



# THE CHALLENGE OF LABOUR

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## Introduction

1. Technology as the cause of unemployment
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Every Spaniard has the obligation of working and the right to work in a profession or trade of his own free choice, and to be promoted by his work, and a sufficient pay for satisfying his own needs and those of his family, without any discrimination due to sex (Spanish Constitution, Article 35).

Every person has the right to work, and to the free election of his work in just and satisfactory conditions and to be protected against unemployment.

Every person has the right, without any discrimination, of receiving the same salary for the same work.

Every person who works has the right to a just and satisfactory remuneration that will secure, for himself and his family, a living in accordance with his human dignity, and to be complemented, if it's necessary, by any other means of social protection...

(The Declaration of the Human Rights, art. XXIII).

## **INTRODUCTION:** **A SERIOUS DISEASE WITH DIVERSE DIAGNOSIS**

The challenge of labour at the doors of the year 2000 is an enormously wide one, at least for two reasons. The first one is practical. Such as we have our society organized, the capitalistic society, for most of the people work is the normal and usual way of acceding to such an income that we would be able to satisfy their individual and familiar needs. This occupies and worries a great part of the vital and mental time of adults. According to the sociologists it has also other side effects: insertion and social status, personal fulfilment, self esteem...

The second reason of the extent of the challenge is more conceptual. What is labour? What kind of work do we refer to? What we described in the previous paragraph is only one type of work: salaried mercantile work, which is characteristic of a historical age and a concrete type of social institutions. It's true that as such it is the first one that comes into our mind and it fulfils the function of providing our income. But there are other types of labour: non salaried work which doesn't go through the market neither generates monetary income: house work, above all, community work and volunteer work. All of them are work, they satisfy social needs, and they are a challenge for the next century.

By reason of space limitation and because the public opinion, specially for those who suffer it, constitute our main worry, we will centre the analysis on the present day problems and challenges of the salaried mercantile work in the industrialized countries i. d. in the generalized and ever growing unemployment. What are its causes? How can it be reduced?

This choice leaves us with a bad conscience. It refers only slightly to the underdeveloped countries, and we don't even analyze a very important part of the work done by society: the reproductive work, which is part of the work done at home and it is a necessary complement of the productive work. This classification of work in virtue of the needs that it satisfies is fundamental. Since almost ever, but above all in the capitalistic society, the economics and certain other social institutions have given importance, have analysed and organized the social life according to the production of certain goods and services which are adquired or interchanged in the market. This is what counts, what pays and gives social status. On purpose with intentions, where things of merchandise have a lot to do, the work of reproduction i. e. the absolutely work about family and social life of people in general, but particularly of the children and the elderly is put aside, not analysed not studied. This reproductive work is done by women. Without this work people and society will unforgivably disappear. Let's think also that the process of production and distribution doesn't usually offer through the

market consumption goods that will cover our vital needs in the way they are acquired. It is true that the production of material goods do not satisfy our needs of consumption if they are not complemented by the work of reproduction which turns the pasta of the soup bought in the supermarket into a meal capable of satiating our hunger. So successively we could climb from this sample, that could seem trivial, into areas essential to our existence.

That is why we feel bad for putting it aside. It is possible that the “social disaster”, towards which we could be heading or in which we are already immersed, has its origin in that intended or thoughtless alienation and being organized according to it.

### **Keeping to our subject**

Anyway, unemployment is an important challenge. The figures keep on impressing us even though they have been around for about a decade. The problem is that they are still there. Eighteen million people, almost 11% of the active population, have no work in the European Union, the newly integrated economic power. The engine of that power, Germany, that until the seventies needed outside workers, now has four millions unemployed, 10% of its human resources unemployed. Spain is at the top with more than 20% according to EPA figures. The countries of the old Eastern bloc have rushed to attain this real convergence on its way to the European Union. Even though the criteria of the survey that made up the statistics has been very benevolent: you are not considered unemployed even if your job is precarious, short and bad for the period of reference.

Especially grave is the situation of the long term unemployed, the women and the young people, about 20% in the European Union and 40% in Spain do not find a job. For once the statistics are not cool. We better don't leave the developed world. Here are the boats of the illegal immigrants for reminding us what is happening outside the European borders.

The publishers and the thinkers are less cool than the statistics. The titles are enough: “L'Horreur Economique” by Viviane Forrester, “The end of the Labour” by Jeremy Rifkin, “Creadores de Escasez” by David Anisi. For sure the reader can add more titles. The titles and the content show the social alarm about unemployment benefits, pensioners, all bound to the fact of having been employed during the time crisis grave in the individual level. But if it is a massive unemployment, it changes into a social problem. We are heading towards a marginalized society of social outcasts surrounding us. Societies more and more polarized, social break-up, are euphemisms to describe the economic disgrace, the scenes from the film “Barrio” (Neighborhood) into which we are heading. It is only natural that one of the most requested jobs is that of Security Guard. We are not sure to be able to stop this trend on time. But we should try to understand it. The following ideas will help us understand this objective. Which are the causes of the present day unemployment and of its dimensions? What do we propose in the way of solutions? Looking for clarity in our argumentation the language becomes objective and rationalistic. It is necessary to keep it in the range of the paragraphs above.

Our commentary starts with the critical analysis of the diagnostic and the most frequent explanation of the causes of the present unemployment and its extent. The first

explanation insists on the effect of the technological advance. The second one ascribes the increase of employment in the lack of flexibility in the job market. The insufficiency of these explanations and the subsequent proposals of economic policy leads us to propose a third interpretation that pretends to focus the origin of unemployment in a historical and social well precised context. Finally we point out these challenges and perspectives in the future imperfect, conditional or conditioned. In this booklet , CiJ has selected seven outstanding challenges for the Third Millennium: a new I.E.O. (International Economic Organization), ecology, end of wars, equality and work. There are two other challenges refering to the Church.

# **1. TECHNOLOGY AS THE CAUSE OF UNEMPLOYMENT**

A very common approach to the problem of unemployment is to focus on technology. A good sample to the global vision of technology related to employment-unemployment is the book “The end of the Labour” by Jeremy Rifkin (1996). We can summarize his argumentation like this: We are entering or we have already entered a new era in history characterized by a technological revolution without precedent, not only by the speed of the innovations but, above all, by the speed with which they are spread in the process of productive goods and services.

