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**THE COMPANY, THE COMMUNITY  
AND ECONOMIC WAR**

by

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Comments by

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*Report by Michel Berry*

**Summary of the meeting**

The Community is expecting companies to resolve the current crisis and has asked economists to come up with the necessary solutions. M. Berry believes these expectations to be unreasonable: companies are already doing their best to fight the economic war. The situation has been wrongly diagnosed: society is suffering not only from an unemployment crisis but also from a crisis of meaning. The way to overcome this crisis and create jobs is to identify and reinforce the various ways of creating meaning that exist within and outside companies. He suggests a way to initiate such a move: making the registered unemployed available to approved associations.

## PRESENTATION BY MICHEL BERRY

### Economic mirages

Keynes wondered about what would happen when society produced eight times more goods than in 1930 ( a volume that we have exceeded).

"If we have any faith at all in the traditional values of life, then at least this perspective offers the possibility of an advantage. However, I worry about the readjustments society will have to make when in a few decades' time it will find itself under pressure to reject the habits and instincts developed over countless generations.

To put it in terms that are all the rage today, shouldn't we be expecting a universal "nervous breakdown"? Those peoples able to enjoy the future affluence will be those who are able to preserve and actively cultivate their lifestyle, and who manage to resist selling their souls to survive."<sup>1</sup>

In our developed world we have affluence, but not without unemployment, social exclusion, violence in schools, isolated old-age pensioners, drugs and sects, all symptoms of a profound crisis of meaning. This crisis has been a political challenge for more than ten years, with the focus mainly on unemployment and social exclusion. Any measures that have been taken have been driven mainly by economics: companies have to employ more people and help integrate people who have been excluded. But companies cannot live up to these expectations, given the economic war they are fighting. Should this lead us to despair? It shouldn't, provided we step back from economic science and provided the Community does not give companies a monopoly on meaning: if we want to overcome the crisis that is threatening our society we should give recognition to other activities that can provide meaning.

### Companies under pressure

Companies cannot live up to the Community's expectations. This is true on the macro-economic scale: growth is around 2% whereas productivity has risen by 3%. So we're wide of the mark. Optimists estimate that world markets will open up wonderful new opportunities. True, however given that it will often be in the interest of companies to produce locally, a world market is hardly going to improve the job situation in France. Economists have recommended measures aimed at boosting the job market in the right direction: Subsidies or reduced social charges have been introduced but with disappointing results. Competitive companies are only recruiting for new market opportunities and they only want "fighters" for reasons that should be taken into consideration.

Today people are obsessed with selling. Companies try to seduce consumers by treating them as unique Human Beings: "What would you like for your car in terms of motor, electronic equipment and seat colour?" and so forth. But instead of being King, consumers are becoming tyrants or even bad citizens: they buy foreign goods if they seem better suited to their needs.

Manufacturing is becoming extremely complex. Companies have to produce various objects in fluctuating volumes to meet unprecedented demands in terms of quality and profitability. Schedules are tight and there is growing automation. Low-skilled work is becoming a rarity. It's not enough to simply improve production because you have to constantly innovate in order to create new "needs". To save time, close links are set up between sellers, designers, buyers, manufacturers and bankers, shaking up traditional

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<sup>1</sup> J.M. Keynes, "Perspectives économiques pour nos petits enfants", in Essais sur la monnaie et l'économie", Petite bibliothèque Payot, 1990.

practices. This is project management, where people talk about mobilisation through deadlines and stress.<sup>2</sup> Companies decentralise and flatten hierarchies, and also subcontract, relocate and form networks in order to concentrate on fields of excellence. Commercial law replaces Labour law, which means that management is more flexible for the company but more demanding on its personnel.

Companies are increasing their capital in order to keep their place in increasingly global markets. Financial investors can find profitable safe investments and therefore demand high dividends, which increases the pressure on companies. The Stock Exchange takes an over-simplified view: redundancy measures raise share values since they appear to promise future gains, and this encourages cuts in the payroll, especially in companies threatened by hostile take-overs.

