de travail version entreprises*, *Alternatives Économiques*, no 128, June 1995.

<sup>138</sup> *Ibid.*

<sup>139</sup> M. Maruani, *Temps, emplois, revenus: anciens clivages, nouveaux partages*, CSU-CNRS, Colloque “Familles et recherches”, IDEF, Paris, 1994.

<sup>140</sup> M.T. Letablier, *Emploi-famille: des ajustements variables selon les pays*, *Lettre du Centre d’études de l’emploi*, no 37, April 1996, cited by L. Maurin, *op. cit.*

## The real alternative: a nobliged individual or a negotiated collective reduction in work time

The question therefore is not whether one is for or against job sharing, but what form of reduction in working hours is adopted, particularly when one has to confront the limited amount of employment available in standardisable industries and services. Either through the trade-offs they involve or the professional marginalisation of women they engender, the different forms of individual reduction of working hours can only worsen the already significant inequalities resulting from the insidious job sharing practised over the past fifteen years. In fact, an unadmitted form of job sharing can be discerned in the unemployment figures. To this, it is appropriate to add other manifestations of the destabilised status of wage earners, such as underemployment<sup>141</sup>, employment-training situations arising directly from the proliferation of anti-unemployment measures, and the existence of discouraged workers who have given up looking for a job but “would work if they were offered the possibility”<sup>142</sup>. The open-ended contract<sup>143</sup> typical of the salaried society in 1975 involved about 80% of the active population. While in absolute terms open-ended contracts are by far still the predominant form, in terms of hiring flows atypical jobs dominate: fixed-term, interim and part-time contracts and assisted employment account for more than two thirds of annual hiring. The growth of inactivity, mass underactivity and attacks on the right to work are converging to contribute to social fragmentation, especially since, under the reforms adopted to curb the deficit, unemployment compensation is split between insurance and assistance<sup>144</sup>, penalising employees who have worked for shorter periods or who are doomed to shuttling back and forth between work and unemployment.

In this context, the affirmation of collective choice favouring a more egalitarian distribution of jobs is necessary to counter the worsening social inequalities

<sup>141</sup> Which corresponds to the situation of people “who have a salaried or unsalaried job, at work or not, who involuntarily work less than the normal work period in their activity and who were looking for additional work or available for such work during the benchmark period”, according to the definition by E. Malinvaud, *Sur les statistiques de l'emploi et du chômage*, Report to the Prime Minister, Paris: La Documentation Française, 1986.

<sup>142</sup> Additional indicators suggested by the Malinvaud Report as pointed out by J.L. Outin, *La permanence du chômage*, in M. Lallement (ed.), op. cit., p. 20.

<sup>143</sup> Cf. R. Castel, op. cit., p. 400.

<sup>144</sup> Cf. A. Lebaube, *L'emploi en miettes*, Paris : Hachette, 1987.

that are inevitable in its absence. What is required is to negotiate a re-distribution that involves working time and its associated rights and guarantees. This entire package should be considered, or else there is a significant risk that the reduction in working hours will reinforce heterogeneous employment, social differences and anomie. When a reduction in working hours is combined with an obligatory increase in worker flexibility and applied to the least skilled workers, it can worsen the already “de-stabilised tempo of family life and, more broadly, weaken the vitality of all socialisation spaces which (more or less) escape the control of the money economy (sports clubs, associations, political parties, churches, ...)”<sup>145</sup>.

If, despite all the difficulties involved, collective regulation of a reduction in working time seems essential, this is because it is the only way to guarantee the widest possible access to jobs that remain synonymous with social protection and participation in society’s production. Even if the variations have to be adapted as close as possible to local realities, nothing can replace a reduction of working hours, accepted collectively as a vehicle for the “effective redistribution of the attributes of social citizenship”, to use Castel’s terms.

### **2.3 The civil and solidarity-based economy: a lever for the creation of new activities**

Structural change in productive activities induces us to anticipate, in conjunction with the reduction of working hours, what can be expected from new relational service activities. Two scenarios are included in the proposals we have examined above: the creation, as part of these activities and in accordance with the approach that has dominated since the creation of the Welfare State<sup>146</sup>, of new public services; and support for innovators and business developers to generate a flow of small-and medium-sized businesses<sup>147</sup>. How do current achievements fit into these scenarios?

<sup>145</sup> As stated by B. Perret, *Éléments pour une politique de l’emploi et du travail*, Chapter 12, in *L’avenir du travail*, op. cit.

<sup>146</sup> For example, see the texts cited from *l’Appel des économistes pour sortir de la pensée unique, Vers un nouveau plein emploi*, op. cit.

<sup>147</sup> See the texts cited from M. Godet and B. Majnoni, *op. cit.*

## Private or public services ?

The quantitative data available indicates, first, that certain subcategories such as social services and individual and community services<sup>148</sup> show notable growth based on strong socio-demographic trends: in 1990, they accounted for 30.2% of employment in France, 37.7% in Sweden and 31.5% in the United Kingdom. A significant proportion of these services correspond to what are designated in French-speaking countries, according to a terminology that has spread in Europe, as “proximity services”<sup>149</sup>. These can be defined as services responding to individual or collective needs based on a proximity that can be objective, in that it is anchored to a social space, but also subjective, in that it refers to the relational dimension of the service. In this instance, the geographical proximity, which is linked to the fact that the services are delivered to individuals in their homes, or within a limited perimeter near their homes, refers to a relational proximity because the service provider intervenes with the person wherever he or she lives, or gets involved in interpersonal relations at issue in the family or the neighbourhood<sup>150</sup>.

In Europe, there has been a new emphasis on these proximity services, and they will likely create three million jobs to meet new needs arising out of changing lifestyles, the transformation of family structures, the increase in women’s professional activity and the new aspirations of the ageing population and the elderly. To explore this question in greater depth, a survey was conducted by the European Commission’s services<sup>151</sup> in order to determine which specific activities

<sup>148</sup> The terms “community, personal and social services” are used in the document from which the figures cited below are taken: OECD, 1994.

<sup>149</sup> An approximate English translation of “services de proximité” would be “household and community services”. However, to preserve the specificity of the notion in this text, the literal translation “proximity services” has been used.