## **1.1. THE EVOLUTION OF TECHNOLOGY UNTIL THE SEVENTIES**

In previous ages the technological innovations took place step by step and they could be located in a concrete industrial sector. Not to go too far away we can think about the internal –combustion engine– automobile, –in the tapping cast– iron and steel industry, in the mechanical innovations in the textile industry or in the dyeing of fabrics or in the chemical by products –plastics, polyurethane, etc. The use of these new inventions in the production of goods damaged the workers situation. Some of the productive process were substituted by new ones, for example carriages were substituted by automobiles. The manufacturing of new products didn’t need as many workers as the old ones, for example in the textile industry. Many of the professional skills became obsolete. To sum up. There is an immediate short term radical destruction-modification effect in the jobs. But at the same time, almost immediately, new jobs became necessary to cover the work of new creations. Some times because the technological advances created a completely new product. Other times because the old product, let’s say the carriage, was substituted by a new one that could better satisfy the needs or the demands for example of transport, in this case the automobile.

In these two cases we can distinguish the difference between the effect produced in a concrete company, microeconomic level, as the economists call it, and the effect produced in the economy as a whole, macroeconomic level. The old companies cease in their activities, close, dismiss the workers. But new companies that offer work are formed as a whole. We are in a process of destruction-creation that, according to some authors, characterizes the dynamics of the economy and its general evolution. This process of substitution is a conflictive process. It involves social costs of grave consequences to the working class whose members suffer the closing of their places of work and they will have to work for and revamp their professional capacities, very difficult to do at a certain age and sometimes due to personal circumstances.

The most difficult case, from the point of view of destruction-creation of jobs, is when the new product is the same in quality, the piece of fabric, but manufactured in less working hours by unit due to the advance in technology introducing new machinery and different organization of the work. The theoretical solution to the problem, so that jobs are not eliminated, is to produce more goods. This will depend on the possibility of finding new markets for the products.

During the time we are referring, the sixties or the seventies of the XX century, this is what has been happening in the industrialized countries, due to the decrease in unitary costs, a certain increase in the sales, the generalization of credits, without leaving aside the commercial wars for finding new markets or for introducing or expelling the competitors in the established market. Again we have to mention the local or sectorial imbalance due to the process with its grave consequences for important groups of the working class: crisis in the textil sector, the white or brown line of electrical appliances, etc...

### **Economic policy in those times**

On the other hand, the increase in production in those times renders an increase in complementary activities such as supplying, transport and delivery, administrative management and control etc... so new jobs of different kinds are created.

The economic policy from the end of the Second World War until the sixties, comes along with the economic expansion in the industrialized countries: their priorities are the economic growth and full employment.

In secondary place remains the financial balance, no matter the fiscal deficits if it mitigates possible falls in the cycle; the monetary policy could be permissive, lending loans to invest and consume to increase the economy because the inflation can be held back due to the low prices of the raw material and the energy supply that comes from the periphery. Some authors have labeled this period as the Golden Age of the Welfare State, the result of the Keynesian agreement between capitalists and workers with the active intervention of the State. We refer the reader to more detailed description of this period of time (Anisi, 1995) as our objective, the challenge of labour, we are only interested in comparing it to the present situation of the labour market.

Before going into the analysis of the present stage, it's worth to formalize certain concepts derived from the description accomplished that will be very useful afterwards.

## **1.2. TECHNOLOGY AND EMPLOYMENT: AN OPINION / (A VIEW)**

### *a) Displacement and compensation effect*

When the technological advance in the production process implies the cease of certain jobs we call it "displacement effect": the workers are displaced from their jobs. To the extent that this applied technological advance requires the creation of new jobs in the same or in other sectors we call it "compensation effect": the new jobs compensate the ceasing of the old ones. With the purpose of attaining full employment it is necessary that the compensation effect be greater than the displacement effect.

### *b) Innovation of the product, innovation in the process*

When the technological advance leads to the manufacturing of new products capable of satisfying a need, until then unsatisfied or not completely satisfied, we are talking about the innovation of the product or of consume. In this sense some authors (Real, 1990) distinguish between an innovation radically new and a substitutive innovation. We are leaving aside the topic about the creation of artificial needs. The invention of the

typewriter and the gramophone could be an example of radically new innovations. The evolution of the mechanical typewriter through the electrical and electronic typewriter unto the word processor are substitutive innovations. However, sometimes this distinction is not so clear.

On the other hand, when the innovation doesn't become a new product but only introduces improvements in the old product's manufacturing process we are in a case of process innovation. The final objective of this type of innovation is the increase in productivity, id est, to draw the most of the product by unit of working time. This can be attained by introducing technologically advanced machinery in the production process or by a new organization of the work: new methods, time etc... or by both simultaneously. In the first case, renovation of machinery: taking the economy as a whole we could speak of the creation of new jobs for manufacturing the new machinery. In the second case, change of organization: in order not to lose jobs the effect of compensation has to be greater than the effect of displacement. Therefore, it is necessary that the increase of production should take a faster pace than the increase in productivity.

Naturally, in the innovation and in the process of the product there is a theoretical alternative to maintain or increase the number of jobs, this is to reduce the daily working hours. If this theoretical alternative wants to become a Labour Union strategy, it has to analyse and control the foreseeable reaction of the companies so that it would create employment in acceptable conditions and not new precarious condition for the old and new contracts (Recio, 1998).

### **1.3. THE PRESENT / (CURRENT) TECHNOLOGICAL REVOLUTION**

The times we have been describing above came to an end by the mid-seventies. Different authors disagree in pointing out the cases of the wearing out of the model, depending on their ideology.

The oil shock with the rise in the energy and raw material price; the inflationist tensions due to the wars in Corea and Vietnam; the non productive expenses in the public sector and the support of the Welfare State which some of the citizens, even in industrialized countries, were not able to enjoy a distribution of the income in which the salaries would have attained an excessive part from the benefits; the decrease in the rate of profit caused by the three causes mentioned above; a change in the ethical values... "Tatcherism", "Reaganomics" are the adjectives used to determine the reaction against the "Keynesian Agreement" and the introduction of neoliberal policies.

This is a general outline of those times. How can we set in this frame the technological interpretation of unemployment? Let's start by describing the characteristics of the technological development or revolution comparing it with those of the previous stage. For better clarity we are going to emphasize the different features even to exaggeration. We leave for the reader the tempos and the nuances.

Let's remember that we characterized the technological advances of the previous age as sectorial in the "economic space" and graded in time. Each technological advance can be localized in a definite industrial sector. This advance also takes place in discontinuous forms and they express important changes, relatively permanent, in the production



process. Some of the authors point out that we could talk about different “technological strata”: the steam engine, the internal-combustion engine, the telephone, the plastics, etc...The set of concepts about technology, that we have previously formalized, can be perfectly applied to this type of technological process.

