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978-0-521-28586-5 - Employment and Unemployment: A Social-Psychological Analysis

Marie Jahoda

Excerpt

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Introduction

Throughout human history the overwhelming majority of people have worked for their living. They still do, but now a question-mark hangs over the future of work in the Western world. Unemployment rates are rising in industrialised countries in a world-wide recession. A new international division of labour eliminates some employment opportunities in the rich world; this rich world must therefore concentrate on new technologies which, in turn, have the potential of replacing the work of human beings and still have to demonstrate their power of creating new jobs for all.

There are some who expect that the issue of unemployment will be reduced to manageable proportions once the world recession eases. There are others who point to the probably irreversible change in the international division of labour and its implications for the reduction in the number of jobs in the rich world. To survive economically technological innovation becomes imperative; by the same token the most widely feared and advocated new technology – microprocessors – eliminates many jobs. In this double bind even technological optimists do not offer a solution for unemployment in the near future though they paint a glowing picture of more distant possibilities. According to temperament they either speak of a leisure society in which work will be unnecessary for many while inherently interesting for a few or, more soberly, they point to the enormous changes in the nature and number of jobs that have followed in the past changes in the structure of the economy or the introduction of new technologies. During the last hundred years or so millions of jobs were lost in agriculture and domestic services but new ones emerged in factories. Henry Ford's labour-saving invention of the conveyor belt created in the end more jobs, not fewer. Such optimists recall the automation debates in the

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fifties of this century, when equally dire predictions of structural unemployment were disproved by subsequent events.

Whether or not history will repeat itself only the twenty-first century will reveal. For the less distant future in the United Kingdom and elsewhere unemployment will most likely present a major social problem in the 1980s. In economic terms it imposes an enormous burden. One recent estimate of the economic cost of unemployment to the U.K. government, taking into account the costs of benefits, their administration, employment services and the loss in income and insurance contributions, arrives at a figure of over £4,000 million (Showler and Sinfield, 1981, p. 52). Another estimate emerges with a figure of more than £5,000 million (Samuel Brittan, 1981), and the costs are rising with the rising number of unemployed. The economic cost to the individual unemployed is, according to the same sources, on the average a reduction of about 50% of disposable income. Such a reduction imposes problems whatever the level of income at which it occurs. When it hits the growing number of long-term unemployed who depend on supplementary benefits, having exhausted their unemployment insurance, and who are disproportionately composed of the lowest paid in previous employment, the economic hardship is indeed severe.

The public debate about unemployment, divided though it is about causes and prospects, is virtually unanimous in its restriction to macro- and micro-economic issues, taking their social and psychological implications so much for granted that economic goals lose their character as means and become ends in themselves. There is, of course, no question about the overwhelming importance of the economic state of affairs both for the country at large and for its unemployed; but equally there is no question that the ultimate criterion by which economic strategies must be judged is not trade balances or Gross National Product but the quality of life people experience who are affected by such strategies. Being employed or unemployed is a major component of this quality.

Quality of life is an elusive concept that defies exact measurement. Its many components – work or its absence, economic circumstances, psychological predisposition, personal relations, health, the social climate and fate – are analytically separate though unified in experience where they interact in an inextricable manner. In line with the

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materialism of our culture the most easily measurable aspect, economic circumstances, is often taken as the single indicator of quality of life; perhaps justifiably so where deprivation in economic terms is severe. In this country many of the long-term unemployed live below the poverty-line, as do other large families where the main earner of the family is disabled or on very low wages. But to leave it at that amounts to a very one-sided view of what human beings need to make sense out of their lives. Bread – yes; but not only and more than circuses.

This book is an attempt to present to a wider public the contribution of social psychology to the understanding of employment and unemployment. The size of this contribution is enormous; its availability to an audience outside the community of social psychologists is very limited. Most of the relevant ideas and research results are published in technical journals where there is legitimately much emphasis on details of method and where the use of established scientific terminology must be taken for granted. By this same token, however, this vast technical literature fails to enter the wider public debate about work.

