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Sustainable job growth

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Economic degrowth and job growth can and should go hand in hand.

What is the role of trade unions in a degrowth economy?

It may be difficult to imagine trade unions fighting for something else than economic growth, since they have always done so - with some success at least for a time. However, if their core business really is to secure jobs the present situation calls urgently for an alternative strategy. By prioritizing sustainable job growth trade unions stand to regain both their members and their historic position as an important power in the transformation of society.

In many European countries trade unions have been much influential as social and political actors in those phases of capitalism when an unrestrained market economy was harnessed to work more for the common interest. Especially in the Nordic countries, but also in other European and some Anglo-Saxon countries, trade unions played a central role in the shaping of welfare economies after the Second World War. It was thus not without cause that Margaret Thatcher and Ronald Reagan focused on the power of trade unions when they initiated their neoliberal campaigns in the beginning of the 1980s.

Nowhere, however, has the employers' prerogative regarding the distribution of work in companies and streamlining production by rationalization and continuous increases in productivity been challenged. As long as sufficient economic growth came out of the efforts more jobs were provided for as well as some redistribution of income in society. With the exception of a growing number of persons being excluded from the labour market through rationalization, trade unions fulfilled their purpose of securing jobs.

As neoliberal thinking gradually became dominant trade unions increasingly met difficulties in maintaining their power in the field of industrial relations and their influence in societal politics in general. Welfare capitalism has increasingly been replaced by 'competitive capitalism', where the state's primary role is to support business in an increasingly globalized market. Welfare and work fare have been replaced by 'work first'.

Simultaneously, trade unions have lost increasing numbers of members. The reasons for membership attrition can be found not only in the reduced influence and changed role of the unions; a transition has taken place in the beliefs, norms and ideas of ordinary wage earners, from collectivity and solidarity to individualism and self-realization. Reduced membership coupled with reduced industrial activity in the workplaces has heralded a disastrous weakening of trade unions vis-à-vis employers and reduced their political influence. Instead the philosophy of employers and right wing politicians that 'each creates their own fortune, to which the market's invisible hand reaches out' was reinforced.

Among trade unions acknowledgement of the new rules of the game is missing. Trade unions are no longer recognized by decisionmakers as an important institutional factor in securing social stability and economic growth. Not even the recent financial crisis seems to have led to more focus among decisionmakers on the regulation of capital and markets. To the contrary, financial institutions are being given artificial respiration using tax payers' money.

Replay of history

In a historical perspective the neoliberal glorification of the market was long ago described by e. g. Karl Polanyi in 'The Great Transformation' highlighting how abandoning market regulation historically has always resulted in a disassociation of the economy from any societal responsibility, a process he called "disembedding of the economy from society". For Polanyi the interesting thing was the social consequence of these successive waves. Just as the 'self-regulating' capacity of the market always proves to be non-existent, a "myth" he calls it, the emergence of characteristic popular counter-movements is unavoidable as a reaction to the liberation of the economy. Exactly what character and what political content these counter-movements take on, however, is not predictable. For Polanyi, writing in the 1930's, fascism was as plausible a result as the regulated social state that emerged with the participation of the labour movement in some European countries and in the USA.

Today it seems out of the question to return to regulated capitalism in the former Keynesian version. Constraints on financial transactions and the recreation of a 'social contract' between capital and workers are apparently obsolete in the eyes of present-day decisionmakers. In addition, the structural conditions for economic activity have changed radically with globalization and the dominance of transnational companies and international financial entities. Furthermore, the labour movement no longer exhibits the mobilizing and unifying force that once made it a fundamental co-player. Finally, a cultural process of individualization has occurred reflecting on the one hand empowerment, on the other hand rootlessness. Wage earners no longer automatically identify with a trade union or a socialist/social democratic party.

Following Polanyi's insights, one could ask what kind of popular counter-movement is thinkable in such a situation? Who is to lead the protest against an unharnessed market capitalism that, besides its inherent crisis disposition, encounters growing difficulties and conflicts in providing the resources and disposing of the waste so closely connected with the growth paradigm?

Among some of capital's leading spokespersons there are increased concerns being voiced about the missing social responsibility of the economy. When Klaus Schwab, headman of the World Economic Forum at Davos, warns CEOs and politicians against looking only at shareholders' interests, he expresses a justifiable worry. Much of the talk about corporate social responsibility in the market, however, is just image-care, obscuring the fact that it is the result on the bottom-line that counts. An unbreakable tie between the growth of capital and the growth of consumption is evident and both are subject to global market forces that politicians have long abstained from trying to control. It is hardly from the part of business or for that matter from the part of consumers, including the many dependent on their stock of shares, that a counter-movement will emerge.