### **The technological cyclone**

The present day technological evolution is very different. The technological space doesn't identify with the economic sectors or subsectors of the traditional division, it rather has the espacial form of a tree or a net of technological “strong” nuclei which have influence on all the sectors. On the other hand, the technological tempo becomes a continuous, like a slope without steps through which progress slides like a flux of small and succesive significant changes. It is the electronic and the microelectronic introducing itself in all the economics field and sectors, obtaining, dealing, designing and transmitting the information in real time. The computer science, robotics, burotics, telematics, genetics invade and transform every productive process.

What repercusion over the employment or the way of living does the new form of technological process has? The results of this new transformation in the production system, regarding employment, are destructive. The number of jobs supressed in the U.S.A. last year is impressive: AT+T, 83,000; Nynex, 22,000; Hughes, 21,000; GTE, 17,000; Eastman Kodak, 14,000; Bell South, 20,000; Xerox, 10,000; US West, 9,000 (Futuribles n° 211, 1996).

According to the present day technological inyterpretation of the unemployment the reflexion on technology and employemnt that were used in previous times, are of no use today. Actually, even though the innovations of the products are capable of creating new jobs, this is scarce since the manufactured product is already automatized by the innovations of the process. These innovated products collide with a double obstacle when trying to create new jobs.

First. The increase in production due to the increase in productivity, which in previous times created new jobs in other sectors as supplying, transport, delivery, administration etc... no longer does it or only on a scarce level since these auxiliary sectors have already gone though the process of automatization and robotization: computers, convey or belts, delivery without storage..., which have taken the place of hand labour.

Second. In many cases the demand isn't able to absorb all the potential production if the working hours remain unchanged. Therefore, if you don't want to accumulate unsold stocks, or production, and the working hours are not reduced it would be necessary to adjust the staff: dismissals, voluntary or involuntary, early retirement, unpaid holidays, past time jobs... The extreme case is the closing of factories or companies due to the excess joint capacity in the sectors of the economic space such as iron and steel industry and shipyard in certain countries in the European Union. The course of the economy in the industrialized countries only hinders the employment and the workers' problem since this continuous new technological improvement ruins the jobs and degrades the working conditions. Of course new jobs are created but less then those that are eliminated. Empirical studies about the relation between technology and employment detect an extreme polarization among the new created jobs. High qualified jobs related to what is called the “knowledge industry” and not qualified jobs such as cleaning,

domestic help, Security Guards, waiters/waitresses, cashier, salesperson... temporary and in extreme precariousness.

#### **1.4. TECHNOLOGY INCREASES PRODUCTIVITY AND DIMINISHES EMPLOYMENT**

“The cause of the present unemployment consists in the fast and continuous technological advance in all the economic sectors and activities”.

This could be the central point of the theory about the technological interpretation of unemployment. Is it sufficient? How can we consider then the challenge of labour? It is true that there is a technological component in the current unemployment problem. But from it to imply that the global or main cause of unemployment in today's society is the technological progress, as many analysts do, is to forget the conditions in which technology generates and expands in the capitalistic economy.

In fact, the direct causal relation between technology and unemployment entails that the parameter between production and the number of working hours by person are fixed and that the application of the new technologies always produces an increase in productivity. Logically this increase in productivity leads, within the parameters given above, to the dismissal of the workers. But let's analyse these theories:

##### **1.4.1. Should we increase production?**

The theory that the level of production cannot increase would suggest that the social needs are saturated. This seems to be a bit unreal (Recio, 1998) even in the context of the industrialized countries, where extensive layoffs or population cannot fulfil their most elementary needs even worse if we consider the whole world. It is clear that there are many countries in a state of grave necessity and that the world production of goods and services should increase. We are not talking, naturally, about increasing the production of cars, tobacco, alcoholic drinks or other kinds of goods very well known in the consumerist publicity, but on how we should take care of the basic material and cultural needs.

“The needs are not covered but the market is saturated”. We are going to present some considerations about how the system functions, as an answer to this objection. From the point of view of the demand and the supply.

If there are necessities but the market is saturated it could be because there are needs that cannot be expressed in the market as solvent demands. The needs of the insolvent, of the “needy”, precisely. When the needy are not beggars but the great majority of the world population and a very significant one even if we only consider the industrialized countries (why, in a globalized economy?) the breach between necessity and solvent demand shows the insufficiency of the market as a mechanism of allocating resources. The challenge can be viewed as a double and complementary task: 1) modify the functioning of the market so that those necessities, that only some can change into solvent demand, could be expressed by the total present and future population. 2) Shape diverse institutions in the market so they could assign efficient resources for the fulfilment of those needs that not even the modified markets are capable of fulfilling. The fulfilment of this challenge would obviously lead to a high level of production and

employment.

The paradox of saturated markets and the existence of necessities can also be analyzed from the point of view of the supply. If instead of considering only the volume of the global productions we think about its composition, we will immediately detected excess and gaps i.e. excessive production for only few clients who are difficult to please: they cannot use more perfumes, there is no place for more cars in their garage; and important needs which nobody takes care of because they don't appear desirable or profitable as the others, or they entail more risk.

A strategy directed towards modifying the composition of the global product and therefore developing new activities, with or without the market would give rise to production and employment simultaneously. We cannot expect that the capitalistic system will generate employment sistematically, following the above strategy, if we take into account the problems of coordination of a decentralised economy based on the state of mind of a minority of rentiers.

#### **1.4.2. Are we still working the same number of hours?**

The parameter of a fixed daywork, the resistance to a reduction of working hours, is the second parameter that theorteically should be considered as a constant so that the increase in productivity will result in technological unemployment. In the first place we will question the convenience or the rationality of mantaining unchanged the day-work hours, 40 hours per week. Afterwards we will analyse the supposed slogan of solidarity "Work less time so that every one can work" that has been used in certain agreements about the reduction the working-day hours to 35 per week.

##### *a) Competitiveness as an argument*

The motive of the employers to keep the working-hours a day unchangeble is the loss in competitiveness of the national products against the other countries or of their own company against its competitors. In this sense Rifkin gives an account of the negatives answers recieved from a survey to 300 Northamerican busines leaders: "My own vision of the world, my country and our needs is radically opposed to yours. I cannot even imagine a shorter working week, I can imagine a longer one... if America wants to be competitive in the first half of the next century".