As a result, companies are recruiting less and selecting more carefully. In the largest companies you often need five signatures, including the Managing Director's, to recruit someone on a permanent contract, but first the applicant, whether a middle manager or top executive, has to undergo thorough personality and competence testing<sup>3</sup>. There is a preference for fixed-term contracts, temporary contracts, sub-contracting and even overtime in small and medium-sized companies<sup>4</sup>. Consequently, 80% of recruitment activity revolves around short-term contracts.

Therefore, an affluent society implies a strong move towards social exclusion, eliminating people that seem too old, poorly trained, slow or set in their ways. The unemployed find themselves quickly isolated if they don't find another job soon, although they may be unemployed for legitimate reasons beyond their control.

### **Remedies with unclear side-effects**

The effectiveness of some of the current remedies for this malaise is still questionable.

Subsidies and reduced social charges contradict the restrictive procedures for selection and recruitment, and often lead companies to replace or employ too many new staff. Many economists believe that if the minimum wage was cut, companies would just employ more low wage-earners. But for a successful company poorly paid workers would probably not fit the bill anyway. Cutting out the minimum wage could promote lower-range services but the problem is that such activities have a poor image in our society and are therefore under-developed.<sup>5</sup> I will come back to this point later on.

The reduction in working hours is once more under debate, with current proposals concerned about catering for local differences and suggesting that social charges be reduced. However, such proposals haven't caught on in successful companies, which place a high value on efficiency and stress. Reduced working hours are most likely to catch on in Taylorist-style industries and standardised services. However, these are often in decline and such measures would merely serve to limit redundancies. It is unrealistic to expect a reduction in working time to a 32 hour week in order to create 1.5 million new jobs, as estimated. We need to give much stronger social meaning to the time spent outside work if the call for shorter working hours is to be heeded. However, current arguments reinforce the social value of work, insisting that everyone needs to have access to a job.

It is tempting for governments to put pressure on companies to stop redundancies. However, this is ineffective with companies who have to take emergency measures, and

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<sup>2</sup> Y. Dubreil, "Comment réussir un projet impossible", Buiness Life Seminar, December 1991.

<sup>3</sup> C. Leboucher et P. Logak, "L'entreprise face à l'embauche", Ecole de Paris, October 1995.

<sup>4</sup> R. Beaujolin, "Une industrie de montagne face aux donneurs d'ordres", Ecole de Paris, March 1996.

<sup>5</sup> Le chômage paradoxal, Philippe d'Iribarne, Puf, 1990.

merely prevents the healthier companies from taking on new staff. There is moral pressure on company heads, who are portrayed in the media as guilty of aggravating the unemployment problem with their over-stringent redundancy measures. This can be beneficial for activities that have little or no competition because the lean organisation is the new trend<sup>6</sup>. But others see these as false accusations that ignore the power of the mechanisms under question and are the result of scapegoating policies.

These measures have little effect and it's useless to focus merely on companies. It is bad for unemployment figures and bad for the credibility of the government. It's disastrous for job-seekers, doomed to multiply their vain attempts to find employment.

### **The identity crisis of job-seekers**

The first shock of unemployment is purely financial, the worry of how to pay the bills with rapidly decreasing unemployment benefits. Then the job-seeker discovers the demoralising aspect of looking for a job: each person has to prove that he or she is looking for work. Helped by manuals on how to write a good CV, word-processing and photocopying facilities, jobseekers send off hundreds of well-written CVs.

Companies are inundated with unsolicited applications; many do not reply while others keep the letters on file or send out rejection letters; sometimes they organise interviews that generally come to nothing because of the afore-mentioned reasons. When a job is advertised it receives hundreds of applications. This is trying both for the candidates, who are in competition with many others, and also for the companies, especially small organisations, who have reached the point where they may think twice before advertising job offers. Instead, they recruit through contacts, which means that the only sure-fire way of finding a job is to have friends in the right places.