<sup>150</sup> J.L. Laville (ed.), *Les services de proximité en Europe*. Paris, Syros-Alternatives, 1992; M. Nysens, F. Petrella, *L’organisation des services de proximité à Charleroi: vers une économie plurielle? Les cahiers du CERISIS*, 96/1. Centre de Recherche Interdisciplinaire pour la Solidarité et l’Innovation Sociale (CERISIS) – Hainaut, UCL, 1996.

<sup>151</sup> It resulted in the publication in 1995 of a working document by the European Commission’s services: *Les initiatives locales de développement et d’emploi* (European Commission, 1995); this survey confirmed the importance of these new activities and made it possible to highlight 17 fields of supply to cover new needs. With *Le premier rapport sur les initiatives locales de développement et d’emploi. Des leçons pour les pactes territoriaux et locaux pour l’emploi*, Working document of the Commission’s services, November 1996. The Commission identified two new services: sports and energy control.

are involved. Four major sectors were noted: “services associated with everyday needs, services to improve local amenities, cultural and recreational services, environmental services”<sup>152</sup>. The increased need for these individual and collective services stems from a variety of “major trends” in society – demographic, social and environmental.

Nevertheless, it would be wrong to think that proximity services will spontaneously offset employment deficits in standardisable industries and services in the same way that industrial jobs succeeded agricultural jobs. The often-mentioned gap between “the potential lode of jobs” represented by these services and their concretisation proves that the “spill-over”<sup>153</sup> to the relational tertiary sector poses at least two problems.

The first problem, of particular relevance to the domain of individual services, and resulting from the fact that proximity services intrude on the users’ privacy and interfere with their personal and family life, concerns the articulation of demand and the fit between supply and demand. Certainly, these services are not entirely new; what is new is the scope and conditions of their “externalisation”. While the services are generally provided by the family, they undergo a change in content and status when “families contract out the services, thus causing the emergence of new professions and the development of salaried employment”<sup>154</sup>. Households thus face the dilemma of “doing things” or “having things done”, with all this assumes in having to make hard choices among “the difficulty of the task, its gratifying nature, the relief provided by outside help, the constraints of delegation – particularly the invasion of privacy by outsiders, the importance of the activity in the image that the woman (and the people around her) has of her role”<sup>155</sup>. The complexity of these choices reveals the characteristics of these services: for demand to increase, households must be convinced that it is in their interest to

<sup>152</sup> These four sectors are subdivided into 19 fields. European Commission, *The local development and employment initiatives*, Survey in the European Union, March 1995 ; European Commission, *First report on local development and employment initiatives*, European Community, Luxembourg, 1996.

<sup>153</sup> Concept made famous by A. Sauvy, *La machine et le chômage*, Dunod, Paris, 1980.

<sup>154</sup> J.C. Kaufmann, *Faire ou faire-faire? Familles et services*, Rennes, Presses Universitaires de Rennes, 1996, p. 13.

<sup>155</sup> G. Favrot-Laurens, *Culture domestique et pratiques de délégation*, research for the Construction-Architecture Plan, Toulouse, 1996.

delegate a certain number of tasks previously performed in the domestic sphere and must have sufficient confidence in the service providers.

The second problem, also significant in collective services, is to ensure that the services are solvent. Since they are based on a direct relationship between the service provider and the user, these services cannot follow the same path as standardisable industries and services, development of which has largely been ensured by economising on the human time necessary for their production. In other words, these services, which may be rich in job content because of their stagnant productivity, cannot finance their “potential” job creation through gains in productivity. This accounts for their specific linkage with public policies that determine their prices and a number of rules that affect them.

Although the second problem is a factor, it is certainly the first problem which provides the leading explanation for the absence of any recent extension in the scope of public services in the relational tertiary sector. Countering the contention that the central role of the public services in this sector does not pose a problem<sup>156</sup>, one notes that there has been no massive public recruiting in European countries. The relative weakness here of the public services is due largely to the increasing difficulty they are experiencing in arousing confidence; the services are understood in terms of standards – governing both the work to be carried out and the content of the services – and which were established through decisions made by representative democratic bodies specifying the conditions of allocation and the resources to be budgeted; this decision-making process is intended to respect equal access, which is also guaranteed by a clear separation between the civil servants and rightful beneficiaries. These institutional characteristics are proving to be less and less compatible with the individualistic values they have helped to produce,<sup>157</sup> and have drawn criticisms concerning the excessive centralisation of the social negotiations and the subjugation of users. Even before the fiscal crisis of the welfare state, a crisis of legitimacy had emerged, particularly noticeable in activities with a strong relational component. For example, in hospitals or in child care, social movements of employees and users fought for freedom from the hygienist models burdening public facilities. Moreover, if public services had been

<sup>156</sup> T. Coutrot, *op. cit.*, p. 42.

<sup>157</sup> “The welfare state is a powerful driver of individualism”, says M. Gauchet, *La société d’insécurité*, in J. Donzelot, *Face à l’exclusion*, Éditions Esprit, Paris, 1991, cited by R. Castel, *op. cit.*, p. 395.

unfailingly synonymous with quality and satisfaction for workers and users, the neo-liberal attacks on their costs would have been on less solid ground. Also, social forces would probably have insisted on the institutionalisation of these new activities in the public service, something that had not occurred anywhere in Europe, where mobilisation was limited to the preservation of what existed and did not focus on new services.

