



Reason *in Revolt*

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Liberation Through Vacation

Michel Husson & Stephanie Treillet*, *Jacobin*, 1 June 2015



Along the Marne River following the 1936 Matignon Agreement, which brought guaranteed paid vacations to France. Henri Cartier-Bresson / Magnum Photos

Reducing working hours is more than a path to full employment. It could help millions live more fulfilling lives.

Since its introduction at the end of the 1990s, France's statutory thirty-five-hour workweek has been a source of ongoing controversy. Originally developed as a job creation measure by the then newly elected "plural left" government of [Lionel Jospin](#), the proposal for a mandatory cut in working time for private-sector employees generated such a furious backlash from business that its implementation (via the two Aubry Laws, named after Labor Minister Martine Aubry) led to the wholesale reorganization of France's main employers' lobby.

Upon the Right's accession to power following the 2002 parliamentary election, a succession of conservative administrations sought to chip away at the thirty-five-hour workweek through a variety of reforms that eased overtime restrictions and limited the law's application. Just from 2002 to 2008, the Right implemented seven substantial measures relating to working time.

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And yet, partially restrained by the widespread view that the thirty-five-hour workweek is an “acquired social right” (as former President Jacques Chirac once put it), even committed neoliberals like Nicolas Sarkozy have been unable to fully repeal the statute.

Scrapping the law remains a central plank in the policy agenda of France’s vocal business representatives. Last year, Pierre Gattaz, the head of MEDEF, the powerful national employers’ association, called for greater flexibility in determining employee work hours. “Today, the thirty-five-hour uniformity applied, it is no longer relevant,” Gattaz said, adding, “I’m not saying you have to work forty-eight hours per week. But if companies need some employees to work forty hours and other to work thirty-two hours, they must be allowed to organize them.”

Attitudes on the French left have tended to be more ambivalent. For the social liberals who dominate the governing Socialist Party, reforming the working-time law fits neatly into their larger project of restructuring the French labor market along neoliberal lines.

Thus, the Finance Minister [Emmanuel Macron](#) — an ex-investment banker and free-market ideologue widely loathed by the radical left — echoed Gattaz’s call for increased latitude, arguing that “the legal framework of thirty-five hours is insufficient, since employees, like companies, need more flexibility.” It was only in the face of substantial union opposition that the government, headed by the [historically unpopular](#) President Francois Hollande and Prime Minister Manuel Valls (darling of the Socialist Party right), agreed to back down, at least temporarily.

This attitude represents a major shift from the view prevalent in the less radical sections of the French left before the passage of the Aubry Laws. Initially, the proposal for a legal reduction in weekly work hours for full-time employees was suggested to Jospin by [Dominique Strauss-Kahn](#) — future head of the International Monetary, now disgraced due to sexual assault allegations, and hardly a radical figure.

Support for the plan was traditionally strongest in the CFDT, the more conservative and less militant of France’s two biggest union confederations, rather than the traditionally Communist-aligned CGT. Indeed, the idea of using working-time reduction as a means of generating new employment was not limited to the Left during the 1990s.

Even on the Right, which never accepted the idea of making the shortened workweek mandatory, there was widespread backing of efforts to use financial incentives to encourage a reduction for full-time employees: for instance, the 1996 Robien Law offered subsidies amounting to as much as 50% of employers’ social security contributions if they reached agreements with employee representatives to cut working hours.

The Right’s lack of antipathy made the radical left hesitant about supporting the hours reductions legislation. This ambivalence was exacerbated by the two Aubry Laws, which were seen as reinforcing the long-term trend toward greater flexibility in employment relations and the decentralization of wage bargaining. For example, the far left objected to rule changes that allowed for the calculation of working-time on an annualized, rather than weekly basis; they were concerned that the measures would effectively undermine existing rules governing working conditions.

Some of these fears have been borne out: the workweek law has accorded employers more latitude, at employees’ expense — especially after the series of post-Aubry I reforms.

But this shouldn’t blind leftist observers to the radical promise and possibility embedded in the plan for a mandatory decrease in working time. In important respects, that policy offered a genuinely egalitarian and sustainable avenue for creating large numbers of full-time jobs,

not through deregulation of the labor market or with the loss of pay, but through a redistribution of work hours — a vehicle for generating job growth that both boosted labor’s power at the expense of capital and lessened intra-class disparities based on gender and occupation.

It is in this sense that the relevance of a shorter workweek extends far beyond the borders of France. In the following article, translated by Emal Ghamsharick from the French journal [Contretemps](#), two left-wing economists in France make the case for the thirty-five-hour workweek as a non-neoliberal path to full employment.