Still more serious: Despite the spectacular increase in productivity during the last times the labour-day of the workers has been extending in the last decades. It is the most common impressions: "There are less and less people working, but we work more and more hours, we are more time at the company's service". Surveys in the United States show that "more than 25% of full time workers work forty-nine hours or more by week (...) If this trend continuous the same by the end of the century the American workers will spend as much time in their job as they did in the twenties (20s)" (1991). Since the seventies (70s) the annual working hours have increased in the equivalent of a month. According to the Wall Street Journal (5-VIII-96) some wage earners in the automobile line work 84 hours per week. In the United Kingdom the average of the working hours per week is 44 and 38 milion of wage earners work more than 48 hours per week. And this was in 1996 (Robert 1998).

Are there any grounds to argue that there would be a loss in competitiveness if the working days are reduced? A progressive reduction in working hours without a cut down in salary would suppose, of course, a rise in the price, paid or taken by hour. But this does not suppose, as it is frequently repeated, an increase in the cost of production by unit. It all depends on the cost per unit taken as reference for the comparison.

If we start, as it seems logical, from the cost per unit previous to the increase of the productivity the answer is negative: the cost per unit does not have to increase. The rise in the wages per hour-worked simply supposes a participation of the workers in the profit obtained by the increase in productivity. It is clear that if we use as point of reference the unit cost without reduction of working hours and the increase in productivity the unit cost proposed is higher.

But this second hypothesis supposes that all the profit from the increase in productivity goes to the benefit of the owners or company, or it goes to lower the price of the goods to beat the competitors.

*b) Work less time so that everyone can work*

Against the reasons of a good part of the employers opposing the cut down in working hours we have the position of the workers and their trade union representatives, the labour political parties, and in some cases the social –democratic governments and few business leaders. We may guess that this amalgam contains different interests, sometimes contradictory, in supporting the reduction in working hours. Therefore the strategy of each group to carry out this proposal is very different so they deserve a thorough analysis.

Let's put forward what could be our argumentation in this analysis: the reduction of the working hours per day is a strategy that we should present not as a solution to the unemployment problem but as desirable forms and levels of living. It is the follow-up of the historical claim of the eight hours: "eight hours for working, eight for resting and eight for social life" which was pointing out a socially acceptable model of life (Recio, 1998).

We cannot deny that the shortening of the working day may have positive effects in the employment level. But considering it in mathematical terms it is difficult to sustain that the pretended effect is going to take place in a general form. In fact the organization of the production is a process that differs significantly from one company to another, and that, even within the same company, it offers diverse alternatives: different distribution of the working force, time table, shifts, seasons etc... According to this data it is expected that the company will react in different ways in case that a law reducing the working hours per day is approved. Some of them may take advantage of this circumstance to reorganize the distribution of the workers in diverse tasks and periods along the year so they could obtain a real increase in productivity without making new contracts. This would mean an intensification in the worker's task.

The results depend on the technical pattern of the company and on the conditions agreed or regulated for applying the reduction so that the employers opposed to it would accept it. For example, if the reduction of the working –day is calculated annually, as it is the case in some recent reforms in Europe, the result, in terms of the level of

employment, is going to be minimum. Logically the companies will have their doors open for modifying the working-day during the year: Increase them in the period of greater demand, save salary costs and create less jobs since they do not need temporary workers in those periods. Besides, if that reorganization of the timetable is a prerogative of the management, as it should be, some would say, the workers could see their working condition deteriorated. It is common not to establish the timetable and the individual working hours at the beginning of the year to give some flexibility in order to accommodate them to the supposed rhythm of demands or sales, avoiding, incidentally, the accumulation of a stock reserve which is considered an excessive extra cost. This scheme gets worse if the increase of productivity is agreed, since this agreement reinforces the authority of the company to proceed with the reorganization mentioned above.

As it is normal, the employers will try to obtain the greater number of advantages possible from this process of reduction of the day-working hours, if it is introduced. In different ways the companies have obtained “compensations” from the central or local government, id est, the tax-payers, for the increase of costs due to the reduction. We already proved that very few times we can talk about real increase of unit price.

In some cases there has been an agreement with the representatives of the Labour Unions in the company about the percentage of salary reduction or not to ask for a rise in salary in two or more years, whatever would the rise in the cost of living be, as a compensation for the reduction of the working-day hours and diffuse compromise of accepting new hirings.

Only by the organizational weakness of the workers movement and the high degree of bureaucratization of its representatives it is possible to understand this type of compromise. There is a deterioration in the working conditions, reduction in payment, instability in working hours, intensification in the effort waiting for the reaction of the company if it considers adequate, according to its technical and organizational pattern, to carry out new contracts that supposedly will not be many since the reduction in working-hours is not going to be significant.

The shameful thing is that all this strategy is described as “social solidarity” and the workers fighting for not losing their working benefits are accused of insolidarity and not only theirs but of those newly hired when the privileged social group and, in general the non salaried workers are excluded a priori from that solidarity.

## **1.5. SUMMARY**

Two ideas to conclude this part:

- 1) The formula for the creation of employment is not based in the reduction of the day-working hours since the relation between the two of them is highly uncertain. The protection of the existing jobs, the opposition of the process of destruction of the productive capacity and the demand of an economic model that would satisfy the basic social needs are more effective strategies regarding the employment than the reduction of day-working-hours.

2) But besides these considerations let it be understood that the reduction in day-working-hours is a real improvement in the working conditions. It is an historical claim of the working class within the wide context of the social model transformation.

A reduction in the working hours would be useless in the context of high unemployment and an alienating consumerism. It is important not to give up in the way of reaching this objective in which one of its main aims is the reduction in day-working-hours, a fact made possible by the present day technological progress.

## **2. THE SALARY INFLEXIBILITY AS THE CAUSE OF UNEMPLOYMENT**

### **2.1. THE “MAKE UP” OF THE OLD DOCTRINES**

Here we have a second group of causes of the present day unemployment which are upheld by politicians and neoliberal economists. There is not much new in these doctrines, let's say nothing new: essentially its a coat of modern “paint” over the ideas of the begining of the XX Century, the same that provoked the crisis of the thirties and that were refuted in the economics theory realm even by liberals like Keynes.

In fact the two watchworlds of the nineties come from those doctrines: the salary moderation, that is, the loss of the salary's buying power and the flexibility of the labour market, that is, the determination of the labour conditions according to the interests of the company. If these two conditions are kept, they say, employment will increase. And immediately they present the figures of employment in the United States (flexible market) and those in Europe (regulated market). Before analyzing more deeply these proposals and comparisons it is convenient to take note of this paradox that repeatedly appears in the pages about economics in the newspapers: a first news is about certain liberalizing measures in the labour market such as reduction in price of the worker's dismissal, working hours flexibilization, etc., and forseable new jobs that during the following months can be created due to the liberalization measures, are offered.

