

Work, rehabilitation and welfare

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Introduction

The term work has a number of different meanings and in the literature we can find a number of lengthy discussions on the meaning of the term. In a famous essay, written already in 1932, the British philosopher and Nobel laureate Bertrand Russell has given his rather personal definition. He thinks there are two kinds of work : “first altering the position of matter at or near the earths surface relatively to other such matter ; second, telling other people to do so. The first kind is unpleasant and ill paid ; the second is pleasant and highly paid. The second is capable of indefinite extension : there are not only those who give orders, but those who give advice as to what orders should be given”¹.

Russell also thinks that there is “far too much work done in the world” and that we should work less. The rich have already realised that, but the last thing they ever wished is that others should follow their example. But one problem comes in the foreground : where do you get your money from if you don’t work? Russell’s own solution seems to be work-sharing. The technology makes it possible for people to

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1) Quoted from “In praise of Idleness” (page 248) in Socialism and Humanism, 1964.

work less hours, a solution that is now, 64 years after this essay was published, still under discussion. Modern “post-industrial society” seems to have developed in another direction : fewer people work more and more people have become idle, without wanting to be so. Unemployment has become the plague of our time, as it was at the time when Russell wrote “In praise of idleness”.

When we talk about work in this context, it should be clear that we are talking about paid work. Apparently, Bertrand Russell was also talking about paid work, although of two different types. Unpaid work, such as house-hold chores, will not be counted as work in this restricted sense. Nor will activities that may be paid for, but which are not carried out within the frame of the labour market. Such activities are, for example, relief work or other activities provided for people who have not succeeded in finding a job on the regular labour market.

The changing labour market

The labour market has come to play a growing role in the “post-industrial societies”. In Sweden the labour force has expanded since the time of the old farming society. In that society, women were working on the farm, but that was usually unpaid work, that didn’t belong to any market. Nowadays, when farming and related occupations give work to no more than three per cent of the population, very few women have the possibility of carrying out unpaid work on a farm. They will instead have to find paid work outside their homes. Thus, a growing number of women have come to belong to the labour market. In Sweden, the percentage of women who are gainfully employed, has increased dramatically after the second world war, and is now among the highest in the world. Before looking for explanations of this fact, I would like to say something about the terminology used when discussing the labour market.

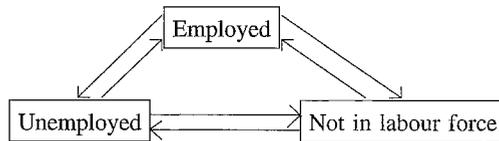
Labour force surveys are carried out in many countries. These surveys are based on same or similar definitions of basic concepts and they are carried out with similar methods. This makes it easier to compare statistics between countries. Usually the population of working age is classified into three main categories. One category consists of those being employed, either self-employed or employed by an employer. A second category consists of those who are unemployed, e. g. not employed but actively seeking paid work. The third category, finally, consists of those who are neither employed, nor unemployed, i. e. those who are not in the labour force. In that latter category we find groups such as students, home makers, people who are disabled, etc.

Industrialisation in Sweden, like in Japan, started relatively late, about 125 years ago. At that time, Sweden was a poor peasant society, where a growing under-class was unable to find their subsistence from farming. Many of those emigrated, particularly to America, and another part became workers in the now growing industrial sector. Labour force participation among women was comparatively low. It was in many cases expected that a married woman should stay home and look after the children and carry out other house-hold chores. The husband was expected to be the only bread-winner who alone could provide for the family, which of course was not always possible. The industrial sector in our country continued to expand for almost one hundred years and it was not until the 1960's that this expansion stopped and later was replaced by a decrease, particularly noticeable during certain years, such as the beginning of the 1990's.

The expansion of the industrial sector was followed by an equally important expansion of the service sector, leading to new jobs, particularly for women. The before-mentioned increase of womens' labour force participation in Sweden is closely related to the expansion of the service sector, particularly the public service sector ;

the private service sector is relatively small in Sweden. It is characteristic for the Swedish development that most of the new service jobs came about in the public sector. They were jobs such as nurses and nurse attendants, teachers, social workers, etc.

Most individuals will change their positions on the labour market. At one time they might be employed, at a later time unemployed or outside the labour force. This can be illustrated in the following figure :



People may become unemployed because they leave (or have to leave) their employment. However, if a person leaves his employment it doesn't necessarily mean that he becomes unemployed. He may have left the labour market and does no longer belong to the labour force. These simple facts are often overlooked in popular discussion about the employment situation. When the unemployment rate goes down, it is often assumed that the rate of employment has gone up. But this may not be the case if, for example, those who are unemployed instead leave the labour force, i. e. they are neither employed nor unemployed.

The Swedish labour administration has been very successful in starting different programs for those unemployed. One type of program is the labour market training, which is often intended to provide the trainee with new skills, so that he or she will be more competitive on the labour market. As long as a person is taking part in such training the person is not actively seeking new employment and thus not counted as unemployed but rather as not being in the labour force. Participation in labour market training programs or in some form of created jobs will thus keep the open unemployment down and make the statistical figures look better.

Sweden has together with some other highly industrialised countries like Austria, Japan, Norway and Switzerland become renowned for its low unemployment rate. As late as in 1989 the rate of open unemployment was below two percent. But starting in 1991 the situation in the Swedish labour market changed drastically. In a few years the rate went up to over eight percent and has then remained between eight and nine percent. To this might be added those who are in different kinds of labour market programs and which constitute a form of hidden unemployment. They now correspond to between four and five percent of the labour force. This is a completely new situation for the Swedes. The Social Democratic government has said that they shall halve the unemployment rate, i. e. bring it down to four per cent, until the year 2000. How this is to be achieved is a matter of great confusion and political controversy.

Employability and rehabilitation

The increase in open as well as in hidden unemployment has had great economic consequences not only for those who are personally affected and see their income go down, but also for the state. In 1993 the payments from unemployment insurance went up to Swedish krona 40 billion, an increase of more than 300 per cent in fixed prices since 1985²⁾. It is well known that unemployment has a number of negative consequences beside the economic ones. The policy of full employment has therefore played an important role not only for the Social Democrats in Sweden but also for the non-socialist parties. It has long been perhaps the most important goal for the national welfare policy. The main idea is that people should get jobs rather than economic support. That principle has governed what has been called an active labour market policy, a policy that in recent years has started to erode.

2) According to Social Insurance Statistics, published yearly by the National Social Insurance Board.

To get a job on the labour market a person must be seen as employable, which, in turn means that he or she must be profitable enough. To rehabilitate means “to restore to a former capacity, rank or right”³⁾. In this context it refers to rehabilitation back to work. The idea is that the person’s capacity to work has been reduced due to physical illness or some other reason and that it now must be restored. If the former capacity is restored it is not sure that he or she will get a new job, a simple fact that is too easily forgotten. The labour market may have become more competitive so that the former work capacity, now successfully restored, is not enough to make the rehabilitated person competitive. So, rehabilitation is no universal solution to the problem of putting people back to work. Jobs have to be available as well, otherwise the rehabilitation measures will only lead to continued unemployment. Rehabilitation must go hand in hand with job creation. Not only should people be adjusted and rehabilitated to fit for certain jobs ; equally important is that the jobs are adjusted to the people. In the pursuit of that goal I’m sure that we have a lot to learn from each other.

3) According to the Merriam–Webster Dictionary.