Millions of people experience this repetition of wasted effort. Some react by becoming hyperactive or depressed. The scorn or sympathy of their environment speeds up the break-down, the most common attitude being: *"well, if you tried harder..."*.

Descartes said, *"You have no worth if you're of no use to anyone"*. Not only do jobseekers no longer have a place in society but they hear people say that they are no longer needed. Some get involved in voluntary associations rather than wasting their time on job applications or going round in circles at home. But they are not allowed to join associations that are considered incompatible with their active search for work.

Voluntary work is considered valuable for students, housewives, pensioners and workers but out of bounds for the unemployed. In a military war we honour the wounded, but in this economic war we merely humiliate them... and yet the Community is rich. Why can't it offer a social status other than that of the jobseeker, another occupation apart from looking for a job that does not exist?

### **The creation of meaning**

From a more general point of view, since society is suffering not only from an unemployment crisis but also from a crisis of meaning and social bonds<sup>7</sup>, we should identify various ways to create meaning and encourage them. To illustrate what I mean by creating meaning, I'll use some examples concerning the production of goods, mutual help, culture, sport, youth organisations and games.

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<sup>6</sup> R. Beaujolin, "La diffusion d'une norme de gestion: la réduction des effectifs", ANVIE day, 18 January 1996.

<sup>7</sup> J.B. Foucauld & D. Piveteau, "Une société en quête de sens", Editions Odile Jacob, 1995.

- A company creates meaning by giving social identity to its members and by allowing them to form bonds with colleagues, clients and suppliers so that they are each part of a social network. When people leave the company, they miss the daily handshakes and conversations that allow us to pass on information and engage in social bonding. We know that it's difficult, if not fatal, to retire without being properly prepared for it. However, a pensioner still has a respectable social identity. A jobseeker does not, and the crisis is made worse as a result.

- "SOS 3è Age" is a French making association that helps elderly people.<sup>8</sup> Emotional ties and trust are built up through lasting personal relationships with the elderly and their families. Meetings give volunteers and workers a chance to share out the work and find out about the people they are looking after. They also create a friendly environment. The aims of the association fit our society's outlook, whereby it's despicable to be in anyone's debt but noble to come to someone's rescue<sup>9</sup>. The association's structure makes it easier for different interests to come together, and this is portrayed by the fact that it is funded by subsidies, donations and earnings from services rendered. Finally, the co-operation between paid workers and volunteers allows the charity to rub shoulders with the demands of a professional service. Helping elderly people is not easy but it is made possible by the association stressing the meaning of the action, keeping both the helpers and the helped happy.

- A homeless person who joins an Emmaus community is not *told "I'm going to help you"* but *"I need you"*. The association was founded by Abbé Pierre 40 years ago and has remained faithful to its founding principles: welcome, work and solidarity. Special rituals give respect to "companions". The companions even become providers of solidarity themselves and make group decisions about allocating funds to others. After a chaotic life, they find a place where they can build an identity. These communities are economically independent but they live by rules that evoke monasteries rather than companies.<sup>10</sup>

- When J.C. Casadesus's Lille National Orchestra plays in a village, the concert becomes the event of the year, lifting spirits in a region devastated by unemployment. Preparing for the concert brings the villagers together and the event brings some meaning. When the orchestra goes to schools to demonstrate music and musical instruments, the children become passionately interested in the music and want to learn how to play it themselves. When they are allowed to sit in on rehearsals, they find out that even professional musicians make mistakes and have to practise difficult passages; this shows them how people can learn from their mistakes.<sup>11</sup> It's easy to understand the popularity of the orchestra and how its conductor has become a regional hero. This is important for the musicians even if it's not a criterion of quality for the world of classical music.

- Sport creates events that create a sense of meaning for many people. Matches bring together large crowds of fans and enthusiasts. Supporters' clubs contribute to the teams' funds. They organise trips for fans to support away-matches and encourage meetings before and after each match where people can exchange comments with great enthusiasm. It's also worth mentioning that in popular sports, the big teams often do extremely well in towns with unemployment problems. The star sportsmen are admired and emulated by amateurs who meet up regularly to train together.