The same day the following news appears in small print: the merger of two big pharmaceutical laboratories or two banks or the modernization of a big car-parts factory will save ten thousands jobs that is: the sacking of thousands of workers. This at the first stage, and new reorganization will follow. Naturally there will be early retirement, voluntary dismissals, etc... all these with the support of the employment funds. Are new jobs really created due to moderation and flaxibility? Which is the net result of the process of “created destruction”, as the defenders like to call it? Would it be convenient to say something about the quality of the jobs created or destroyed?

### **2.2. THE TRICKS OF THE LANGUAGE**

We should start these comments by unmasking the “tricks of the language”: positive words are used to weaken the resistance to proposals that would damage and put the blame on those who oppose it.

a) The trap of the salary moderation is being used less because it has been discredited by experiance and by the declaration of certain groups of businessmen. But we can give an example of the perversive usage of the language: in principle we all agree with “moderation” above all because the “immoderates” are the cause of the closing of companies. This is the process of guilt. But by contrast we know that after more than twenty years of salary moderation the unemployment has been increasing in Spain and in Europe. We cannot argue that there hasn't been moderation. On the contrary, we can

clearly state that there has been a reduction in the purchasing power of the salaried: in many cases in absolute terms; in all of them in terms of distribution: the “company’s excess” have been splendidly reconstructed, i. e. the benefits of the company, some of them more, some less: because in the business world there is a silent struggle to obtain a greater part of the benefit at the expense of other, and the salaries have reduced their participation in the distribution of the national income. Shouldn’t the increase in benefits be “moderated”? Even in some cases the “moderation” has been included in the language: simultaneous declarations of extraordinary benefits and eliminating jobs. The decision taken by the tyre multinational Michelin of eliminating 7,500 jobs in France was published at the same time as the benefits obtained by the company at the end of the year (El País, 29-IX-1999).

b) In the last five or six years there have been much talk about the flexibility of the labour market related to the creation of new jobs (White Book, Delors 1993). The use of the language is perhaps more sophisticated but more tricky too.

The flexibility is presented as something positive in a time of great changes, as the present day is known. Flexibility is necessary because it is the capacity of a system to adapt itself to the changes in the environment. The dinosaurs and the Soviet Union disappeared because, simplifying, they were inflexible systems.

What is the opposite of flexibility? Obviously it is rigidity. If we want to go towards a more flexible system we have to overcome rigidity. But we have to draw the attention to the fact that the economic system is not only the labour market. In a old article Robert Boyer defined the different forms of the binomial flexibility-rigidity and among them the flexibility in the factory (Boyer 1986).

Let’s introduce an apparently similar binomial to discover the language trick:

Stability-Instability. Stability means lasting, continuance, security. Instability, as a subjective feeling is just the opposite. Flexibility and stability in the positive sense are, in a way, complementary terms.

Rigidity and instability have a negative meaning and, in a sense, they are very close. That is to say the more stable an agent feels, the more determined it is to be flexible and viceversa. On the contrary the sensation of instability provokes immediate rigidity, the resistance to any change. But, what can be expected to happen when under the language of flexibilization what is really introduced is instability in the workers condition or even in the continuance in the job?

It can only be expected that rigidity be stressed and that the way towards the supposed flexibility would be, in fact, the destruction and the deterioration of the labour and social stability. In the U.S.A., champion of the labour flexibility, the people in prison has duplicated in the last ten years. They have gone from 750,000 to 1,700,000. Most of them are youngsters belonging to ethnic minorities, mostly negroes.

The detailed terms stated above may appear to be simplistic or superfluous but they help



us understand the dynamic of our society. The way to a correct flexibilization is not an easy one and the process of adaptation is without any doubt, complex. But we may think that the promoters of flexibility in the labour market have not given too much thought to it. We may suspect that they are not interested in doing it.

### **2.3. THE PEARLS OF FLEXIBILIZATION**

The pearls of flexibilization show it without any doubt. It is worthy to show some examples.

#### **2.3.1. Abolition of the minimum wage**

It is argued that because of this regulation many people without a job are prevented to get the job for an inferior salary. They would prefer to be working for that salary than to be unemployed. It is obvious the instability that this suppression implies, not only to those already with jobs but to the ones who would start in a job. And what about if someone comes willing to take the job for still less salary? And we can not forget the consequences of the added demand. The interprofessional minimum wage has not been repealed. It is guaranteed. But it is not necessary to mention the “illegal” phallacies in the irregular contracts: black and grey market, and legal “practice contracts” , “apprenticeship contracts”, etc... in its diverse and changing form.

#### **2.3.2. Reduction of the unemployment benefit**

The argument is simple: because of the unemployment benefits and the amount of it the workers lose the desire of looking for a job, they prefer to be unemployed and to receive the benefit. If one honestly takes a look at the figures of a great part of the present day economy this argument will seem at least cynical. Apart from a minimum percentage of unemployed with previous salaries over the average, the unemployment benefits are very limited in quantity and duration. Therefore, if the argument of the lack of incentiveness were true a very small proportion of unemployed would be looking actively for a job.

But let's forget the figures, let's suppose that the receivers of benefit are many and the benefits lasting and more or less the right ones, and according to the hypothesis of lack of incentiveness... it is abolished. What is the result? More tension in the labour market. Where are those thousands of jobs that those unemployed on benefits refused to accept? The problem is not to look for work, but to create work  $\zeta$  (.). Furthermore, we may as well ask why are the neo-liberal theorists worried about people looking for a job. Will it not be that they want to enlarge old Marx's industrial reserve army? The proposal of suppressing the unemployment benefits goes together with the suppression of the minimum wage. But this introduces instability and not flexibility in the labour market.

#### **2.3.3. The precariousness of the working conditions**

The labour regularization is excessively rigid, it is said, in terms of the duration of contracts, definition of the job, timetable, time out, personal problems such as maternity, etc... security and hygiene in the job, etc... This rigidity prevents the adaptation of the productivity process to the conditions of the demand. If these regulations were substituted by a collective agreement, much better if it's an individual

one, the level of satisfaction of the consumers and of the employers would increase. Both of them would be freed from the rigid regulations and they would be encouraged to hire a higher number of workers. And again the comparison between the situation in the U.S.A. and in Europe.

It is true that some of this regulations should be flexibilized. But the guarantee that the flexibilization would be socially beneficial is not the individualistic dealing with the company or with an individual of the new modifications. This is easy to understand: the different parts that have to agree do not have the same dealing force. The results of the process of deregulation reforms in the labour market that are beginning to take place, even though they are still incomplete according to their promoters, is a proof of the statements above. In the hiring: what the young people call “trash contracts”, rise in the number of provisional contracts, reduction in price of the dismissal and increasing the range of circumstances that would justify it. All these produce an effect publicly described as positive: the temporary contract is converted into an open ended contract... but with free (unfair) dismissal, so what is the difference between these two? Non, except for the bonus for the employers in the dues of the Social Security. The industrial accidents are the most grave problem in the working conditions of a company. The increase in industrial accident during this part year should cause social alarm.