However, the contours of a certain counter-movement are already visible and just like fascism it sees the reason for social insecurity that has been brought about by the disembedding of the economy in the presence of 'foreigners'. This xenophobia is expressed in most European countries by the various right wing parties, sometimes in alliance with traditional conservative and liberal parties (as demonstrated until recently in Denmark), sometimes not (as in Sweden). It is not clear how big this counter-movement can become, but the pattern is clear. On the construction sites, in the canteens of factories and shops, the rhetoric of these parties is often heard when the talk revolves around threats to employment and social disharmony.

Trade unions' response

The above constitute the challenge with which unions should be engaging. Without their former power to balance the excesses of capital, maintaining the old strategy as the growth partner of capital is no longer credible as a response to the rootlessness and insecurity prevalent in today's workplaces. In both private and public workplaces management by market-driven business concepts is the norm, often instituted by a remote management. In 'flexible' production (Sennett 1998 and 2006), there is a constant risk that the content of jobs and work conditions will change overnight which constitutes a stress load looming over workers that neither unions nor workers' collectives can cope with. The effects of this as well as of the race for ever increasing productivity are clearly visible in the statistics of psychosocial disorders and disabled persons excluded from the labour market, which have been growing at a European level in the same period where traditional physical health problems have been reduced. The loss of fundamental ties to fellow workers is exacerbated by the incessantly changing organization of work and workplaces.

A constructive response to the membership crisis from the more progressive trade unions, those that do not just turn to extending their service orientation, seems especially prevalent among British unions that have learned from their struggles since Mrs. Thatcher. Here we see the revival of the classical local organizing and mobilizing activity come into focus. In Denmark as well, many unions now prioritize being visible at the workplaces having a direct dialogue with members and striving to reflect their attitudes in union policy. This is a promising strategy in that it meets an essential requirement to a popular counter-movement. It comes from the bottom and is thus based on ordinary people's experiences. However, it still misses a constructive vision of a better life and a better society. How can the organizer cope with the insecurity in work life and powerlessness in social life that he/she meets in the workplaces? Here the trade unions and the whole labour movement fail as they have no response to the mal-management of both human and natural resources.

It may be overoptimistic to expect the unions to cry, "Degrowth! Stop the fatal spiral of economic growth! We must lower our ambitions of increased consumption!" The unions are deeply influenced by the old paradigm, where growth also meant more jobs. But perhaps it was to be expected that they listened a bit more to their members and took notice of the changed conditions of production and social progress. In the first place the planet sets limits for how much the 'pie' can grow. Secondly, economic growth globally is slowing down and close to zero in the Western countries. Thirdly, growth, if it happens at all, no longer seems to render more jobs

Green jobs

In the field of environmental initiatives trade unions do seem to see some promise and possibilities. Both in Europe and the US, trade union federations have been urging governments to spend more on environmental investments, such as infrastructure for collective transport or water treatment. They have also welcomed the recent proposal of a “New Green Deal” by UNEP and supported the UNEP study by World Watch Institute and Cornell University in 2008: “Green jobs: Towards decent work in a sustainable low-carbon world”. This major study of the employment perspectives offered by greening of the economy documents that a global transition into a less fossil based and more sustainable economy can create a series of new or changed green jobs across many sectors of the economy. Some unions, but not all, the automobile workers and workers in fossil industries being notable exceptions, also support more strict environmental requirements to existing production.

Al Gore, as a politician much aware of the necessity to deal with employment concerns when proposing steps to be taken against the climate threat, highlights the possibilities for simultaneous job creation and introduction of more green energy technologies. In “Our Choice” (2009) he posits that the market economy is not an obstacle to a green transition. It just has to be corrected by adjustments of the tax system. Tim Jackson, heading the British government’s “Commission for Sustainable Development”, is more radical and focuses on the fatal production-consumption spiral in the growth mode. In the commission’s report: “Prosperity without Growth” (2009) it is made clear that technology and innovations are incapable of reaching the efficiency in resource use needed to sustain continued economic growth. The commission’s search for an alternative macro-economic model that at the same time can ensure economic growth and social stability without overloading the environment is in vain and thereby precisely targets the sore point: “the engine of growth”. Consequently, it is finally questioned if it is not the very idea of such an “engine” that is the problem. For, left alone it is this engine that increasingly jeopardizes the environment and nature, such an “engine” also implies ever increasing labour productivity and, with this, an inherent tendency to create unemployment.