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<sup>8</sup> I refer to a dissertation currently being written by M.N. Jégo-Laveissière and M. Schuler, as part of their 3rd year of studies for elite civil mining engineers.

<sup>9</sup> P. d'Iribarne, "La logique de l'honneur", Le Seuil, 1989.

<sup>10</sup> D. Genestet & M. Hirsch, "From exclusion to esteem", The Ecole de Paris Guest Speakers, February 1996.

<sup>11</sup> J.C. Casadesus, "The creation of a major orchestra: conducting and listening", Business Life Seminar, December 1994.

- An Auchan hypermarket hit by youth crime and theft tries something new. It creates an association, *Trait d'Union (TU)*, to develop activities for young people. The first activities are basketball, football and French boxing. Then there is dance, graphics, parlour games and medicine collections for *Médécins du Monde*. Such activities bring forward new leaders, who learn to deal with managers at Auchan, and negotiate with the local authorities and the banks; this puts them on the straight and narrow. They are employed as security people, which reduces the incidence of theft and vandalism. Some young people still break away, but new activities are set up to interest the rebels and after a few incidents there is no further trouble. *TU* organises dance shows, boxing matches and other events, brings in money and creates jobs. There is no theft from the premises even though the equipment is not kept under lock and key. The organisers presented their experiment at a CRC seminar on crisis management. Managers met some enthusiastic speakers and the organisers were held in esteem for their role as teachers<sup>12</sup>.

- Pagnol immortalised card games. He showed how they can give a sense of meaning because each player is important. There are the dreaded card sharps and cheats that you have to keep an eye on and the dare-devils that you try to provoke; even the blunders have their place as the butt of jokes. However, games are no longer seen as social regulators, which is not what Pagnol had in mind, given the role games of cards or *pétanque* play in his writings. But anyone who has seen the excitement of a bridge tournament in an old people's club will understand how such games can create a sense of meaning.

These examples show how group activities can give a sense of purpose by involving people in activities that engender mutual respect. If unemployment has taken a dramatic turn then the blame must fall on the dominant position companies have in our society: other activities are considered secondary, strange or private affairs. This is a fairly recent phenomenon in France, where it has taken a long time for the company to reach its current status. Is it possible to strike a new balance between the competitive economy and other activities?

### **Does creating a sense of meaning provide new jobs?**

*"This is all good and well", you might say, "but how can creating a sense of meaning provide new jobs and who is going to finance them?"*

First of all, the answer is that in the face of the current crisis, multiplying the number of activities that create a sense of meaning is a crucial and urgent matter. Such activities give everyone a reason to live and develop links that make it easier for people to show solidarity with those worse off than themselves. In addition, activities that really do give meaning find financial support. J.C. Casadesus is no longer worried about losing sponsorship since there would be 100,000 people up in arms if he did.

700,000 associations give work to 800,000 paid employees and millions of volunteers. 85,000 associations were created in 1995, which gives an idea of their dynamism. They are financed by donations, subsidies and earnings. Only jobseekers are excluded from these associations, which is a horrendous state of affairs. That's why I've suggested making certain approved associations accessible to the unemployed. They would receive a 10% rise in their unemployment benefit, would no longer be obliged to look for work or be called "jobseekers" and they would disappear from the jobless statistics. The extra funds needed to complement their unemployment benefit could come from the State (who could reduce the financial incentives for hiring people in companies) or the associations' earnings. Approval would be given provisionally on the basis of the meaning created by

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<sup>12</sup> B. Nadoulek, "La banlieue et l'entreprise", *Management & conjuncture sociale*, no. 32, March 1994, p. 38-49.

the association, and this would avoid the sort of chaos created by the national workshops in the 19th century.