In other words, in health, social, educational or cultural functions, claiming that the mere expansion of public services “would then serve to piece together an unravelling social fabric”<sup>158</sup> appears to be an oversimplification, to say the least. This does not mean that initiatives taken are necessarily those of an entrepreneur driven by the profit motive: risk taking cannot be reduced to material interest alone. Even though the desire for a return on investment is present, this cannot be the only explanation for the entrepreneurs’ motivation. Entrepreneurship is characterised by the desire to make democracy grow on the local level through economic activity. This is why it is possible to talk about *civic entrepreneurs*. Beyond the undeniable financial considerations to which they are attentive, they are building new forms of “living together” based on reference to a common good that they share with other people, and which often unites them as a social network promoting this common good. In some cases, these people are potential service users, pinpointing demands and seeking to respond to them. In other cases, they are professionals who can play a mediating role and discover unmet social demands. They can also be mixed groups where users and professionals rub shoulders. In this instance, unsatisfied demands can be pinpointed by bringing together individuals who have felt certain needs in their everyday lives and professionals sensitised to certain problems. In fact, in spite of the disparity in the profile of the persons represented, they all have one point in common: on the basis of their experience they are all “demand-side stakeholders”<sup>159</sup>. This allows these promoter groups to truly innovate in the area of services because their approach is based on an implicit or explicit perception that appropriate responses to the problems they encounter are lacking; their approach differs from standard approaches guided solely by market or consumer research; it is the local character of these services

<sup>158</sup> L. Hoang-Ngoc, *op. cit.*

<sup>159</sup> To adopt the suggestive term, “demand side stakeholders” proposed by A. Ben Ner, T. Van Hoomissen, Non Profit Organisations in the mixed Economy, *Annals of Public and Cooperative Economy*, vol. 4, 1991, pp. 519-549.

which constitute their distinguishing feature and their emergence invokes the twofold notion of proximity in services, an objective proximity anchored to a territory and a subjective proximity linked to the relational dimension of the service delivered.

The creation of a space for local dialogue, one based on interactive exchange, brings supply into line with demand, and avoids stereotyped solutions for the needs identified. Such micro-public spheres go beyond the joint production typical of services; rather, they permit a joint creation of supply and demand in which users play a crucial role, either through their own direct initiative or through the intervention of professionals who have become aware of unsatisfied demands due to their immersion in the local social fabric or their association with other stakeholders who, for personal reasons, take responsibility for the theme under discussion.

The main lesson of the European studies is that the two development scenarios for proximity services, through the public service and through private enterprise, do not fully account for the dynamics of the initiatives emerging in civil society. In these initiatives, many project promoters behave as civic entrepreneurs, getting involved in economic action for the sake of a more democratic society and relying on social networks that share the same convictions. This is a phenomenon that is broader than the usual business start-up and calls for more collective entrepreneurship and the creation of micro-public spheres, thereby tearing down the barriers between economics and politics. The European Commission has thus adopted the terminology “local initiatives for development and employment ” when referring to this phenomenon. While the public authorities clearly cannot create the initiatives *for* the social actors involved, they can nevertheless encourage them, though their efforts to do so have so far met with only partial success; the responsibility of the authorities here involves forming partnerships around territorially-based initiatives, partnerships that could lead to a recognition of the right to genuine entrepreneurship, that is, one that is open to all.<sup>160</sup>

<sup>160</sup> Developing the concrete conditions of a right to initiate would make it possible to meet the “challenge issued to today’s state”, according to D. Méda, of fostering “groupings and associations capable of taking charge of certain interests and encouraging individuals to devote their efforts to them, to stimulate their desire for autonomy and freedom”. D. Méda, *op. cit.*, p. 302. Based on the experiments conducted by the public authorities, a variety of elements forming the right to initiate can already be stated.



## Local initiatives and work

Local initiative projects that manage to go beyond the take-off stage distinguish themselves in terms of the occupations they generate. The liberal hypothesis that self-employment will replace salaried employment is certainly not confirmed by European experience in the area of local initiatives: “workers do not vary their work schedules to fit a flexible profile or to manage multiple part-time investments”<sup>161</sup>. The new forms of initiatives are not about “to replace traditional and standard work forms”<sup>162</sup>, as an entire body of literature would have us believe. On the contrary, these initiatives denote a quest for “normality” in the sense that they are oriented toward the creation of jobs that are long-term and full-time, and to which all have a right. One innovation of these initiatives consists, not in proposing substitutes for salaried employment, but in suggesting that emerging occupations incorporate the kinds of social security normally associated with salaried employment.

If local initiative projects do not pay the minimum wage and are not bound by collective agreements or collective rights, these are drawbacks the local initiatives must confront rather than trends they are trying to promote. Some English examples are illustrative: some employees began leaving their jobs, preferring instead the higher pay they could earn in the informal economy<sup>163</sup>

In European countries more inclined to follow the continental model, one of the principal impediments to understanding the role of local initiatives is that their role is confused with that of social programs dealing with unemployment. Similarly, there is confusion between temporary jobs and permanent needs. During the 1980s, the State acknowledged that when it came to fighting unemployment, it was unable to act alone. It therefore emphasised the role of local initiatives, but only as an instrument for facilitating the re-integration of the most disadvantaged. As their popularity grew as a means for dealing with unemployment, the projects found themselves caught up in the implementation of programs and measures that were incongruent with the original *raison d'être* of the initiatives.

<sup>161</sup> I. Perguilhem, *L'émergence de nouvelles organisations du travail et de nouveaux comportements professionnels dans les initiatives locales de développement et d'emploi*, CRIDA-LSCI, CNRS, 1998.

<sup>162</sup> B. Kosistimen, A. Nieminen, *Sociological Literature on the Future of Work*, University of Tampere, 1997.

<sup>163</sup> See the case of “Fergulsie Park Community Holdings Ltd”, in J.L. Lavelle, L. Gardin, *Les initiatives locales en Europe*, op. cit.

The result was mutual frustration: local authorities and administrators who encouraged such initiatives were deceived by the results obtained, while the sponsors of the initiatives maintained that they were not receiving adequate support. On the whole, the proliferation of temporary and low-paid contracts has had a debilitating effect on many occupations which are seen as ‘menial jobs’.

