

The Future of Work

The following article is based on a presentation at the 2003 CHRISM Summer Conference by Andrew Britton, a former Treasury economist. Andrew was a member of the Enquiry below and has maintained a keen interest in this area.

The Churches Enquiry into Unemployment and the Future of Work (UFW) was launched in the early 1990s to ask whether mass unemployment was inevitable and, if so, how it could be made a more acceptable way of life. The outlook at the time was pessimistic: Charles Handy, 'The Future of Work' and Jeremy Rifkin, 'The End of Work'.

We found however, on economic, political and religious grounds, that there is no real substitute for paid work. Our main conclusion was that there could and should be 'enough good work for all'.

By the time we reported in 1997 there was a broad consensus in favour of this proposition. The figures for unemployment, in the UK at least, seem consistent with that view.

Unemployment (as a standardised percentage):

	US	Canada	Japan	France	Germany	Italy	UK	OECD
1993	6.9	11.4	2.5	11.7	7.9	10.3	10.5	8.3
1997	4.9	9.1	3.4	12.3	9.9	12.1	7.0	7.4
2002	5.8	7.6	5.4	8.7	8.2	9.0	5.1	6.9

Whilst the quantity of work has undoubtedly increased in the UK, this article is more about the quality of that work, the unfinished agenda from UFW. So: what is 'good work'?

Newspaper quotes, cited in 'The Work Revolution', by Craig Donnellan.

"People have to understand that there is no such thing as a job for life any more and that it is no longer a bad thing to move quickly from job to job."

"British workers work by far the longest hours in the European Union – with a third doing more than a 48-hour week."

"For most people personal life comes before their career, with only 28 per cent getting more satisfaction from their work."

"Our present way of working is unsustainable, the cost is too high in human and business terms. Business will have to work with employees to balance work and life for compassion and for competitiveness."

"People can juggle their hours to get out to the shops when it is less busy, to fit in with child care hours, and to make sure they are at home when the plumber is due to call."

"Half a million workers are affected every year by stress, which can contribute to asthma, heart disease, arthritis, migraine, depression, and other mental health problems."

"Women over 35 are the new financial force to be reckoned with as they reap the rewards of an amazing transformation in earning power."

"Perhaps the message is that while employers can help working mothers, the only real answer is that men should be encouraged or persuaded to take greater responsibility for their children."

Like all economic forecasting, this is not really about the future – it is an interpretation of recent trends. We should try to assess as well as to describe or predict.

What kind of work?

Employees (Millions)	All	Manufacturing	Services
1992	23.2	4.1	17.4
2002	25.8	3.6	20.6

Nowadays most jobs are in the service sector. In terms of employment manufacturing is going the way of agriculture. The growth sectors include health care, childcare, security, consultants and advisors of many kinds, marketing, and tourism. These areas are less at risk from new technology and foreign competition. Some involve the transfer to the market economy of activities which were once performed in the household.

Work is becoming more human and creative, more dependent on relationships, less mechanical, less dependent on patience or manual dexterity. We might say therefore that it has more potential to be 'good'.

Is work sufficiently well paid?

In [classic] economic theory pay is the sole motive for work. 'Good work' then means work which enables one to maintain a good standard of living. In our society pay is also an important determinant of social status. Low pay is not just a hardship, but also seen as an insult.

Hence the demand for a minimum wage. The National Minimum wage has been introduced, and generally enforced. The level is higher than in the US, but lower than in most of Europe. It does not seem to have destroyed jobs, or to have caused general wage inflation.

The dispersion of pay widened greatly in the 1980s and has not narrowed since then (*the UK has the widest gap between average pay in the top and bottom deciles in the EU. Ed.*). This contributed to an increase in the dispersion of household incomes. It might also have weakened 'social cohesion'. The emphasis on individual rights and the weakening of social solidarity (such as union power) has resulted in a closer link between pay and the market value of output. We live in a market economy and the labour market in particular has come more into line with [market economy] theory. This is 'good' for those who can look after themselves!

Is work sufficiently secure?

In 1994 the OECD produced a major report called 'The Jobs Study'. It concluded that labour markets, especially in Europe, were insufficiently 'flexible'. Firms could not hire and fire as readily as they needed to do in the interests of economic efficiency. In the long run, job security resulted in less employment, not more. The UK was commended for having a more flexible labour market than most of Europe.

In the 1980s there was a fall in the proportion of the workforce in what could be described as 'full-time tenured employment'. According to one estimate the fall between 1975 and 1993 was from 55% to 36%. The experience of employment and of self-employment became much more similar, as people moved, or at least contemplated moving, jobs more frequently. (self-employment accounts for about 11% of the workforce. There was a significant increase in the 1980s, but not subsequently).

Some people flourish under these conditions, but there are perceptible adverse effects on the health of the average worker. Studies of civil servants being privatised show psychological and physiological damage, especially for men (cf. Jane Ferrie, 'Labour Market Status, Insecurity and Health' *Journal of Health Psychology*, July, 1997). For them at least work is not as 'good' as it was.