Finally, creating jobs without worrying about their meaning leads to inefficiency and waste. Measures have been introduced to promote the employment of homeworkers: tax incentives and payment by special "chèque service". However, people do not seem keen on this sort of work, which is considered subservient<sup>13</sup> by workers and employees alike, and this explains why these measures have had little impact<sup>14</sup>. Nevertheless, we have seen how systems like "SOS 3e age" create confidence and meaning in our culture. We could encourage them: elderly people would be happier with them and this would create more jobs, since there is an estimated potential of 250,000 new jobs. However, the authorities favour direct aid and while they subsidise the existing associations on a more or less regular basis, they are hardly taking any measures to boost the numbers.

In any case, it's striking to see the gap between the means and imagination spent on convincing consumers to buy washing powders that wash forever whiter and the feeble efforts spent on studying and informing people on ways to create services in France that people would genuinely want to offer and buy. However, J.P.Bailly's report at the Conseil Economique et Social is an encouraging step in this direction<sup>15</sup>.

We spend considerable sums on stopgap measures: unemployment benefit, job creation schemes, income support, and so on. There is now talk of demanding something in return, but without a proper vision, which has created a feeling of humiliation among the people receiving help and scepticism among others. A better way out of the current crisis in French society would be to study ways to create meaning and give them a boost.

France has been praised for its art of living. It is one of the richest countries in the world and also one of the hardest hit by unemployment. Large numbers of talented people are cut off from the economy, and this is paradoxically an opportunity for us to lead a peaceful revolution before having to confront the major upheaval that is already showing early signs of happening. With gradual changes in our values and institutions, we would find new links between the activities governed by the economy and other activities. Companies would be free to confront the competition as they wished but we would lay the foundations for building the right rituals to satisfy the Community<sup>16</sup>.

In his essay, Keynes concluded: *"There would be no disadvantage (...) in encouraging the arts of living and putting them to the test in the same way as activities that achieve a utilitarian goal.*

*Let's not exaggerate the importance of economic issues and sacrifice other affairs that have a wider and more permanent significance. The economic problem ought to remain an affair for specialists, like dentistry. It would be wonderful if economists could manage to promote an image of humility and respectability, in the same vein as dentists!"* Most of today's economists are competent and much more modest. The evil lies in the fact that they have been allowed an unreasonable place in conducting the Community's affairs.

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<sup>13</sup> P. d'Iribarne, *Le chômage paradoxal*, Puf, 1990.

<sup>14</sup> According to the DARES published on 25 October 1995, the "chèques services" have enabled 160,000 people to be employed in the first year, but this is merely the equivalent of 15,000 full-time workers and half of these correspond to the "whitening" of the black economy or the replacement of jobs in the old system.

<sup>15</sup> J. P. Bailly, "Le développement des services de proximité", Conseil Economique et Social report, 13 December, 1995.

<sup>16</sup> C. Riveline, "Le reve, la loi et la coutume, quel meilleur moyen de gérer les peuples?" The Ecole de Paris Guest Speakers, November 1996.

## PIERRE-NOEL GIRAUD COMMENTS

I'd like to discuss the idea that companies cannot create enough jobs to curb unemployment. Firstly, let me give you a diagnosis on unemployment from ideas that I've already mentioned<sup>17</sup>. With globalisation, the population of rich countries is splitting into two groups: the productive and the protected. The productive produce goods and services that circulate in the global economy while the protected produce those that cannot circulate. This distinction does not cover the gap between skilled and unskilled work: a lecturer in constitutional law is both highly qualified and protected while the rag-trade worker who sews buttonholes is low-skilled but part of a very productive system. The productive live under the threat of no longer being so, which means that they are generally quite stressed and work long hours. The protected live under the threat of no longer being needed. This leads to two case scenarios:

- a country has enough productive people who are sufficiently wealthy to sustain all the demand for work from the protected; in this way there is no unemployment, which is the case in Switzerland;
- either there are not enough productive people or they are not rich enough to guard against unemployment; this is the case in France.

For the market to eliminate unemployment, the cost of protected goods and services must decrease while the value of productive workers has to remain constant. New employees will be taken on by protected companies, and not the productive companies, who will no longer do so in the face of global competition. M. Berry is right on this point. For the cost of protected goods and services to drop, the cost of protected work has to decrease with lowered social charges or pay. This leads to a transfer of domestic work to marketable work: for example, some of those who do their own DIY or cooking at home will start to use professional services. This is what has happened in the United States, where unemployment has dropped with a decrease in the cost of protected work and an increase in spending by the productive on protected goods and services.