When local initiatives get caught in this trap, they become palliatives that sanction the degraded state of salaried employment. If the goal of job creation through local initiatives is merely to hire the unemployed, and if in conjunction with such job creation there is no significant collective reduction in average work time, then a dual economy may arise. This economy has two components: first, an internationalised economy which selects “employable” workers, co-existing but separate from workers of a second, local economy, which becomes a synonym for those who are ghettoised as “unemployable” in a highly competitive economic environment. This evokes the danger raised in Rifkin’s proposal, which is to finance a third sector through the adoption of a social wage for those previously unemployed. When public funding is awarded to only certain target people and when this is facilitated by endowing recipients with a special status – witness the trend in Germany and France – then for all practical purposes a third sector for labour market re-entry<sup>164</sup> has been established. The categorisation of individuals according to their degree of employability, which leads to their being assigned a status somewhere between employment and training, gives rise to a ‘social integration’ economy which grows increasingly isolated; for it no longer constitutes a transitional phase on the road to labour market re-entry, but rather a sector in which the participants get bogged down, with no real possibility for escape<sup>165</sup>. Although Méda seems to argue that some of the authors analysing the local initiatives have not adequately anticipated this dualism<sup>166</sup>, most of them have in fact noted the dangers of the problem. It is clear that one can not hope to legitimise the new

<sup>164</sup> As writes B. Eme, *Participation sociale et formes plurielles d’insertion*, in J. Defourny, L. Favreau, J.L. Laville, *Insertion et nouvelle économie sociale*, Desclée de Brouwer, Paris, pp. 293-320.

<sup>165</sup> G. Roustang, J.L. Laville, B. Eme, D. Mothé, B. Perret, *Vers un nouveau contrat social*, Desclée de Brouwer, Paris, 1997.

<sup>166</sup> B. Eme, *Insertion et économie solidaire*, in B. Eme, J.L. Laville, *Cohésion sociale et emploi*, Desclée de Brouwer, 1994, pp. 157-194 ; B. Eme, J.L. Laville, “ L’intégration sociale entre conditionnalité et inconditionnalité ”, *Revue française des affaires sociales*, n° 3.96, 1996.

occupations as long as public authorities reserve them for disadvantaged populations, and unless they lead to “durable and dignified jobs with a recognised professional status”<sup>167</sup>.

### **Local initiatives: from origins to consolidation**

Having noted that all local initiatives start off with a common structure and a similar set of risks, we may now analyse the processes through which they are institutionalised, which vary.

The first institutionalised form is the for-profit business operation relying primarily on marketed goods. In this structure, the social support network promoting it disappears and the business, which is above all dedicated to job creation and the work ethic, manages to become self-financing through selling personal consumer services such as cleaning or ironing.

The second form of institutionalisation is the local government enterprise whose objectives are of more general interest and which is concerned primarily with collective services. In this form, the cost of the services is assumed by the government which recognises the contribution of the initiative to the common good, because it involves indivisible interests, environmental protection for example, which must be covered by public funding.

If the for-profit business operation and the local government enterprise appear to be the logical and predictable institutional forms required, there is yet another common form. It is a hybrid of market, non-market and non-monetary goods and services that go beyond the temporary function generally associated with the formation of an initiative and form a stable organisation. Use of the term ‘social enterprise’ to denote its institutional form – a private business with a social purpose<sup>168</sup> – is gaining currency in Europe; social enterprises could prove to be an appropriate solution since they provides services which are simultaneously individual and semi-collective, that is, they are services which provide benefits for the community as well as for the direct users: battling inequality, strengthening social bonds and voicing citizens’ concerns. In this sense, social enterprises are those whose function includes delivery of socially useful services for the benefit of the

<sup>167</sup> A. Lipietz, *La société en sablier*, op. cit., p. 267.

<sup>168</sup> C. Borzaga, A. Santuari (dir.), *Social Enterprises and New Employment in Europe*, Trentino, in co-operation with European Commission-DGV, CGM-Consorzio nazionale della cooperazione sociale, 1998.

community as a whole. Helping disadvantaged groups re-enter the labour market is only one possible form among others of a socially and ecologically useful initiative. If recruiting candidates for labour market re-entry projects requires the financing of jobs<sup>169</sup> then whenever the services provided by these positions has beneficial consequences for the community, supplemental, financing must be granted to pay for the needs met by the activities themselves.

### **The third sector and the civil and solidarity-based economy**

The unique manner in which each local initiative project simultaneously shapes supply and demand, the diversity of its institutionalisation processes and the variety of socially useful services it provides, make the issue of whether or not local initiative projects form a third sector difficult to resolve. To be sure, inaugurating a new sector conceptually is one way of promoting its practices; on the other hand, this can also delay recognition or leave the door open to opportunists. In fact, are we not dealing here with more than just a sector? Is it not also a third system<sup>170</sup> or third approach<sup>171</sup>?

Without answering this question definitively, we can nevertheless say that the credibility of social enterprises derives from the fact that they are rooted in the perspective of a civil and solidarity-based economy; in other words, their economic activity is embedded<sup>172</sup> in solidarity, in other words in the principles of justice and equality. Initiative and solidarity are reconciled since individuals are uniting voluntarily to undertake joint action that will create economic activity and jobs, while simultaneously forging a new social solidarity and reinforcing social cohesion.

This perspective has been adopted by several associative networks, which see themselves as networks of such a civil and solidarity-based economy<sup>173</sup> While acknowledging the importance of rising above simplistic comparisons between the civil and solidarity-based economy and ordinary labour-market re-entry, we may also raise another and related issue: the problem of creating institutions that will facilitate a hybridisation of resources; for inherited institutional structures continue to focus on the public and private sectors alone, while denying that there might be other dimensions to the contemporary economy.

<sup>169</sup> It is important to finance the jobs and not the target persons in order to avoid perverse effects, A. Lipietz, *La société en sablier*, op. cit., p. 265.

### 3 The plural economy and renewed public action

Many authors either lack interest in or fail to understand this issue. Thus, Méda discusses activities which combine both production and socially based criteria in a manner which distinguishes them from the activities of the primary market. “If they are subsidised by the other sectors and if their sole purpose is to provide income in return for socially useful activities, are they not simply social assistance in disguise ?”<sup>174</sup> she asks. “In order to avoid this characterisation, such activities would have to be indistinguishable from classical jobs; if this is the case, then all they really need is start-up aid”<sup>175</sup>. In brief, if one dismisses the relevance of the re-entry sector, nothing remains except for self-financed activities or public services financed by a tax on market activities<sup>176</sup>. This analysis is comparable to that of Castel and Schnapper: ‘[I]t is through gains in productivity in the competitive sector that other activities are financed’. Once again it is this dependence on the market economy that is raised in regard to the development of a quaternary sector. The market economy would follow its irrefutable logic, but it would be possible to limit its impact through taxation so as to allow activities obeying a completely different logic to spontaneously develop alongside it.