The question of working-time reduction is central to the history of capitalist exploitation of labor and worker resistance. Today, employers understand well that it is a crucial battle, as shown in an [October 2012 editorial](#) by Denis Kessler in *Le Monde*.

France’s largest employer federation, MEDEF, keeps pushing to reconsider the thirty-five-hour workweek set forth in the Aubry Laws (though they do have limitations), and even wants to abandon any reference to a collective legal limit to working time. The national collective wage agreement (ANI), passed as a law by government majority, opens this opportunity through “competitiveness agreements.”

Even if working-time reduction has been a historic battle of the labor movement and a prominent claim of the Left for much of the twentieth century, today this battle has reached a standstill; we have collective difficulties reaching a mass scale, to resume the offensive on this question and to respond to employers’ offensive. This battle has *not* been fought by part of the Left and the labor movement in the age of the Aubry Laws, which have negative outcomes for a significant number of salaried workers (increased flexibility, lack of compensatory hires).

The impression that real working-time reduction requires a balance of power out of reach today (while unemployment continues to rise and redundancy plans are multiplying, apparently condemning labor struggles to remain defensive) nurtures a feeling of helplessness. Additionally, we face an ideological assault, also within part of the Left, proclaiming that we must choose between employment and wages and that the current distribution of surplus value is not negotiable.

So it is essential to find ways to overcome this situation and resume fighting, including ideologically, for working-time reduction. Contrary to widespread ideas, true full employment is possible. But it requires confrontation with employers.

Nothing could be further from the truth than claiming that greatly increased productivity is the cause of unemployment. Yet it is a common misconception, especially among those who support the “End of Work” thesis, which claims that productivity is growing so fast that full employment is moving further beyond the horizon. According to this thesis, we should replace the right to work with the right to a [universal income](#). This is a farewell to struggle and a dangerous illusion (particularly dangerous for women).

Things do not work like that. Just compare two periods: the “Trente Glorieuses” (1945–1975), with low unemployment (around 2%) and the neoliberal phase, which began in the mid-1980s, where the unemployment rate was high (around 10%). Now the first saw a very high growth of labor productivity (around 5%), which then slowed sharply to around 1 to 2%. In other words: when productivity gains slow down, unemployment explodes.

This paradox disappears if we remember that employment depends not just on the overall level of production and the productivity of labor, but also on working time. In the medium term — and this is true for both of these great periods — labor productivity increases at about the same pace as production, so that net job creation depends mainly on the reduction of working time.

We can illustrate this process by broadening the scope over the entire twentieth century: in this period, hourly labor productivity increased by a factor of 13.6. How were these productivity gains distributed? By raising the standard of living (GDP multiplied by 9.7) and reducing working hours, which decreased by 44%. Employment, meanwhile, increased by only 26%, and the total number of hours worked fell by 30%.

In short, we are working part-time compared to our great-grandparents, and if it was not for this, unemployment would have reached insurmountable levels. This does not happen “naturally”: social struggles ensured that productivity gains were distributed in the form of lower working hours, not just as wage increases. The history of social struggles is permeated by conflicts about working time.

A second example is the experience of the thirty-five-hour workweek in France. It developed in socially unsatisfactory conditions, but it would be absurd to dismiss it as “anti-economic.” Indeed, over the past two decades, all new net jobs in the private sector were created during the transition to the thirty-five-hour week. This rebuttal of conventional wisdom becomes apparent if we observe the private-sector employment curve (Figure 1).