Do we work too much?

At one time what was most admired was 'effortless superiority'. Now we take pride in working long and hard. Have we, as a nation, adopted the 'Protestant Work Ethic'? What has become of the Sabbath rest? Is work becoming compulsive? We appear to be imitating the US rather than the rest of Europe. The longer-term trend has been for activity rates to fall, but in the last few years this has levelled off. Perhaps much of the trend to earlier retirement reflected redundancy policy or increased stress at work. Now there is to be legislation against 'ageism'. Longevity and the lack of adequate pensions may result in a reversal of the trend. Would we welcome this? Perhaps voluntary work would be better for this age group.

Work activity rates, 1994 and 2002

	1994	2002
All 16+	62.6	62.9
Men 50-64, Women 50-59	68.5	70.4
Men 65+, Women 60+	7.9	8.8

Recorded hours of work per week are not rising on average, although unpaid overtime by those in more demanding jobs does seem to be on the increase. Many people say that they are working longer hours than they would wish and that family life suffers. Over-work can be both a cause and an effect of family breakdown.

Working mothers still face problems in finding good childcare and co-operative employers. It is an open question whether the 'business case' for family friendly employment policies has really been made. (Firms that are too kind will attract employees that are too dependent). The effect of mothers' working on their children's subsequent progress is also unproven. As the child-care industry develops, some of the stresses associated with female employment may be reduced.

Do we work too hard?

Employers are becoming increasingly aware of the problems of stress at work. Headlines in a newspaper recently: 'Employers who ignore stress face legal action.' The article gave six guidelines to avoid stress, noting that 85% of employees say they can cope with the demands of the job, 65% say they understand their role and responsibilities. An HE spokeswoman said, 'They will be the equivalent of the Highway Code. It will make it easier for employees to bring actions and our inspectors will be able to go in and see if companies are up to our standards'.

Why do people work so hard? Overwork may be a symptom of job insecurity. It may also reflect the increased competition between firms and within the labour force. In other words it may be the result of 'economic efficiency'. The customer is being better served – but at the expense of the producer, who is in fact the same person.

Economic theory offers a possible definition of overwork. Happiness depends not on the level of consumption, but on comparisons with the living standards of others. Hence the competition for status may lead to increased activity without increasing average well-being. That would indeed be 'over-work' and would not be an efficient use of time and resources. Most religions would support some concept of sufficiency. Work motivated by the desire for excess may not be called 'good'.

Values at work

A gap is said to be opening up between consumer and producer values. Individual v collective. Summed up as 'I want' v 'We serve'. It is assumed that friendly workplace communities are efficient as producers. Moral values are seen as a source of competitive advantage – as a means by which firms may attract good workers in a tight labour market.

Are there three possible outcomes to this tension: coercion, carrots or consumerism?

Economic theory does not however recognise this 'gap'. Individuals maximise their own utility, both as workers and as consumers. They work in order to consume. Firms maximise profits. They do not aim to serve their customers, except as a means of increasing profits. They often compete by cutting costs, including labour costs. If managers serve the interests of employees, then the shareholders will replace them. Producers may learn to co-operate with their workforce and there may be some degree of mutual trust and recognition of a common interest. But this is not the same as altruism or social cohesion. The market does not reward compassion.

This is, of course, a very incomplete account of human motivation. It may however be closer to the truth than it once was. The experience of living in a market economy may make people behave more like the theory predicts.

Conclusions

In preparing *Unemployment and the Future of Work* we found it most difficult to agree on the theology. Yet there is some 'distinctly Christian' about our work in the New Testament. Good work is service to God and to one another, on the pattern of Jesus washing his disciples feet – the work of a slave. It should be an expression of love and generosity.

There is also a calling to particular tasks, including the preaching of the Gospel and the support of the church. It is possible to see many, if not all, secular work as vocation, but in many service sector occupations the term is especially easy to apply. This might then be the 'Future of Work' we would like to see.

The question is whether this model of work can survive in a market environment. Can notions of accountability and incentives, taken from the business world, be applied to work like that of a teacher, a doctor, a care worker or indeed that of a financial advisor?

Similar issues arise within the church in relation to conditions of service of the stipendiary clergy. Should they have the rights and responsibilities of employees? Should their stipends be regarded as living allowances, or as remuneration for office – or both? (*I don't think the Inland Revenue has a problem with that one! Ed.*)

We should assume that the market economy is here to stay, although its precise boundary might shift. The danger is that the model of loving service gets marginalised into a relatively small 'voluntary' sector, whilst the motive for all 'serious' paid work, and the measure of its effectiveness, is seen in terms of profit and of pay. That is an issue that we, as Christians, urgently need to engage.

Further reading:

The Tomorrow Project publications:

'Tomorrow' (2000), 'Tomorrow's Workplace' (2001).

'Work and Worth – A New Agenda', Church Action on Poverty, 2001.

'The Work Revolution', Craig Donnellan, 1999.

Chapter on work in 'Economic Theory and Christian Belief', Britton and Sedgwick, 2003.