These approaches, raised by authors who are all opposed to unbridled liberalism, demonstrates the power of an ideological representation of the economy in which only the market economy produces wealth; it is an ideology which links the creation of occupations in the public or quaternary sector to market growth; “it is the efficiency of the competitive sector which facilitates the creation of

<sup>170</sup> According to the term used by the DGV (Employment) of the European Commission in 1997.

<sup>171</sup> Cf. G. Aznar, *Le troisième secteur : 1 million d’emplois, ronéo*, p. 15.

<sup>172</sup> The concept of embeddedness is central in K. Polanyi and M. Granovetter texts ; J.L. Laville, “ Le renouveau de la sociologie économique ”, *Cahiers Internationaux de Sociologie*, Volume CIII – *Sociologies économiques*, Presses universitaires de France, Juillet-décembre 1997.

<sup>173</sup> An “ inter-networks of the civil and solidarity based economy ” (Inter-réseaux de l’économie solidaire) has been formed in France since 1997.

<sup>174</sup> D. Méda, *Travail, emploi, activités : redéfinitions en cours*, op. cit. pp. 25.

<sup>175</sup> *Ibid.*, p. 23.

<sup>176</sup> As she explains above; see citation p. 307.

employment in the public sector”<sup>177</sup> or which permits one to finance a universal allowance for the benefit of “a sector promoting autonomous work and social cohesion”<sup>178</sup>.

In fact, there are several points in this interpretation that are debatable.

### **3.1 Growth, redistribution and employment: a new deal**

First, this interpretation leads to growth maximisation. Now, one may question the significance of growth in an economy where two thirds of employment is in the service sector. As Gadrey<sup>179</sup> notes, the notions of productivity and growth were perfected in fordist industries; he wonders if western countries are “seeking [both] post-growth development and the intellectual tools needed to think through this post-growth development”. It means to take ‘sustainable’ growth into account, that is, to evaluate the content of growth in order to determine if the aggregate increase in gross national product really translates into an improvement in the quality of life. In short, instead of blindly placing one’s faith in growth, it is necessary to take a closer look at its implications for contemporary society. Even if one is not categorically anti-growth, one of the main limitations of mainstream economics has been its tendency to put economic growth on a pedestal; the result has been to inhibit political discussions on the content of this growth. There is a relentless pursuit of growth maximisation in spite of all the doubts regarding its pertinence. Overcoming political impotence requires putting growth in its proper perspective, that is, viewing it as neither a sacred cow nor a pact with the devil.

Second, this interpretation considers employment and the freely chosen occupations as independent issues. In its view, redistributive mechanisms are sufficient to resolve the crisis, boost public services and promote ‘conviviality, family togetherness, mutual co-operation and voluntary help’ guaranteeing “good-natured relationships in which everyone unconditionally accepts others as ends in themselves”<sup>180</sup>. The interpretation forgets that various areas of market growth, some of

<sup>177</sup> D. Schnapper, *op. cit.*, p. 81.

<sup>178</sup> J.M. Ferry, *L’Allocation universelle*, Paris : Les Éditions du Cerf, 1995.

<sup>179</sup> In his book *Services: la productivité en question*, Desclée de Brouwer, Paris, 1996.

<sup>180</sup> A. Gorz, *Métamorphoses du travail : quête du sens*, *op. cit.*, p. 209.

which may become “the growth markets of tomorrow”<sup>181</sup>, emphasise ‘solitude and human contact’ to different degrees, and that this raises anthropological questions bearing on future forms of community life. In the past, growth made daily life more tolerable, helping to liberate people from the constraints associated with age and sex; at the same time, this was also facilitated by the existence of powerful institutions of socialisation (union, family, school, church, ...) and a traditional economy deeply embedded in community life; production was oriented toward the family unit, and the market was more closely intertwined with human relationships. Today as yesterday, society must provide opportunities for primary<sup>182</sup> stable social relationships, in order that the emancipation associated with the market economy<sup>183</sup> does not degrade into a negative individualism<sup>184</sup>, penalising the weakest; when such relationships prevail, the security they provide makes possible an individualisation which strengthens social ties rather than destroying them. In this connection, the institutional fragmentation and marginalisation of the traditional economy, concomitant with the search by large firms for conventional markets, makes it difficult to maintain non-market forms of socialisation. This is the issue that public policy must confront; for it would be ill-conceived to let a market in personal services develop and then bemoan the disintegration of social ties and the lacklustre public involvement. Commercialisation of public life also reinforces withdrawal into the private sphere and indifference toward politics.

The alternative in the relational services is between, on one hand, a purely consumerist strategy in which the government accelerates the entry of large firms into these areas of service and, on the other, a strategy to support local initiatives in which services are mobilised “in order to develop or create institutions promoting autonomy and public participation”<sup>185</sup>. No matter which alternative is selected

<sup>181</sup> As M. Godet puts it, *op. cit.*, p. 289.

<sup>182</sup> Alain Caillé and Jacques Godbout speak of the “primary sociality” that represents “the real, symbolic or imaginary link through which people interact directly”, or, from a phenomenological perspective “the concrete subjective space” ; J. Godbout, A. Caillé, *L’esprit du don, La Découverte*, Paris, 1992, p. 197.

<sup>183</sup> Which dispenses with the burdensome social relationships based on gifts and gratuities, cf. G. Simmel, *Philosophie de l’argent*, Presses universitaires de France, Paris, 1987, (French translation).

<sup>184</sup> The notion of negative individualism was developed by R. Castel. See: *Métamorphoses de la question sociale*, *op. cit.*, pp. 463-469.

<sup>185</sup> S. Juan, “Les segmentations symboliques instituées et vécues”, in Gauthier (ed.) *Aux frontières du social: l’exclu*, Harmattan, Paris, 1997.

through public policy, jobs will be created, but the social dynamic within which these jobs are created will differ totally in each case. In recent times, due to the influx of private entrepreneurs and the groundswell of local initiatives, relational services have experienced both these forms of development and to a significant degree, it will be government regulation that determines their respective futures<sup>186</sup>.