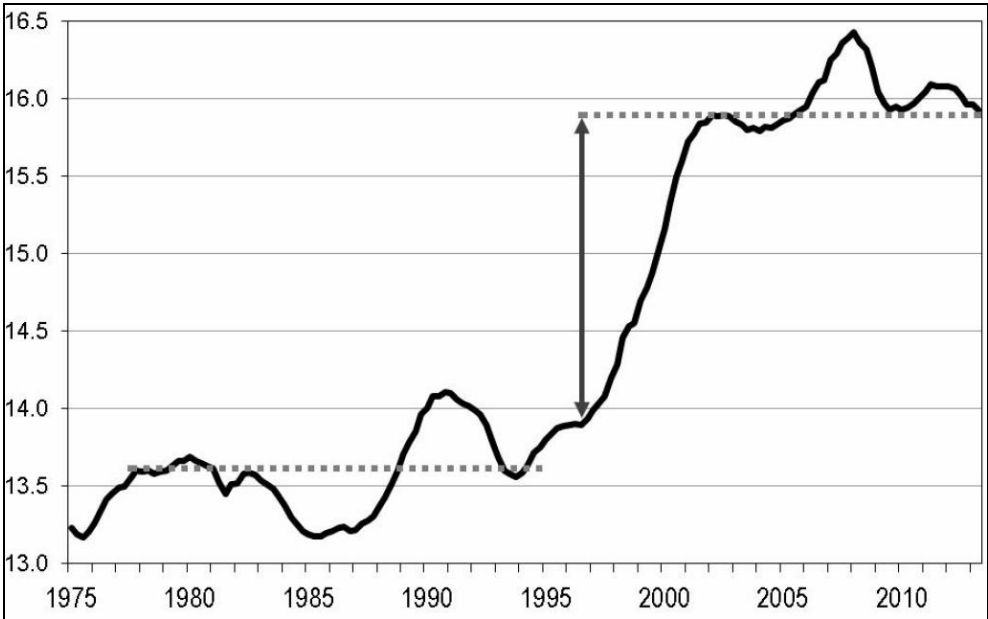


Figure 1: Employment in the Private Sector in Millions (Source: Dares)

In the two decades before the thirty-five-hour week, good and bad economic years even out, and employment in 1997 is at about the same level as in 1978. Between 1997 and 2002, we see a spectacular boost: almost two million jobs are created. Then employment hits a ceiling, picks up a little, and drops with the crisis. The result: in the second quarter of 2013, there were 15.93 million jobs in the private sector, compared to 15.9 million in the second quarter of 2002 — eleven years lost for employment.

For thirty years, excepting this break, work has been distributed “liberally” and unequally, mostly as part-time work, mostly forced, mainly on women. Recall that in France, women entered the job market as full-time workers. Part-time work has never been a gateway to full

employment, as in some countries in Northern Europe. Almost nonexistent before the 1980s, it expanded as a direct result of public policy (mostly by exempting employers from social security contributions).

Today, 30% of women employees work part-time, the vast majority involuntarily, and 80% of part-time jobs are occupied by women. In some sectors (retail, foodservice, cleaning), all created jobs are part-time, with extremely flexible hours and very low salaries. Part-time effectively means partial salary (even though most of these jobs already earn minimum wage) and partial pensions. The growth of part-time work reinforces the sexual division of labor, as we shall see.

The question is not so much if working hours will decrease, but how. The reduction can be general, with or without retention of monthly salary and compensatory hires; it can be targeted (precarity and part-time); or it can be extreme (unemployment).

Working-time reduction, collective and enforced by law, is an alternative to the expansion of part-time. Both fundamentally contradict each other.

There is a close link between working-time reduction and distribution of income. There are many ways to do it, each with obviously different effects on the distribution of wealth. The thirty-five-hour week has left wages unchanged, contrary to employers' complaints, which accuse it of increasing the costs of labor. This result was achieved in two ways: by reducing social security contributions and by raising work intensity, which has reduced the policy's potential for creating new jobs.

In other words, employers never stopped skimming productivity gains, thereby maintaining or even increasing their profit margins. These profits were not used to invest more, but to pay out more dividends. In 2012, an employee worked an average of twenty-six days per year for shareholders, instead of nine days in 1980.

What is not paid out to employees in the form of wage increases or job creation through working-time reduction is directly seized by the shareholders. This is why the rise and solidification of mass unemployment and this form of shareholder takeover (a good indicator of financialization) are two sides of the same "medal."

This is also why any proposal to reduce unemployment without touching income distribution is an illusion. Here the crisis reveals the violence of social relations: while employees are laid off and 90% of new hires have fixed-term contracts of less than a month, dividend growth, interrupted in 2010 at the height of the crisis, is resuming with a vengeance.

In opposition to full employment in the neoliberal or social-liberal [sense](#), we are actually defending a type of full employment compatible with low inflation, accompanied by cyclical unemployment (called "equilibrium unemployment" in dominant theory); this is the famous NAIRU, or non-accelerating inflation rate of unemployment.

In reality, this produces an [industrial reserve army](#), which today exists not only in the strict sense of unemployed labor, but also as cyclical unemployment: odd jobs, precarious employment, etc. This notion of "full employment" is the root of so-called workfare policies, which force the unemployed to accept any job under any conditions and at any price. We must distance ourselves from this notion of full employment to avoid misunderstandings and create the conditions for an [alliance](#) between unemployed, precarious and employed workers.

As shown, the Aubry Laws have created permanent jobs, but almost nobody, at least in the Socialist Party, defends this record. In addition, the rules adopted at the time have worsened the living conditions of broad segments of the working class.