There might be a problem of supply: it might not be possible to return to the 19th century where each productive family had its own servants. However, it is not these jobs that have boomed in the United States, but market services. For the economist, one problem still remains: a market cannot function unless there are agreed standards of quality. The buyer must have an idea of what he or she is buying. There are norms and procedures for controlling goods, but the only guarantee of service quality is the person who directly produces the service. M. Berry's idea of using associations as middlemen between supply and demand is excellent; they could indeed create confidence.

The alternative to the market is the State who finances and decides on the useful goods and services. This may be legitimate for public property. But many of the services that create jobs are for private use and it is doubtful that the State can do a better job than the market at selecting them. M. Berry's solution is interesting all the same: the State provides the funds and the associations decide on the supply; certainly, the associations can understand the demand better than the State can.

I do not share M. Berry's pessimism regarding the ability of companies to create jobs. What he said about productive companies is true, but not what he said about protected organisations. However when there are not enough productive companies to employ the protected, there are only two choices: unemployment or growing inequality.

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<sup>17</sup> P.N. giraud, "Effets inattendus du commerce avec les pays à bas salaires", The Ecole de Paris Guest Speakers, November 1994.



## PHILIPPE D'IRIBARNE COMMENTS

I agree with M. Berry's analysis of the consequences of economic war, along with P-N Giraud's amendment: we could resign ourselves to an American-style growth in poverty rather than a European-style growth in unemployment. I agree with the importance he places on the idea of meaning: the job situation leads not only to a problem of payment but also to a problem of meaning. But I question his solutions that involve activities other than work.

In our society the person who does not earn a living, the loser in the economic war, is seen as a second-class citizen. Most of the people in M. Berry's examples were in fact winners. The musicians playing for an internationally-celebrated orchestra show how the strong can be magnanimous and take an interest in young people. The organisers who give lessons in strategy to managers are in a strong position. These examples certainly show other ways than work to become a winner, but how far can they go? M. Berry has demonstrated how we can find meaning in a monastic-style community but our society has objections to this solution: the newspaper *l'Humanité* has long accused Abbé Pierre of bowing to capitalism.

To give up the idea that everyone will find work is not acceptable to those who see society as made up of independent citizens. This can be seen in the multiple examples of an ideology that would have us believe that unemployment can be stamped out by hard work: OECD economists state that we will overcome social exclusion by education, while others think that the solution is job-sharing. As early as 1789, the French Alms Committee, introduced by the Constituent Assembly, stated that the only solution to begging was to find work for everyone. We know only too well how many attempts have failed, but still we dream that one day it will be possible. M. Berry mentions a paradox: Society honours the casualties of real war but despises the victims of economic war. However, we should not take this metaphor too far: being injured in a real war is a sign of having fought, whereas in economic war the victim is seen as having lost, which is not the same.

Finally, M. Berry considers the state of economic war as a given. In the current climate of international opinion, with the GATT, European construction, etc., the existence of economic war certainly seems an indisputable fact if not a religion: the OECD talks religiously about the sacrifices we need to make. But shouldn't the realism that M. Berry's view gives to the effects of economic war lead us to question the religion of economic war? I feel it is easier to challenge the intensity of economic war than to give meaning to the situation of the losers. This requires a fundamental revision of the founding myths we have adopted since the 18th century. The economic war is a more recent myth, that our societies have viewed differently over the centuries: after a wave of liberalism in the 19th century and then a return to more complex politics in the 20th century, we are now back to sacrificing ourselves to our faith in the market. But the pendulum could swing the other way in the future.