I have tried to avoid both jargon and oversimplification in the conviction that the massive research effort of social psychologists in this field deserves to be more widely known than it currently is, even though it does not offer solutions to the many problems the topic implies. Indeed, one would be rightly suspicious if any discipline pretended to have *the* answer to issues that by their nature demand not only considerations from other disciplines – economics, political science, sociology, history – but above all practical political commitment. Just because we live in a period in which economic thought and economic necessities dominate public policy it is important to insist that other dimensions be considered too; all the more so because economic thought rests inevitably on some tacit assumptions about what people want, need and value. While some of the great economists have on occasion made their psychological views explicit – Adam Smith, Karl Marx, Maynard Keynes, for example – they remain personal convictions untested by systematic study. Social psychology can provide some of the missing links although it is no substitute for political commitment.

That unemployment is economically ‘bad’ is beyond question, both for the collectivity and for the individual. To assess its other human

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consequences requires a comparison with the human consequences of employment. For if employment has lost its meaning for many, as the ever-growing literature on alienation asserts, unemployment would indeed be an economic issue only. While public attention is understandably concentrated on the increasing rates of unemployment, its consequences cannot be understood in isolation from the conditions under which the vast majority of the population make their living.

Any presentation of what is systematically known about employment and unemployment must inevitably be selective. During this century a truly staggering amount of empirical work on these matters has accumulated that defies comprehensive coverage. A recent bibliography, for example, restricted to the period 1970–1977 and to a limited topic – work organisation – lists over 1,100 items (Brake, 1978). Understandably, nobody has tried to produce a comprehensive bibliography and nobody can any longer claim to be on top of the literature in this rich, vital and sprawling field of study. A choice has to be made, even within the imposed limitation of incomplete knowledge.

One possibility for deliberate selection would be a concentration on recent research, justified by the indubitable fact that research methods have increased in sophistication to an extraordinary extent in the second half of this century. But there are weighty counter-arguments. While the improvement in methodology is all to the good, of course, such a choice would ignore a problem peculiar to the social sciences. In the natural sciences, which deal with phenomena immune to historical changes, if more sophisticated methods yield different results they are as a rule assumed to be more valid than earlier findings. No such assumption is possible in the social sciences. Not only methods change, but also people and history; what complicates the issue is that they do not keep step with the same clock. To decide whether yesterday's findings are valid for today, let alone for tomorrow, is a difficult matter. Perhaps the earlier methods were too crude; perhaps people's values have changed; or perhaps the conditions have changed under which they are now employed or unemployed. But to ignore earlier findings would cut off social psychology from one of its central tasks: to contribute to the understanding of social change.

Many text-books of industrial psychology have recognised the need for a historical dimension, but have dealt with it in terms of the history

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of research rather than in terms of social change. So it has become customary to present the topic starting early in the century with Taylorism and its emphasis on efficiency and productivity (curiously acclaimed by Lenin in 1919), proceeding to the Hawthorne studies and the human relations approach, from there to group-dynamics, to the socio-technical systems approach of the Tavistock Institute, to more recent concern with job enrichment and enlargement and to what West German social scientists call the humanisation of work.

This may be an adequate description of the sequence of dominant research interests; it is certainly not a sequence of the problems in the real world of work. Efficiency, productivity, human relations and the nature of jobs are issues as urgent now as they were when they preoccupied researchers or failed to do so.

Neither a concentration on unemployment alone nor on the most recent research literature nor on a historical review of dominant research interests determines, therefore, the selection of material in the following presentation. The choice, in as far as it is deliberate and not the result of inevitably limited knowledge, is in favour of studies that illuminate the complexity of human experiences in daily life. This excludes laboratory studies as much as a discussion of a variety of theories that have guided such research in recent decades, important though they are for the advancement of a single discipline. These exclusions require a brief justification.

Some laboratory experiments – for example on conformity, obedience to authority, communication patterns in small groups or minimal conditions for group formation – have an obvious relevance for thinking about the world of work. But the transfer of results from experimentally contrived situations to the complexities of experience outside the laboratory is still so tenuous a matter that notwithstanding some splendid achievements in experimental social psychology, its power to illuminate experience appears to be limited.