The above dilemma highlights the artificiality of the options that seek to promote the public sector, since they suggest that the development of the public sector does not pose a problem<sup>187</sup>. Whether one approves or not, developed countries are increasingly limiting the public sector; the desire to give it a new legitimacy is nothing more than an empty ritual since it is not accompanied by a more open-minded attitude towards local initiatives. However, as certain examples in France demonstrate, recognition of local initiatives may contribute toward a revival of public action. It could revive an approach promoting “everyone’s place in the urban structure, social utility based on involvement in city life and the development of activities of collective concern, thereby strengthening what is known as the civil and solidarity-based economy. [...] If some of the collective needs perforce come under the jurisdiction of the State or local communities, then local members of the community could take responsibility for the other needs in beneficial ways. But this surely implies allowing some leeway for individual and collective initiative without, to be sure, challenging the basic rights guaranteed to all”<sup>188</sup>.

Thus, relational services are no longer automatically considered part of the public sector; public discussion decides how relational services will be allocated among public services, local enterprises and social enterprises (associations, co-operatives, ...); these three institutional forms vary in their capacity to formulate solutions that are able to distance themselves from the functional and “de-territorialised” perspectives of the major, profit based, private sector interests.

<sup>186</sup> All the more so since, as indicated, the relational services can not count on important gains in productivity.

<sup>187</sup> See the comments by T. Coutrot et F. Lefresne.

<sup>188</sup> Speech delivered by L. Jospin, Prime Minister of France, on the occasion of the inauguration of the Conseil national des villes (the national body bringing together all city councils), June 25, 1998, Paris.



The first concern of all who argue in favour of a quaternary sector and for “volunteer activities undertaken as part of the mutual aid network”<sup>189</sup> is to escape the forces of functional rationality. The tendency they have in common is to identify the entire associative sphere as a reference point for free time in which the individual has an opportunity to achieve production of oneself. Empirical observation, however, does not appear to confirm this conceptualisation, which requires identifying an associative “essence”<sup>190</sup>.

On one hand, since the associative form is malleable, one may wonder why the “associative” sphere is inappropriately equated with the “non-work” sphere. While relational services take on a strong emotional dimension because they have an impact on the personal lives of the individuals involved, this does not mean that associative services proceed only on the level of conviviality and generosity. Based on past experience, any attempt to identify ‘association’ with ‘liberated time that is not salaried employment’ seems reductionist; several associations provided innovative structures through which a movement for the creation of employment in the social services was initiated, and then provided a forum for critically analysing the hold these services had on users; this included a critique of previous forms of professionalisation. In addition, a reconstruction of the history of local initiative projects reveals the associations were better at linking paid and unpaid work than in preserving the idea of an intangible non-work sphere.

On the other hand, relational services do not appear to be a domain reserved exclusively for associations, that is, in which the type of benefits necessarily requires an associative organisation. In fact, the contrary is true: the dominant trend is toward increased competition. The times are characterised more by a diversity in the types of benefit recipients, than by a reinforcement of the monopoly held by associations. One would be hard pressed to demonstrate that associations are part of a particular sector, since their occupational fields are also found in the private and public sectors. As the field of social services is not reserved for associations alone – to be sure, large firms are particularly interested in them – it is hard to see how one could avoid stigmatising associations, were their efforts to result only in entitlement to a social income, while private firms involved in the same activities created ‘real’ jobs. Stated differently, the position which maintains that associations could, through the originality of the social relationships they create, elude

<sup>189</sup> A. Gorz, *Métamorphoses du travail : quête du sens*, op. cit., p. 180.

the field of salaried employment might, in competitive conditions, translate into a future comparative disadvantage.

Since they are under pressure from external factors, changes inside associations are less effective in preserving the autonomous sphere than in promoting debate on applicable hybrids of autonomy and heteronomy undertaken by the social actors involved. From the standpoint of the associations that have undergone metamorphosis, “the possibility of totally separating the heteronomous sphere and the autonomous sphere poses a theoretical and practical problem”<sup>191</sup>. Here we touch on the major difference between the approach utilised by Gorz and Méda on one hand and that of the civil and solidarity-based economy on the other. In the former, the various dimensions of human existence, such as economics or politics, gives rise to an analysis in which the social spaces for deploying these dimensions are divorced from one another, whereas in the latter these dimensions are understood in a way that does not lead to dividing the experience into different categories. Indeed, the civil and solidarity-based economy emphasises the notion of hybridisation. In any case, the changes that have occurred within associations demonstrate that such associations do not constitute a self-contained sphere for personal expression and individualisation capable of escaping the clutches of social determinism, a conception which, nevertheless, underlies the theories of Gorz.<sup>192</sup>

### **From the market-State duo to the plural economy**

Relying on redistribution to overcome the ‘crisis’, whether by expanding the public service or by creating a universal allowance, means staying with a restrictive version of the economy in which social progress is linked to the results of the market economy. Belief in such a link is common to many liberals and social democrats, although they often draw contradictory conclusions from it. Also, and as we have just seen, it can have only perverse effects: it gives rise to a type of growth which compartmentalises the problems of employment, social cohesion and

<sup>190</sup> As does Roger Sue, for whom relational services correspond to “the natural associative sphere”, R. Sue, *La richesse des hommes*, Editions Odile Jacob, 1997.

<sup>191</sup> As stated by B. Eme, *op. cit.*, p. 251. See also the entire chapter entitled “L’inconditionnalité d’un agir ensemble non institué”, pp. 250-252.

<sup>192</sup> See: J.L. Laville, *Associations et activités économiques : l’exemple des services de proximité*, *La Revue du MAUSS*, (published semi-annually), *Une seule solution, l’association ? Socio-économie du fait associatif*, n° 11, 1st half, 1998, pp. 178-208.

citizenship. In turn, these compartmentalised problems generate functional responses that are powerless to attack the pathologies of actual experience<sup>193</sup>.

