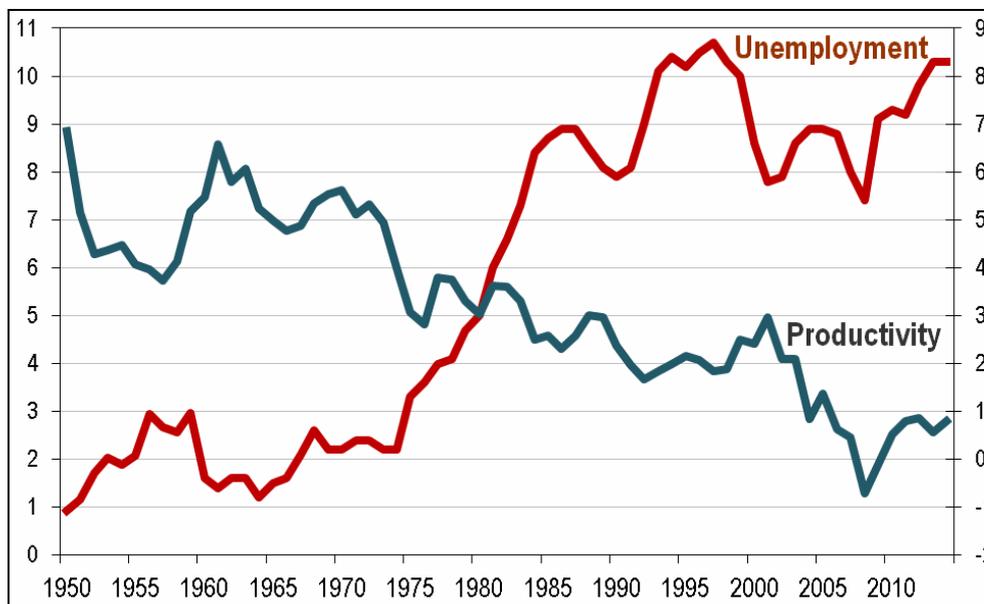


## The 32 hour week, the best defence against unemployment\*

Michel Husson, 13 December 2015

Mainstream thinking advances the idea that mass unemployment is the inevitable consequence of unfettered gains in productivity. Therefore, the only option left is to share in the insecure odd jobs that remain. But what if one were to question the length of the basic working week?

Mass unemployment sets in and a slight recovery will not suffice to drive it down. According to the French economic watchdog, the Observatoire Français des Conjonctures Economiques (OFCE), the unemployment rate will not start to drop until 2016, to then drop to 9.4 percent by the end of 2017. Without the politics of austerity, we could have avoided destroying the recovery that started in 2011 and have started creating new jobs sooner. Even so, that would have been completely disproportionate to the “stockpile” of more than 5 million unemployed people. Growth has a marginal benefit. That is why we should bring the idea of reducing the working week back to the table, as the CGT union has done in proposing a 32 hour week. Admittedly, that did not go down well the last time, with the intensification and annualisation of employment, but the move to 35 hours nonetheless led to greatest increase in jobs since the start of the 20th century. After consideration of the depth of fury the 35 hour week caused on the political right and with bosses (not to mention Emmanuel Macron), we can now say it was not such a bad idea after all.



Unemployment: Unemployment rate in%, left scale.

Productivity growth: - hourly labour productivity in% (smoothed over three years), right scale.

\* Original French Article: [Les 32 heures, la meilleure arme contre le chômage](#), *Humanité Dimanche*, 5 Novembre 2015. Translated Sunday 13 December 2015, by Adrian Jordan.

## **The myth of full employment being just an illusion**

More importantly, we must ask, what are the real causes of unemployment and sweep away the basic notion, given as fact: that increased productivity would be so great that it would make the prospect of a return to full employment a mere illusion. Thus, there would no longer be any need to “make do”. From the neoliberal perspective, the conclusion is clear: better to have a part-time job – poorly paid and without security – than to have no job at all. So, be employable (profitable) and you will get the job you deserve. In the other camp, the farewell to full employment leads to the dictum: “Since there will no longer be any more jobs, we need a universal income guaranteed to all”, etc. However, the idea that unemployment is caused by gains in productivity is false. In the last 60 years, growth in productivity has slowed, whilst the unemployment rate climbed for virtually the whole period.

Today, there is more unemployment than in the Glorious Thirty Years (The period of postwar prosperity in France) and much lower increases in productivity. We must therefore replace that false notion with a different one, which may appear iconoclastic: only a diminution of working hours will allow genuine creation of jobs. As an example – from 1950 to today, the total number of hours worked across the entire economy has remained steady, varying by plus or minus 5 percent. In short, this “volume of work” is fairly constant. Over the same period, the number of employees rose by 40 percent and working hours dropped by 27 percent.

In other words, employment depends on the manner in which the total amount of work is shared between job creation and reduction of working hours. An almost constant volume of work with an insufficient reduction in working hours leads to too few jobs being created, and therefore, unemployment. The mechanics behind mounting unemployment are governed by distribution of income. One could vehemently state that unemployment and dividends are two sides of the same, dismal, coin. To summarise – what bosses save in suppressing job creation, they hand over to shareholders rather than investing in the company. Creating jobs by reduction of working hours would bring about a different drop: that of dividends. Even if one is convinced by that (too) rapid demonstration, one might consider that the balance of power does not favour such a project, but one thing is sure – to overcome the issue of unemployment, we must make fresh plans for a general reduction in working hours.