## MICHEL BERRY REPLIES

For twenty years now people have been saying that companies can solve the unemployment problem. I think the time has come for us to work on the assumption that this is not the case. Let's accept P-N Giraud's view that the demand for the protected has to increase among the productive if we are to combat unemployment. However, when he concludes that there should be a drop in salaries, he is still looking at it from the economist's viewpoint. Who wants cars with sophisticated equipment? No-one at first. But these cars sell because companies create the desire for them. Why not create the desire for meaning that leads to decently-paid jobs? Decent pay is also the way to get jobs taken seriously.<sup>18</sup> Colline Serrau's film "La crise" shows two contrasting worlds. In the rich

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<sup>18</sup> Fast food companies provide a low-cost service for people short on time but expensive restaurants also

man's world there is desolation: one morning a manager learns that he is being made redundant and his wife is leaving him. He wants to talk to his friends and his mother but no-one listens. In the poor man's world, people have a drink to celebrate the arrival of income support. In the film, the happy people are the poor ones who have a meaningful social life; this is also how the productive character puts some meaning back into his life. It's only a film but it has been so successful that it must have struck a chord. By studying what creates meaning, we will find activities that could be funded by the market or by legitimate social exchanges.

As for letting the unemployed join associations, we pay millions of people money to go round in circles looking for a job that does not exist (statistically speaking, since unemployment is not decreasing). It's a terrible waste, financed perforce by the productive. I am not suggesting that the State should choose which activities should be developed but I've taken as an example a case that might be surprising: the CNRS. The researchers are civil servants and their career progression is fairly limited. This means that they have few financial incentives. But the CNRS can act: it can withdraw its approval from laboratories. Researchers paid by the CNRS have not been turned out onto the streets but they do have to find another laboratory. In a laboratory where group activities are meaningful, the renewal of the approval every four years is a strong motivator. With associations, provisional approval would allow them to welcome people who are receiving unemployment benefit. If the approval were withdrawn, they would have to find another association or go back to being jobseekers. The commissions granting approval would include State representatives, local authorities, companies, public utilities and citizens. They would elect a President who would be free from political mandate; local authorities would be prevented from seizing this power. Commissions would hold public meetings, which would enable people to debate on what is meaningful for the Community's life.

Activities that create a sense of meaning are not only for the weak. There are many talented people receiving unemployment benefit. If the right framework were created, people could leave their jobs in companies, accept a lower income and make way for younger people. There are many people today capable of creating respectable activities outside companies.

## DEBATE

### How far should we rely on associations?

**Participant:** Which criteria would be used to decide if an association creates a sense of meaning?

**M. Berry:** The commissions' debates would gradually make this clear and create precedents.

**Participant:** As a company director and manager of a professional union, I don't think employment is a corporate objective, given the system companies operate in. But I do like M. Berry's idea: associations could play a useful role for the companies themselves. They need to turn well-founded points of view to their advantage and professional associations could be reinforced with the proposed framework. On the other hand, our opponents should be backed. For example, we ignore or confront the ecology associations because we do not debate, through lack of framework, means or time. By helping associations we would help democracy.

### Can we weather the economic storm?

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appeal: for some it is nice to be seen there, while for others a meal out is an event that you look forward to and talk about after; in restaurants the wine-waiters, specialist chefs and maîtres d' are proud of their traditions and are not badly paid.

**T. Gaudin:** M. Berry is making us take a big step forward when he suggests replacing the idea of work with the idea of activity. I appreciate that he is introducing an element of humanitarianism and reliance on group activity to reduce the destructive effects of competition. But I doubt that this is enough, since global competition is only going to get fiercer.

Firstly, industrialisation is forcing millions of people to leave rural areas, where they were virtually self-sufficient, and move to towns. Half of all humanity will be urbanised by 2008 and this figure will rise to 80% in 2025. With the entrance of China and India into the world economy, developed countries are finding themselves up against an huge pool of cheap workers prepared to work in any conditions in order to survive.

Secondly, we are seeing technical systems based on knowledge being introduced through a formidable cumulative process: for example, Microsoft has reached a dominant market position by self-reinforcement and standardisation, even if its software is not the best. However, their technical competitiveness is built on State systems (in this case military) on which the American government spares no expense. With military orders decreasing, rich countries are going to have to create other (and hopefully more civil) public orders in order to fill the gap.