There is a positive relationship between the increase in provisional contracts, formal or informal, and the accidents.

But there are also other problems that concern the living conditions of the workers: the changing working hours and jobs which make it difficult to plan the personal and familiar life. These strategies are geared towards the creation of a culture of “total disponibility to the company” taking advantage of the negotiating weakness of the workers, individual or even as a group, against the management of the company. Historically, as it is well known, the force of the workers has been their union.

Some of these regulations of the labour market, that some would like to suppress now-a-days, have their origin in trade union’s strong struggle and a very close solidarity. This was the way through which the working and living conditions of most part of the people in the developed countries have been improved. Not by the analysis of engineers, sociologists or economists. These conditions are the ones that now, with the excuse of more flexibility in work, wrongly managed could be gravely damaged.

### **2.3. SUMMARY**

These are some of the strategy “pearls” of flexibilization of the labour market. Contrary to the previsions they have not caused a significative decrease in unemployment in Euope. This fact makes us realize that the cause of unemployment is not in the lack of flexibility.

“But the figures of unemployment are lower in the United States and England. The problem is in Euroland. You started with a very regulated situation (renanian capitalism) and you have not changed it sufficiently. Partly the Labour Unions have to be blamed. They should have learnt from Reagan and Thatcher. The first one promoted the individualistic culture of the selfmademan; the second one fought the pressure of the trade unions and

weakened their capacity of influence blaming them for the demoralizing social situation. They got rid of the regulations and the unemployment decreased.”

However, nothing is said about the quality of the jobs created. In the U.S.A., the numbers of “poors with a job” increase, that is, people who appear as employed, but whose salary does not allow them to satisfy their most elemental needs.

In Europe we usually think that a person is poor because he hasn't got a job. Among the 38 million of citizens in the United States that live under the poverty level, 22 million have a job or live in a family where somebody works. They are the working poor. About the labour conditions in the U. K. a good number of films give evidence: Rif-raf, Raining Stones, Full Monty, Touching the Wind...

### **3. AN ALTERNATIVE INTERPRETATION**

The two previous ones are the most widely-known theories about the causes of unemployment which appears to have its roots in the economic structure of nowadays: the technological progress that saves manual labour and the lack of flexibility in the labour market, i.e. of the workers and of the regulations that protect them. Both theories are not satisfactory because they are insufficient and are of an economic and engineering nature, trying to be scientific.

The comments that have been made about the two theories have been criticized and it can be guessed that they have their origin in the alternative explication defended by authors more sensitive to the situation of the unemployed – and to the employed– than the previous academicians.

The theoretical basis of this reasoning belong deeply to the socialist/marxist tradition. As such, one of its elements is the historic perspective, the textualization of the present day phenomena during the course of history, especially in the history of the labour movement. In other words the explanation of the problems of unemployment and present social ostracism are not the result of the casual appearance of the technological progress that require the flexibilization of the labour market, but the outcome of the capitalistic strategy to regain the profit margins that were diminished after the Second World War. This interpretation and textualization are completed by the vision of society in terms of conflict. But they are not conflicts between isolated individuals but between social groups with opposed interests. Even though accepting that these are different social groups and coalitions changeable in time, the last determinants of the historical conflict, and therefore the course of history, are, according to this interpretation, the ones who possess and the dispossessed, those who are a source of wealth and those who only possess the capacity for working. The latter have to rent it to the former in exchange for a salary. This conflict between both of them has determined the course of history in its deepest channels.

Perhaps it could be worthy to forestall the common objection to this anachronistic theory, which is incapable of explaining the much more complex present day society. “There is a great heterogeneity of groups and interests. The division in two groups, denying this heterogeneity, interprets wrongly the social dynamics”. There is not any denial of the heterogeneity. If we believed that the groups were homogeneous, that in some immediately accessible place “the working class” as such existed, then the so called unity would be superfluous. The analysis is placed in a very high level of abstraction, identifying “in abstract” the groups, classes, that have or could have objectively a global social project. The abstraction does not excuse the ascending analysis: Have the right objective elements been identified?, neither the descending. How can the terms of abstraction, here and now, be identified? But this is not to deny the social heterogeneity.

### 3.1. THE STRATEGY OF THE CAPITAL

As we have just said, the alternative interpretation tries to place the problems of the present day unemployment and marginalization in the course of history and in the context of the fundamental conflict of interest, the class struggle, if we prefer the established expression and today out-dated. It is not an “accident” to be solved but a stage and result of the conflict. The capitalistic system has been doomed to a very grave crisis since the end of the century. Its outbreak is usually set in the Great Depression of 1929. Black Tuesday was a shock but the crisis was already coming and went on after it: the two World Wars, the Russian Revolution, Fascism... are aftermath of that crisis. What is true is that the crisis was not solved, –only in part– until after the II World War through the agreement between the representative of capitalism and those of labour; The Agreement of Yalta, at a world level, which divided the World in two blocks. And the government agreements in each country in Europe where the representatives of the Labour Parties, obedient to Stalin, will not question the fundamental institutions of capitalism, –the private property of the means of production–, neither at the state level nor at world level in exchange for the promises of a better life and working conditions. Full employment and the development of the Welfare State, in one sentence. Being established the social agreement, the theoretical contributions of Keynes offer the doctrinal base for the new balance of forces. The State, as manager of the Social Agreement, acquires great importance in politics and economics.

This outline is enough to characterize the prior situation. Without doubt, the concrete process is more complicated but it tends towards the previous interpretation.

To summarize: Capitalism was not defeated but its rate of gain was reduced. On the one hand, it loses supplying markets and sales: the Eastern block and China. On the other hand, closer to us, it has to use part of the rent produced to provide the Welfare State and to take care of the Labour Union demands agreed during the period of full employment. The manufacturing becomes expensive.

In this context there are very interesting strategies that would be worthy to analyse in detail but they may move away from our line of argumentation. We will just point out what is not our main feature and afterwards we will centre our discussion on employment.

- 1) The process of inflation as an expression of the distributive struggle in a situation in which none of the contentents is capable of beating the demands of the other.
- 2) The dispute among the capitalists against other groups of employers to take possession of the decreasing profits. It is possible that that would be the cause of the increase of the financial capital.