Much the same holds true for theories. There is no single theory that encompasses the full richness of empirical results, nor that deals satisfactorily with the occasionally contradictory findings. Many of the relevant studies are frankly atheoretical; others are based on diverse theories about human behaviour and experience that are in principle incompatible with each other, because they are designed to provide explanations for different types of phenomena. A theory designed to

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explain the physiological concomitants of work or unemployment cannot encompass data on their subjective meaning; a theory concerned with social comparisons cannot deal with the phenomena of intra-psychic conflict; a theory about alienation as a consequence of the division of labour is unsuitable for explaining individual differences in attitudes to work. Every theory inevitably selects limited aspects out of the vast reservoir of behaviour and experience and uses appropriate concepts, units of analysis and methods within its restricted scope of convenience; the very appropriateness for one purpose makes it inappropriate for another. This is as it must be if theoretical thought is to advance; by the same token it deprives an approach to the study of work of that most useful function of a theory, which is to summarise available knowledge. To be sure there are some systems of thought, often misclassified as theories, that provide a unifying point of view for the study of any social phenomenon: neo-Marxism is one, neo-conservatism another. They are world views rather than theories, because they rest on *a priori* value assumptions that cannot be verified or falsified by reference to the real world. There is a price to be paid for these exclusions; the rigour of causal explanations will have to be replaced by descriptions and indications of circular causalities. I see no way of avoiding it.

The empirical literature from various disciplines in the social sciences, on which this book is based, deals as a rule with unemployment and employment, not with work or its absence. The reasons for keeping these terms distinct are set out in the next chapter.

There then follows an attempt to present a historical background for the current situation. Chapter 3 describes the findings from studies of the social-psychological consequences of unemployment conducted during the great depression of the 1930s in various countries. The intention in that chapter is to suggest broad categories of experience that occurred with unemployment as a basis for comparison with the present. Because of this intention two studies that had concentrated on many dimensions of this multi-faceted experience are extensively used: the study of Marienthal, a one-factory village in Austria that was almost totally unemployed when the factory closed in 1929 (Jahoda, Lazarsfeld and Zeisel, 1933), and a study of unemployed men who lived among others still employed in Greenwich, England (Bakke, 1933).

The following chapter deals first with the enormous social changes

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that have taken place in the last half-century that can be assumed to have affected the current experiences of both unemployment and employment, and then looks at empirical evidence to test the justification of such assumptions. As is to be expected this evidence is not always conclusive and its interpretation far from unanimous. It emerges that it is easier to generalise about the experience of unemployment than of employment with its larger variability.

In Chapter 5, therefore, the reality of current employment is further examined, particularly with emphasis on the results of numerous efforts to improve conditions, their successes and their failures. It will not come as a surprise to the informed reader that notwithstanding the tragedy of mass unemployment, there is also tragedy in some forms of modern employment, not all of it inevitable, however.

In the last chapter there is a summary of what appears to me to be the essential contribution of social-psychological thought and research to the understanding of work, employment and unemployment and an effort to apply this to the various alternatives available in the not too distant future.

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Definitions and their implications

In common parlance as well as in the social science literature, work and employment are often used interchangeably. This conflation of meaning is deeply embedded in our language habits. We speak about work satisfaction or alienation from work, but mean responses to employment; people demonstrate for the right to work when what they want is jobs. A collection of the life stories of the currently unemployed is entitled *Workless* (Marsden and Duff, 1975), another book *The Workless State* (Showler and Sinfield, 1981), yet another *The Collapse of Work* (Jenkins and Sherman, 1979); what is meant in all these cases is the absence of jobs for all who want them. To question the wisdom of such engrained language habits would be pointless without some good conceptual reasons. Granted that in the modern world the two terms are used virtually synonymously, there are such reasons. The *Oxford English Dictionary* lists no less than 39 distinct meanings for the term work, of which holding a job to make a living is only one. The essential communality of all these meanings is action for a purpose or the product of such action. In that sense work is not only an inalienable right (in the sense in which the American Constitution guarantees the inalienable right to the pursuit of happiness) but the very essence of being alive. It is clearly a superordinate notion that includes but is not limited to employment.