To avoid reproducing these pathologies, it is necessary to go beyond this truncated vision and adopt a more extensive definition of the economy, a definition that distinguishes three poles.

- The market economy is an economy in which goods and services are produced based on the motivation of material interest, while distribution of goods and services is entrusted to the market, which sets the price that brings supply and demand together for the exchange of goods and services. The relationship between the supplier and the demander is established contractually, based on an interest calculation that allows autonomisation in terms of other non-market social relations.
- The non-market economy is an economy in which the production and distribution of goods and services are entrusted to the welfare state, which is also responsible for redistribution and organisation. It is not the market but another economic principle, redistribution, which is mobilised to provide citizens with individual rights, thanks to which they benefit from social security benefits, or last-resort assistance if they are part of the most disadvantaged group. The public service is defined by the delivery of goods or services involving a redistributive dimension (from the rich to the poor, from the active to the inactive, etc.). The rules governing this dimension are laid down by a public authority subject to democratic control<sup>194</sup>.
- The non-monetary economy is an economy in which production and distribution of goods and services depend on reciprocity. Reciprocity is a relationship established between groups or persons through benefits which only acquire meaning through the decision to establish a social link between the participants. It constitutes an original form of economic action and is based on the concept of the gift as an elementary social fact; it calls for a counter-gift that

<sup>193</sup> As demonstrated in the following collective work: H. Defalvard, V. Guienne (ed.), *Le partage du travail*, Desclée de Brouwer, Paris, 1998, see in particular the contributions of de B. Eme et V. Guienne.

<sup>194</sup> As emphasised by P. Strobel, *service public, fin de siècle* in C. Gremion (ed.), *Modernisation des services publics*, Commissariat général du plan, Ministère de la recherche, La documentation française, Paris, 1995.

takes the paradoxical form of an obligation through which the group or person who received the gift exercises a certain freedom. In fact, the recipient is encouraged to give in return but is not subject to any external constraint to do so: the decision is up to the recipient. The concept of the gift is not therefore synonymous with altruism and the absence of a payment. It is a complex mixture of disinterestedness and self-interest. However, the reciprocity cycle is the opposite of a market exchange because it is inseparable from human relationships that bring the desires for recognition and power into play. It is distinguished from the redistributive exchange because it is not imposed by a central authority. To some extent, the household economy can be considered to be the fruit of a form of reciprocity limited to the family group. The principle of household administration which consists of producing for one's own use, providing for the needs of one's 'natural' affiliation group, can be assimilated to a particular form of reciprocity.

Emphasis on these three poles preserves the market economy from any mystification and helps reconstitute the complexity of the various forms of production and circulation of wealth. It reveals, among other things, that the market economy is built on a patriarchal order, with 80% of personal care activities continuing to be performed by women in a household economy, something which is ignored by the statistics. Measurement of this unpaid work is an essential condition to make it less elastic, less unequally distributed and to appreciate women's contribution to society's infrastructures at its fair value. Indeed, far from being the sole creators of wealth, companies benefit from the many forms of learning acquired by their work force in the household economy. They thus inherit social capital<sup>195</sup>, or symbolic and cultural resources, the strength of which depends on the richness of the relationships personalised in the family and the neighbourhood.

While the market economy is dependent on the non-monetary economy, the tertiarisation of production activities also accentuates the interdependence between the market and non-market economies. The growing importance of service relationships, extending far beyond the tertiary sector, makes the level of

<sup>195</sup> To use the term employed by R.D. Putnam, *Making Democracy Work : Civil Traditions in Modern Italy*, Princeton, Princeton University Press, 1993.

intangible investment<sup>196</sup> a determining factor, a significant portion of which depends on the public sector. The quality of primary, secondary and university schooling, as well as continuing education and the reliability of intellectual exchange networks, become competitive advantages. The market economy also relies heavily on redistribution. For example, there has been ample proof that productivity agriculture is the most highly subsidised, to such an extent that, according to the European Commission, one quarter of agricultural properties – the most productive, the most modern and the richest – drain three quarters of the subsidies.

The opposition between non-market and market economies therefore derives more from rhetoric than from the facts, especially since high value-added companies are also a burden on the community through public investment, public procurement and preferential loans, while major industries (aerospace, automobile, steel,...) are largely dependent on political choices and the logic of State power. Similarly the non-market economy cannot only be analysed in terms of a drain on the market economy. Its support to consumption cannot be disregarded: in France, 12 to 13 million people escape poverty by receiving nearly 180 billion francs in social benefits, and 7 to 8 million people live on the level of guaranteed minimum income. More generally, 45% of adult residents in metropolitan France escape poverty thanks to the resources obtained from social protection<sup>197</sup>.

As P. Veltz says, “in reality, the advanced market economy can only function by mobilising all kinds of non-market social resources. It is obviously based on an enormous accumulation of material, and more intangible, collective infrastructures (physical facilities, education, health, etc.), an accumulation which is often “forgotten” by the private players in our countries. They rediscover its decisive importance, by contrast, in zones where these socialised supports are deficient. But the modern economy also mobilises many forms of local resources in depth, facilitating the convergence of action and representation. This is where the territory takes on the full magnitude of its role, as the reservoir of skills and mutual confidence among the players, allowing the reinforcement of learning”<sup>198</sup>.

<sup>196</sup> Defined as total spending on human intellectual benefits; cf. C. Afriat, P. Caspar, *L'investissement intellectuel, Essai sur l'économie de l'immatériel*, Economica, Paris, 1988 ; see also P. Combemale, INSEE Ecoflash, 22 October 1987.

<sup>197</sup> To cite only a few figures among those cited by P. Rosanvallon, *La nouvelle question sociale. Repenser l'État-providence*, Paris : Le Seuil, 1995, pp. 107-108.

<sup>198</sup> P. Veltz, “La mondialisation : de quoi parle-t-on ?”, *Etudes pour une région, Région Nord-Pas de Calais, Conseil régional n° 2* January 1998.