More related to the origin of the present day unemployment are two leading tendencies that are mutually reinforced: the capitalistic policy of weakening the resistance of the workers, and the cession of the political initiative from the workers to the management. The fact that the Western capitalists kept the private property as the source of richness, without being questioned, and the obedience of the Labour Parties to the instructions by the Soviet Union were the cause of the development of these tendencies.

So to recuperate the profits they developed strategies that reduced the price of the manufacturing.

It is not necessary to turn to conspirative hypothesis, but just let the capital follow its rules.

### **3.1.1. Where is technology going?**

The technological improvement is not something that develops in a laboratory following an independent dynamic investigation. On the contrary, in most of the cases they develop and above all “predetermined” technological advances are introduced by the big companies. There is a lot of literature about the endogenous origin of technology.

If we analyse the nature of the production technological improvements, we will find out that the most important objective is to save hand labour or raw material which ends saving hand labour too. In only few occasions they are improvements in the goods or in the working conditions.

This does not mean that the goods may not have improved their quality in that period of time. Sometimes because of the competition with other companies they try for a bigger share in the market. Other times by the State regulations due to the social, ecological or security and hygiene claims. What we are saying is that these types of innovations are less frequent. Hence the distinction between “cheap technologies” and “expensive technologies” that sometimes are not related to the cost of their application but to the possibility of obtaining sales benefits. Is not it strange that with the existent technological capacity, areas such of the prevention of congenital diseases or the forecast of natural disasters are yet so underdeveloped? And related to the use of technology in the industrialized countries: How is it used to eradicate the epidemics or the misery in the Third World? Therefore, the unemployment due to technology is not a “happened” fact but the result of a concrete and pretended technological plan.

Why don't we rectify this result according to the strategies of increase in production and reliable demand? Basically and briefly: because the employers have discovered that massive unemployment brings the devaluation of the labour strength. Milton Friedman disguises this discovery under the concept of “natural unemployment rate” above which the salaries and the inflation increase without limits. Marx had called it “the industrial reserve army”. So the technological plan not only has as an objective saving hand labour but it provides the reduction in unit price of the contract due to the reconstruction of the “industrial reserve army” after the period of full employment.

#### *The PYMES (the small and medium size companies)*

It is as well to say something about the small and medium size companies whose owners and managers may not recognize themselves in this analysis. Some of them, not all, could truly think that they have created new jobs with their own effort and that if they had had to readjust the staff it has been due to the difficult circumstances. In fact they had had to control the working hours and the salaries, otherwise they would not have had any profit margin, etc...

There is some difference between some PYMES and others. But we could ask the owners: Who do you work for? And in most of the cases they would say that they work

for one or several big multinational companies or related to them. So these are the ones that set the strategy by fixing the price, technical specifications and delivery conditions. This is to say, the process of concentration of companies, the result of the “technological plan”, and the “pyramidal” organization of production, helps us understand how the strategy of “technology saving labour-creation of unemployment-industrial reserve army,” which we have just analysed, are formed. The PYMES don’t have their own strategy, a different one, they are only victims and collaborators with the strategy of the big capital.

### **3.1.2. The abolishment of regulations in the labour market**

The ground is receptive to the flexibilization of the labour market and even to make it socially acceptable and necessary, blaming, as we have already explained, those who do not accept flexibilization and finally confronting the unemployed, outsiders, with those who have a job, insiders or privileged.

Translated: abolish the regulations in the labour market, move back the advantages that the worker’s movement obtained by the end of the last century and the beginning of the XX century so the employers could recover the complete disponibility of the labour force. We had already discussed the “pearls of flexibility”. The dreadful thing is that this strategy has been assumed by the socialdemocratic governments. As one of Tony Blair’s advisers said “We will do the least possible to interfere with the labour regulations and with the flexible organization of the companies” (Le Monde 1998). The pressure towards flexibilization are stressed in the global world by the strategies of industrial displacement, duty-free zones in Third World countries or in the former Eastern European Block. New technologies that allow to break the link in the production line. The transport technology allows cheap and quick delivery due in part to the low prices of the energy products. The displacement of the intensive links of labour work is made effective by supressing jobs in the industrialized countries or as a threat to force agreements of low level working conditions.

We cannot see here any opposition in the creation of jobs in the underdeveloped countries. But we have to denounce the strategy, the way and conditions in which those jobs are created: extreme fragility and a complete lack of connection with the rest of the country. There is a connection though: the massive unemplyment in those countries is the cause that allows the “displaced” companies the lowering in the labour conditions and the worst represion in the intent of the workers to be organized collectively. Cases like this can be numbered by the hundreds under the passivity or complicity of the local governments. In fact the free-duty zones are enclave companies except that the workers belong to the country.

#### *a) The child labour*

It deserves a special mention within the strategy of extreme flexibilization because it means not only an attack to the labour conditions in the factory but it is against the most elementary social statutes, which should be considered as a social achievements of humanity. Therefore, it looked like if the children’s work in the mines had been overcome. It looked like as if the right to education and therefore the prohibition of child labour had been established. It is the Argument 138 of the International Labour Organization that was afterwards ratified by the governments of several

countries, with the exception of the U.S.A. And of the United Kingdom. This ratification allows us, in principle, to guarantee its observance. All this is true in almost all the developed countries. In the underdeveloped, 4/5 parts of the planet, millions of children are forced to work for their own survival or that of their family. The laws in those countries consider the child work illegal but the governments do nothing to prevent it. That is why the children are subjected to all sort of abuse. The problem is serious and we should think more about it. What has been the reaction of the I.L.O. in face of the difference between legislation and reality? Substituting the above Agreement 138 for a Declaration of the Principles and Fundamental Rights of Labour, forbidding, not every child labour, but only the worst kind of them such as prostitution and drug trafficking. That is, the I.L.O. does not make good use of the legal lever offered by Agreement 138 to lodge a complaint against the conditions of the underdeveloped countries which are the cause of the forced child labour and to denounce the adjustment policies and the external debt as the causes of this miserable situation. Instead of doing this it legalizes the child labour except in its "worst forms".

The duty-free zones and the child labour are just some samples of the true meaning of the strategy of flexibilization: leveling down the working conditions, trying to imitate these conditions, in the rest of the world, as they are in most underdeveloped countries. In England "as it is testified in a leaflet written by an independent committee, the Low Pay Unit, and published in 1998: 2 million youngsters between 6 and 15-16 years old, and among them 500,000 less than 13 years old have a regular job. They are not odd jobs but activities that should be done by adults in the industry and services. These youngsters are paid ridiculous wages. The dumping generation, this is the last innovation of the British model..." (Robert 1998).