It is in this central issue that the trade unions could and should promote a vision that would not only ensure employment, but would also stop the decline of unions’ membership and social influence. This is not about just another distribution of jobs to meet the decrease in supply of employment; it is about a strategy to provide new jobs and jobs with an improved content. Work should be measured not only by its quantitative results, but rather on its quality and whether it contributes to a durable relationship between human beings and the environment.

Decent work

Trade unions are bound to secure employment, which is a totally justifiable aim that must be taken very seriously in any debate on alternatives to crisis-ridden and unsustainable market capitalism. But instead of conceiving employment as associated with economic growth, they should see it as a legitimate purpose per se that should go hand in hand with environmental considerations. An alternative strategy for providing jobs must enter the workshop of production, so to speak, and change the one-sided focus on productivity through ‘flexible’ work arrangements, management concepts, rationalization and organizational changes. Unions could take their point of departure in the absurdity that some groups of employees are working more and more while other groups are excluded from the labour market. If they listened better to their members they would understand that

more than wage increases union members want decent jobs, jobs with a meaningful content. This is, at least, what is revealed in surveys among union members in Denmark – and why should it be different in other industrialized countries? Ordinary wage earners are frustrated by always being pressed on their work speed or quantity, not leaving time or interest for providing quality in the product, the service or the care.

Research on the psychosocial work environment shows that this is where the reasons for stress, depression and burnout are situated. Surveys at the European level by EU institutions show that work intensity has grown along with more autonomy in jobs, for example through self-governing teams. Theoretically, more say in the job should compensate for the increased pressure, but closer examination shows that it is only in the immediate job performance that autonomy has increased. As a means to increase productivity companies have demanded increased competencies among workers and delegated responsibility to the shop floor level, at the same time as work procedures and management concepts have been standardized and controlled centrally. “You decide for yourself as long you are a success” as a bank manager said about co-decision among the employees (Knudsen et al 2009). Work demands intended to enhance productivity involve the total resources of employees, including working extra hours. Work life has become boundless and greedy.

To do a decent piece of work for most people also means to do something that is useful, for one self and others. It is doubtful whether it is found useful just to fill the pockets of shareholders who might decide to sell the company the next day. The time when you had a job where you built a safe ship or a house worth living in, or provided the amount of care that children, sick and old people needed, work was meaningful. But if, under strenuous working conditions, you just make a little part of a product that otherwise is being manufactured in China for a market that in reality does not need it, you lose the meaning of working. Or if your job is just to create the largest possible turnover of patients, pupils, passengers, products, money etc., regardless of the quality or the usefulness of what you are doing, you lose the meaning of working and seek the meaning and identity in consumption instead. Spurred by politicians, media and marketing the ability to consume is sold as the purpose of the working effort. The meaning of work and life itself is transformed into the magnitude of material goods a person can possess. This, however, is a sick and alienating compensation, and most people know...

Back in time Karl Marx stressed the meaning of creative work for people. More recently, sociologist Richard Sennett has described how the new, liberalized and globalized capitalism undermines traditional values of working people, including craftsman-based or professional pride in doing a good job,. However, the experience of the joy and satisfaction of doing a good job has not disappeared. Neither has the experience of being humiliated treated in an unjust way, as critical theoretician Axel Honneth (1992) has shown.

This is where the trade unions should find the strength to take up the fight with the mal-management of human resources, further supported by the fact that most wage earners realize that what they are doing in most cases is not environmentally sustainable. If allowed, the employees would and could contribute to making their work and workplaces greener. As the employees in a Danish study of the fish industry say: “Of course we would not produce anything that we could not dream of eating ourselves” (Nielsen & Nielsen 2007). This should be the content of the dialogue the unions must engage their members in at the workplaces: In the discussion of how the meaning of work can be reclaimed and

the creative capacity of people used to increase the social utility of work, a perspective of a better life and a different world is opened that will make the members listen and believe in engaging. It is hard to imagine any other entity than the trade unions that could be the point of orientation for frustrations at workplaces and the catalyst for constructive improvements of the quality and meaning of work. But to fulfill that role the unions have to leave the old productivity-increasing growth-partnership with capital. If they succeed the unions stand to regain their status as an important player in the looming battle on the organization of economy, a battle which will inevitably break out as the resource and environmental crisis sharpens. The unions may thereby contribute to the creation of a more constructive counter-movement to liberalized capital's disembedding of the economy from society than xenophobia.