The crucial point is that lowered social security contributions were not accompanied by any requirement for compensatory hiring. The Robien Law, although making it optional, demanded “10% working time reduction = 10% new hires”; Aubry I did not require more than 6%, and the Aubry II required nothing at all.

Critics of working-time reduction speak of simplified arithmetic, but it is easy to show that the math worked — and that employers know how to use a calculator. Going from 100 employees at 39 hours (3,900 hours) to 106 employees at 35 hours (3,710 hours) reduces total hours by 5.1%. To avoid having to hire more, it is “sufficient” to intensify the pace of labor and increase hourly productivity.

This is exactly what happened: hourly productivity rose by 5.1%. But since the monthly salary was stabilized, the total payroll still increased. In return, employers got a relative wage freeze and the famous social security exemptions.

The devil is often in the details, and we could cite other mechanisms that reduced the impact of the thirty five-hour week on labor, especially the exemption of small businesses and overtime. We know that when the Right returned to power it failed to undo the thirty-five-hour week — which despite everything, is taken for granted by the French public — and thus attempted to circumvent the very concept of statutory working time.

The foregoing analysis allows us to better define the essential conditions for working-time reduction to reach its full potential. It is obviously necessary to stabilize the monthly wage, but also to create jobs proportional to the decrease in working hours. Such conditions would obviously increase total payroll expenses.

The reaction should not be new reductions of “charges,” which gradually asphyxiate the social security budget, but to proportionally reduce the cost of capital, i.e. dividend payouts and interest payments. This implies a twofold reallocation of profits: firstly, from capital-intensive sectors to sectors with a high labor component, and, secondly, from large companies to small and medium-sized enterprises.

Reducing forced labor time opens up various prospects for human and social emancipation. The possibility of emancipating ourselves from forced labor cannot be dissociated from the possibility of reducing exploitation in forced labor. This is the meaning of Simone Weil’s [sentence](#): “No one would accept to be a slave for two hours; to be accepted, daily slavery must last long enough to break something in a human.”

The [pressure](#) of unemployment also guarantees that employers can intensify conditions so much that they seem impossible to challenge. In contrast, real working-time reduction that fulfills all necessary conditions can only be achieved under the control of the employees on the job. It must be verified if the created jobs really exist — a hiring plan must be established that is not simply a copy of the initial jobs, but takes into account actual needs, relative hardship, and the necessity of reducing precarious employment.

Part-time work reinforces the unequal sharing of domestic labor and parenting and the societal view of women’s wages as supplementary income. Sociological studies [show](#) that women switching to part-time reduces the (already low) participation of men in the household.

Even if it is a “choice,” as in civil service, part-time remains a forced choice (insufficient childcare facilities, public shaming of mothers who work). The goals that it purportedly serves (more space to breathe, do other activities, spend more time with family) can and should be achieved by collective working-time reduction — for everyone and without reducing wages.

But even if collective working-time reduction is a condition for challenging social roles and gendered task division (and also for greater political participation), it is obviously not a

guarantee. Habits and social perceptions do not disappear automatically: under the thirty-five-hour workweek, in cases where wage-earners actually have more free time, this free time is divided by gender roles (men spend more time on leisure or educational/playful parenting, while women spend more time on domestic tasks or reproductive parenting).

So to make any impact, we must challenge sexist education, develop public services, etc. But egalitarian working-time reduction, together with the prohibition of forced part-time, is nonetheless a prerequisite.

Contrary to certain assertions (notably in the de-growth movement), talking about the distribution of productivity gains does not mean obedience to productivism, but its abandonment.

For two reasons: first, productivity gains should not be confused with increased work intensity. Historically, the first, enabled by technical innovation, is intended to liberate humans from their burdens, while the second means heavier (and potentially longer) work. The two often overlap in practice: technological innovation is often accompanied by reorganization and intensification of labor. Technical progress also serves to increase surplus value, not to liberate humans from labor — as it would, if its purpose was to reduce working time.

Second, besides this political issue, there is also a theoretical issue: the notion that human labor is the only creator of value and that labor is the capitalist's sole source of profit (employers never overlook this in their campaigns to extend working time). Neither capital nor nature as such are creators of value, as advanced by mainstream economics and certain currents of deep ecology.

Working-time reduction is the means to creating massive employment and meeting social needs without necessarily undertaking further GDP growth. In all cases, it is a condition for controlling goods and services whose growth is necessary (childcare centers, schools, hospitals, social housing, public transport, renewable energy, etc.), and those which need to be reduced (advertising, packaging, weapons, etc.), i.e. for controlling the qualitative content of growth.

It is crucial to the fight for emancipation, in its various aspects.