#### *b) ¿And the Labour Unions?*

Despite the massive unemployment the attempts to degrade the labour conditions clash with the workers resistance, sectorial and at times a disorganized resistance, but it could unite and build up an obstacle for the strategy of the capital.

Bill Clinton in his speech to the I.L.O. on 16 June 1998 said: "The globalization is not a proposal nor a political option, it is a fact. Unfortunately, the workers of the world are not convinced of this necessity. Even in the United States, where just in one generation we have registered the lowest rate of unemployment, where our exports, before the financial crisis hit Asia, represented 30% of our growth, the workers offer a strong resistance to the measures for opening markets". And he added "The I.M.F. (International Monetary Fund), the World Bank and the World Trade Organization should work closer to the I.L.O. which should be capable of taking more responsibilities" (Labour Information, n 55, 15-VI-99).

As it can be seen the strategy to debilitate the resistance of the workers consists in obtaining the cooperation with its organizations at the highest levels in the plan of eliminating the anachronistic regulations: the result of long years of labour union fight. These regulations guaranteed the stability of the jobs and the labour conditions. It is a question of achieving a consensus with the Unions to replace the old regulations with new more flexible labour regulations, adapted to the present day needs in a very competitive capitalistic economic system. A good example of this is the attempt to join the European Confederation of Labour Unions (E.C.L.U.). The unity of the workers at



an international level, and the road towards that union, the set up of supranational agreements within the labour organizations for defending their own interests, have been the key-stone of the L. U. struggle.

But the E.C.L.U. defines itself differently: “the development of the E.C.L.U. as a movement has not followed the same historical evolution as most of the national Labour Union movements. In the latter case they need long periods of debate, demonstrations and struggles before the Unions could attain sufficient strength to force the states and the employers to legalize them. Until now the E.C.L.U. has been developed using the resources of the European institutions to attain legitimacy among its own national members and exploiting the possibilities offered by these European institutions in order to influence the attitude of the employers (...) The E.C.L.U. has developed as Union actor from the cupola down more than as a mass Union starting from the base. Will this model, so different, lead us towards a transnational unionism of different type in the third millenium?” (E.C.L.U., 1999).

Romano Prodi, spoke to the delegates of the IX Conference of the E.C.L.U. With words like this: “You are the motors of the European integration. We should prepare ourselves to increase the adaptability of our working force to face up to the demands of the highly competitive world market... You have always made a fundamental contribution in this field”

### **3.2. SUMMARY**

Summarizing the arguments of this third interpretations of the unemployment and its causes: The present unemployment cannot be ascribed simply to the technological progress neither to the lack of flexibility in the labour market. It is the result, and at the same time a key component, of the capitalistic strategy to regain the rate of benefits. For these reasons they have to devalue, reduce the price of the labour force destroying the relative achievement of labour related to the social and working conditions. It looks an easy task to do it in a situation of unemployment, reconstructing the industrial army of reserve in a global dimension. But this means a huge destruction of jobs, of productive forces: the human work, the first of them. The turning of the system to the field of finances, the speculative financial character of the present day capitalism can be explained by this turn and by the fight of the capitalists among themselves to obtain the biggest possible part of profit.

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## **4. CHALLENGES AND PERSPECTIVES**

The analysis above gives us a very gloomy perspective: In the industrialized countries we live in the society of the three thirds: Those with a permanent job, with longer hours and greater disponibility to the company. Those who move from one eventual job to another, with some continuity but great laboral and personal inestability. Those who have no job. Looking towards the future this is an optimistic vision.

In the underdeveloped countries the situation is worse. The danger of a universal catastrophe is taking shape there. Sometimes we are afraid that the whole world could be destroyed in an instant of human madness: A Third Nuclear World War, a chain reaction explosion, a radioactive leak... It is not going to be that way necessarily. The destruction of humanity is already taking place, begining with the weaker parts, the exploited countries in the Third World. The thing is to know if there is still time to stop it.

### **Incredulity and utopia**

At this stage of the text, and of the history, we expect no one is going to ask for recipes. The understanding, the right interpretation of reality are already seeds of change. It is small, but a first step. The active “disbelive” in the engineering and economic theories of employment and unemployment is the first germination of that seed. Technology is the cause of unemployment. The first positive proposal against unemployment is incredibility. This statement is rejectable. The next step could be the debate and formulation of social proposals to increase the production of goods and services to cover a great number of urgent necessities not yet fulfilled. Naturally the consignee will not be the same as now neither the assortment of goods in the great basket of production. Possibly there would have to be some changes in technology among other things to make it ecologically respectfull. This can be done. If we think that the market can be a useful, not dominant, mechanism in the imaginary social re-engineering, we would have to think also how we can supply adquisitive power to the consignee. The basic income as a citizen right (Iglesias, 1998); the creation of jobs linked to the technological transformation and its new production.

But, what about the multinationals? And the great centres of power? They are unsurmountable obstacles. Your attention please! We already said that we were taking small steps only. Now the only important thing is not believe some of their statements and to believe that it could be another way. Then it is not unsurmountable. It is not technology that eliminates jobs, but the hand, not invisible but very visible, that manipulates and directs the technological progress.

About the flexibility it would be convenient to clarify certain beliefs and statements introduced surreptitiously in our mind by the mass media and the political speech. This proposal could be formulated: “Flexibility with stability and good-quality employment”. Thus we could dismantle statements such as this: “for the young people it is better to have a precarious job than no job” o the theory that blames the full employed workers

for not giving up “their privileges” which would give room to new jobs.. without privileges. Again the lack of credulity as a mental attitude: We don’t believe in misery, the necessary misery of so many people, so they say (Raimon: Diguem no). Crossing to the active lack of credulity implies the political and Labour opposition to precariousness, defending the exiting jobs and the labour conditions. Demanding them in the newly created job, for example in what Delor’s (Comission, 1993) the “White Book” calls “deposits of employment”: otherwise they will end up as badly paid jobs that will give cheap service to the upper and middle class of society. We should defend the Welfare State against the privatization of the public services. One experience that we should recommend is to take a walk through a rich neighborhood in the city, for example Pedralbes in Barcelona, or by a fashionable residential district in the Costa Brava and shout the statement of the politicians: We cannot pay for the Welfare State. This will help to strengthen the lack of credulity against certain proposals.

It would be possible that the laws of the market and the competitiveness, i.e., the centers of power, would be against these demands. If we want to take a step forward we should think about designing new strategies to recuperate the employed and unemployed workers unity, in the democratic defense of their interests which are those of the majority of humankind. The utopia. This are the challenges of labour in the dawn of the twenty-first century.