Employment or jobs refers to work under contractual arrangements involving material rewards. This definition does not encompass all economically relevant forms of work. Excluded by this narrower conception is not only work performed at different historical periods or in contemporary non-industrialised societies but also forms in industrialised societies: by the self-employed, most housework, work in the

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'hidden' economy or voluntary work for social purposes and do-it-yourself activities. All this is work, too.

Economists have as much trouble in distinguishing precisely the many meanings of the term work as other social scientists, even though it is an essential ingredient of their discipline. In 1890 Alfred Marshall proposed this definition: 'We may define labour as an exertion of mind or body undergone partly or wholly with a view to some good other than the pleasure derived directly from work'. This is a broader conception than current language habits imply but it ignores the distinction between employment and other work. While Marshall by implication admits that work can be enjoyable, some modern economists take a sterner view of such activities. It has been suggested, for example, that for purposes of economics every activity should be regarded as work for which it is in principle possible to hire another person with similar qualifications so that the result of the activity remains the same (Hawrylyshyn, 1971). This quite properly excludes watching television or practising a musical instrument; work too, but not in the economic sense. No substitution is possible for such activities. This definition includes housework and the hidden economy, but it rules out of court as externalities the human aspects of gainful employment and, once again, it does not distinguish between holding a job and other forms of economic activity.

There are several reasons why for the purposes of a social-psychological approach to the world of work it is necessary to distinguish clearly between three forms of work: that captured in Marshall's broad definition, employment as regulated by contractual arrangements, and other economic activities not so regulated.

This distinction clarifies at once one aspect of the research literature and of the current debate about the issue: it is employment on which they concentrate, not work. Nonetheless some though not all of these activities outside contractual arrangements make a substantial contribution to the wealth of a nation, although of an unknown proportion. Their inevitable exclusion from official statistics implies that such reports cannot claim to reflect economic conditions comprehensively but present unquestionably an underestimate of economic levels. Only one form of such activities is beginning to attract widespread attention: the hidden economy, which seems to have grown considerably in recent

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years. The reason for growing concern with this phenomenon is obvious: it implies enormous losses in tax revenue. For France, for example, this loss is estimated to be well over £2,000 million. The human implications are less often commented on, but they are equally obvious: the labour law of the land is powerless in the hidden economy, nor do its participants receive the protection of the trade unions. There is no restriction on working hours, children are involved, apparently particularly in Italy, and exploitation of the weaker among the participants is beyond control. There are indications that in the U.S.A., Canada and West Germany, for example, the manpower for the hidden economy comes to a large extent from people who are employed but engage in second undeclared jobs, even though some registered unemployed also participate. To the extent that jobs are performed behind the back of the tax collector, the phenomenon is an indicator of public morality. By the same token, however, it contradicts the often-made glib diagnosis of our times that people have lost the will to work.

It stands to reason that work in these three categories – under conditions of employment, other activities with an economic purpose (of which the hidden economy is only one aspect) and work done largely for non-economic purposes such as hobbies or children's homework – encompasses activities under vastly differing conditions, eliciting vastly differing satisfactions and frustrations.

It is often assumed that the psychologically constructive aspects of work dominate in activities outside modern conditions of employment, the negative ones in employment where, it is asserted, people have lost their concern for quality, are resistant to technological change, to innovations and labour-saving devices of all kinds as well as being unwilling to do dirty work or keep 'unsocial' hours. There is much current experience to show that this is indeed often the case. As a generalisation, however, these assertions will not hold. Not all is well in the world of employment, but neither is it in the world of work outside. The housewife syndrome of boredom and depression is still a fact of life, and not to be explained by lack of work; housewives certainly welcome as a rule labour-saving devices such as washing machines which reduce the required investment of time and effort to keep a family going. Some people engaged in craft hobbies, however, reject labour-saving devices as do some employed people. Industrial