The importance of work

The trade unions' new strategy must be based on the experiences, proposals and initiatives from the employees, and there is a deep well of knowledge and ideas to draw from. The employees at British Lucas Aerospace showed a brilliant example when they in the late 1960s defied the company's plan to shut down the plant by inventing and producing innovative and socially useful products during working hours. At the time and later on in the 1980s, when employees at threatened Danish shipyards proposed to use the facilities and capacities to produce wind turbines, there was not much understanding from managements or trade unions. Ironically, the yards some years later were bought up by the booming windmill industry.

Work is such an important part of people's lives. The cultural meaning of work must not be underestimated. For the individual, apart from being a necessity of daily life, it presents an option for creative activity, self-realization and constitutes a basic condition for social life and togetherness. The consumer culture can never replace work as a foundation for identity and self-esteem. There is no doubt, however, that most people in today's labour market are pressed to work more than they really would like. In Denmark, a recent survey found that $\frac{3}{4}$ of wage earners prefer shorter working hours to increases in salary. Other surveys show that people are working extra hours for free, nervous about otherwise losing their jobs. Shorter working hours, as far as possible fitted to the needs of people in different life stages, should therefore be part of an alternative strategy. It is an obvious answer to the race for productivity at workplaces that gains from rationalization are transformed into reduced working hours instead of more income and consumption. USA is an extreme example of the latter with the average number of work hours per person having constantly risen since the 1970's.

Shorter working hours may also be a way to distribute work better among individuals. At present, more and more unemployed persons are short of working hours while at the same time more and more persons have too many working hours. In Denmark, although the unemployment rate is not alarming in a European perspective, one fifth of the work force is excluded from the labour market, many of these because they could not stand the pressure. "We are burning violins to keep the steam engines going" the sociologist Ulrich Beck (1992) says and adds: "the most valuable human and natural resources are destroyed to keep a no longer progressive engine of employment going".

Most importantly, the new strategy of unions should focus on new forms of employment, not only as an answer to decreasing growth, but also because there are lots of socially

useful tasks to be done. A degrowth strategy should never be satisfied with a reduced number of jobs. In the minds of people it would be a cultural short circuit if work was made to seem important, maybe even less important than leisure activities. People's need for work, including professional work, must be taken seriously, just as their need for decent work must be taken seriously.

Towards a new framework for employment and changing content of work

The trade union movement has historically achieved its results by forming alliances with those parts of capital that realized the growth opportunities in regulated market economies. Europe has also had its Henry Fords. In addition to the limitations such a partnership would imply, it no longer seems possible to form such alliances in today's world where both productive and financial capital are subject to unrestrained global market forces. Trade unions are thus forced to set their stakes on the construction of a new basis of power which is built on their members. As argued previously, there is a potential for mobilizing members on a policy that promises both changed working condition to regain the joy of working and more jobs.

At the political level, trade unions must do away with their former acceptance of rationalization and perpetual productivity increases as the essential engine in both private and public companies. They must confront the mainstream economic thinking and modeling that both economic and political institutions are governed by today and that are subject to the growth mantra. Another way of calculating GDP, that at present measures economic activity whether it is useful for society or not, is needed as well as a concept of the usefulness of work, measuring not only the quantity but also the quality of work. To put it bluntly, social stability requires the provision of employment. Employment in an economy that is subject to capital's, and especially finance capital's hegemony requires growth, which is no longer a possibility. There is no other way for trade unions to fulfill their main task, provision of jobs, than fight for a different type of development that aims at sustainable and socially useful jobs.

To avoid the rigid confrontation between believers in the market and believers in the state it might be useful for trade unions to focus also on a third way of securing employment. The jobs connected with restoring nature, improving collective transport and caring for children, the sick and the elderly need not only be run by public authorities or private businesses. The 'third sector' or the 'social economy' throughout Europe shows a landscape of viable organisations. In many countries there are great traditions of organizing production, services and utilities as cooperatives. In times where the continued extension of economy is blocked by its inner contradictions, such practices may have their renaissance. From another point of view this is why it is so important that the trade unions form part of the counter-movement to the cul de sac of growth and ensure the re-embedding of economy in society. It is not a law of nature that useful and decent work in a solid framework of regulations and/or collective agreements should be organized by either a private business or a public authority.

It is possible that new and changed jobs of this kind may involve lower wages than before. This, however, is also going to be the inevitable result, taken as an average of employed and unemployed persons' incomes, if we continue as before. On the other hand side, this new strategy will be able to both reestablish the joy of work and to reinstall the unions in their role as important contributors to a necessary transition of society. To imagine trade

unions as catalysts for wage earners' desires for decent work and as frontrunners for sustainable job growth is not a redefinition of their original legitimacy and function. Rather, it is continuation of their fundamental task to secure work and just working conditions under new historical conditions.

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