This is why M. Berry and P.N. Giraud are wrong to dismiss the idea of national workshops. With the rise in social exclusion, there is a social demand for order, training and development, like in the middle of the 19th century and the 1929 crisis, which Gailbraith's memoirs bear witness to. The problem is how to ensure that this inevitable phase of "putting the economy back under control" is oriented towards serving man and nature, as was the case of Roosevelt's America, and not towards destructive ends, like Hitler's Germany.

**M.B.:** It's true that competition is getting fiercer. In my opinion, there is a need for the productive and we should help them. But there is a dangerous mix involved in supporting companies while forcing them to be more socially-minded. Economics are governed by global mechanisms over which we have hardly any control, but we do have room to manoeuvre on social aspects, provided that we do not treat all activities in the same way as productive companies.

**P. d'Iribarne:** In the 19th century, people thought that private war was inescapable but society managed to organise itself in order to limit it. Nothing is inescapable.

**P.N. Giraud:** I would like us to question the way the global economy works, but so far we haven't really discussed it because it's a taboo subject. I suggest that the Ecole de Paris think about it.

**M.B.:** Why not? But for me the economic war is not simply a competition between advanced and developing countries: even with the closure of borders it would be necessary to innovate constantly and lower prices since creditworthy consumers have been saturated. Who is prepared to buy expensive but poor quality products in order to create jobs? Economic peace must be made between us as consumers and us as manufacturers.

### **From the production of goods to the creation of meaning**

**M. Saloff Coste**<sup>19</sup>: When we talk about unemployment in France, I feel as though we are at the end of the Middle Ages when people wondered whether angels were male or female: are we witnessing the end of a civilisation? The Industrial Age saw the development of mass production, consumption and employment. With today's new

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<sup>19</sup> Author of *Le management du troisième millénaire*, ed. Guy Tredaniel.

information technology, there are fewer and fewer jobs for the masses in industrialised countries. This means that society is breaking up, like at the end of the agrarian society. What we need now is a change of opinion, like the one proposed by Adam Smith when he said that the true wealth of nations was not their territory but their economy.

Three centuries ago the concept of work was non-existent. There were no employees, just serfs. We have talked about the abolition of slavery as one of the great advances in humanity. We need to look on the abolition of the salaried workforce as another great step forward for mankind. But our brilliant debates remain trapped in old-fashioned ideas.

**M.B.:** I wanted to propose a change of outlook when I said that we need to move away from a preoccupation with producing goods to a preoccupation with creating meaning. The rural exodus was not too painful because the promised land was symbolised by towns and industry. These days we are experiencing an industrial exodus and we urgently need to find another promised land.

**Participant:** I was shocked when M. Berry said that we were living in times of plenty, and perplexed when he tried to show that companies were no longer able to recruit. However, I was reassured when he started to talk about creating meaning: this is the right direction to take, since economists only have one value in mind, and that is market value. We realise that this is causing the system to break down.

**Participant:** Work has two dimensions. One relates to meaning and the other to resources. Why content ourselves with the myth of the happy poor man who lives off meaning? There is also a huge problem with the redistribution of wealth.

**M.B.:** Of course, but we will only be able to deal with it properly when we are aware of the importance of creating meaning.

To conclude, I suggest listening to the younger generation. They are often remarkable but worried. There is no certainty that they are dreaming of the world we have built. They are certainly obsessed with finding a "real job", which these days means a position in a company. But many think that even if they find a job that fits their level of education, which is by no means guaranteed, it will not be enough for them because they need some meaning. They would like to change the world but lack the utopian ideas on which to base their actions. We need to give them dreams to help them build a world that suits them.

This is why I have proposed another way of looking at our social lives. To paraphrase Smith, I suggest considering that the wealth of a nation does not hang merely on its economy but also on the meaning it creates. The production and exchange of goods is part of the creation of meaning but it is no more than that.

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