In short, based on an empirical analysis of economic flows, one cannot seriously defend the representation of the market economy as the only source of prosperity for an entire society. The analysis of work benefits from perspectives that are more realistic and less ideological than that of the market economy. What is required is a perspective on the economy which includes the market, in other words, a plural economy in which the market is one of the components which, while major, is in no way the sole producer of wealth<sup>199</sup>. Without underestimating the role of the market economy, nor proposing a false symmetry among the three economic poles, it is possible to put forward the hypothesis that the combinations of these poles are political constructs, changing with each socio-historical period.

In the plural economy, the civil and solidarity-based economy may appear as an economy that is not dependent on the market economy's performance. It may be perceived as a participant in the creation and more equitable distribution of wealth, while generating linkages between poles, linkages which do not rely on the dependencies inherent in the household economy but derive from a voluntary commitment to the public space surrounding issues related to everyday life. People associate freely in order to pool their actions, contributing to the creation of economic activities and jobs, while strengthening social cohesion through new social relations of solidarity. The civil and solidarity-based economy can thereby revitalise the political link and consolidate the social fabric while creating jobs, but it cannot be made the instrument of employment without losing its substance. Its mission is not to become the cure for unemployment, but to facilitate relationships between paid and volunteer work in a context that makes users, workers and volunteers the participants in collectively designed services.

### **3.2 A change in the forms of public action**

By distancing itself both from the simplistic harmony touted by the adherents of initiative, who are obsessed with the “motherlodes of jobs that still need to be unearthed”, and from the proponents of sharing, who are too confident in the distributive capacity of the State, the plural economy approach seeks out solutions that reconcile the two basic logics, initiative and sharing, instead of stressing their so-called antagonism. Neither one by itself is capable of meeting the challenge of

<sup>199</sup> Cf. R. Passet, *Les voies d'une économie plurielle*, *Transversales Sciences Culture* (special issue), *L'Alternative*, 32, March-April, 1995.

unemployment, but their interaction will be a key factor in the future of work and may yet succeed in elegantly combining a negotiated collective work week reduction with a civil and solidarity-based economy.

The collective reduction of work time is as necessary as it is insufficient when applied on its own. All the macro-economic estimates available show that it cannot by itself restore full employment<sup>200</sup>. The branches of economic and sociological research that closely observe experiments in the reduction of the work week inform us about the struggle of wage earners who frequently get trapped in the system of consumption and debt, and about the spill-over of 'freed' time into household work and family life<sup>201</sup>. For all these reasons, and given that the reduction of the work week is not a pressing demand and does not ensure increased involvement in the public or associative space, its effect on society performance depends on concomitant changes. A parallel focus on the genuine collective development of new services is therefore important in countering policies driven persistently and totally by hypothetical short-term gains in employment, policies which are oblivious to the range of issues involving services and the reconstruction of social time. In this regard, society is in advance of technocratic representations since it nurtures initiatives which contribute, first of all, to socialisation, that is, to the strengthening of social networks of exchanges and common actions, and second, to job creation, that is, to the definition of new occupations likely to meet 'unsatisfied' social needs.

If the perspective of the civil and solidarity-based economy was truly promoted by the public authorities in a manner commensurate with the issues at stake, it could settle the two remaining issues raised by the reduction in work-time: how to create forms of public involvement other than paid work and how to partially re-deploy employment toward new activities. The complementarity between the reduction in work-time and the civil and solidarity-based economy would only be perceptible, however, if the economy were no longer considered autonomous but assessed, rather, in terms of a plural economy.

The substantive change also requires a change in form. While many proposals leave the impression that government measures alone can overcome unemploy-

<sup>200</sup> As an illustration, the "highly optimistic" scenario advanced by the *Ministère de l'économie et des finances* (France) anticipates the creation of between 380,000 and 510,000 jobs as a result of the 1998 law on the reduction of work time in France.

ment<sup>202</sup>, the reduction in work time and the rise of the civil and solidarity-based economy assume the existence of a linkage between the networks of civil society and renewed government action. While the government authorities should not entertain the illusion of creating networks in civil society, they can nonetheless promote, strengthen and expand the collective actions of such networks through appropriate incentives and regulations. As certain advances have shown, once it is demonstrated that new laws and regulations are unable to decree the end of unemployment, public action should adopt a crossover strategy that favours<sup>203</sup>:

- “networks, synergy and collective actions”;
- “engineering, learning, consulting and monitoring of projects”;
- “employment objectives that are “sustainable”<sup>204</sup>.

“Activities developed are more likely to lead to quality employment if there are networks of social ties, mutual support and sharing of knowledge among the players involved. Conversely, job sharing experiments, such as programs involving the civil and solidarity-based economy, constitute innovative programs that require initiative, risk taking, economic and managerial competence and entrepreneurship”<sup>205</sup>. The time has passed when experts with lofty principles could define the high road to social cohesion and employment. Society has changed and requires government action that is innovative in both form and substance. While we may identify unifying themes such as the reduction of the work week or the development of civil and solidarity-based economy, we can only clarify their forms by organising renewed public debate on employment, work and life in society. By generating new public spaces, as Habermas would put it, or by increasing society’s self-reflective capacity, to use Giddens’ terms, it is possible to diminish the pain

<sup>201</sup> D. Anxo, J.Y. Boulin, M. Lallement, G. Lefèvre, R. Silvera, Partage du travail et mode de vie des salariés, comparaison France-Suède, SET-METIS, CNRS, Paris I, Mimeograph, October 1997.

<sup>202</sup> For example, those examined above relating to the lowering of wage costs.

<sup>203</sup> Such as the *Assises régionales pour l’emploi et le travail* (a regional foundation for jobs and work), organised by the Conseil Régional de la Région Nord-Pas de Calais. Between September 1994 and January 1995, it brought together more than a thousand participants whose discussions would create, as of 1996, a regional policy experiment in work innovation.

<sup>204</sup> To cite the action principles set forth by J. Gadrey, *Croissance ou partage? Deux logiques à réconcilier*, op. cit., p. 85.



caused by social change and invent new 'rules of the game'. This may prove to be the primary conclusion that will be drawn from debates on the future of work in France.

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N-0608 Oslo  
<http://www.fafo.no>

The Welfare Society in the 21<sup>st</sup> Century 39  
Fafo-report 309  
ISBN 82-7422-287-3