

Labor market problems and employment policy in France in the nineties

Written

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Preface

This report is an experiment to present conclusions after six months of research on French labor market. My research concentrated on the following questions:

- 1., Employment trends on the macro level of labor market during the last few years.
- 2., Main characteristics of employment policy and manpower utilisation, concerning to the first job seekers.
- 3., Theoretical aspects and explanatory models about the internal labor market progress.

In the research report I didn't make an independent chapter for the second point of research problems, but I worked them into the first and third part of report. The reason for this was that, the inherence among research problems could be hereby better formulated.

In accordance with the research project, I analysed the labor market development in the first part of the paper. I used statistical publications of the French Ministry of Labor, different scientific journals and special issues of research institutions. Because of the international references, I worked with the data bank of OECD and I used up labor market analyses of international organizations.

In the second part of my paper I summarised the main points of view of French economists, labor economists and sociologists. I wanted to comprehend the present situation of the French economic and labor market, consequently I couldn't be interested every theoretical model. For that reason I selected among them.

Since the language of tables was French, I didn't change it, and I used the original categories and label within my English paper. I kept the genuine language of quotation from French literature, too, because in many cases we couldn't find adequate English word.

Before the presentation of labor market situation in France, I think, it is necessary to set forth the general economic trend and the key issues of present time.

There is not easy to introduce the economic situation, because of contradictory points of view. Anyway, the value of GDP is positive in the nineties, with the exception of 1993. (1992: 1,3%; 1993:- 1,5%; 1994:2,7%; 1995:3,0%.) For 1996 are forecasted: 2 - 3 %. (The real fact seems to be: 1,7% in November, 1996.)

The inflation rate was not too high during these years, e.g. the raising of prices of consumer goods remained between 1,5% and 2,4%. (1992: 2,4%; 1993:2,1%; 1994:1,6%; 1995:1,5%) 1996: it is 1,7% to this month.

Between 1990 and 1996 arose the labor costs, but the development in the nineties was not as high as in the eighties. (Except: 1994, when its value was: - 1,5%.)

The salary is one of the most important factors of the labor costs structure. With regard to the evolution of salaries, the general level of salaries arose with lower measure in the nineties, than in the eighties. But the value of wage evolution was higher in the nineties, than the value of labor costs evolution. It means, that the structure of labor costs changed, and the other components of labor costs decreased, left the evolution of salaries untouched.

To summing up the macro economic facts, it can be stated, that the French economy hasn't deep economic crisis, as soon as presented by many authors today. Undoubtedly -- we will present -- there are economic difficulties, e.g. there are very rapid fluctuation in the industrial production and consumption (**INSEE, 1996.**), but the principal problems seem to be concentrated on the labor markets and employment possibilities. Briefly: the French economy has normal course of growth and "abnormal" labor markets.

For correct presentation of the last twenty years, the first important key word is in France: the *transformation*. We comprehend under the notion of transformation firstly long-term process, secondly series of changes. The transformation was taking place on many levels of French economy (and society), to be without end up to the present.

The ownership relations transformed in many enterprises twice between 1974 and 1996. The first action to be changed the ownership relations was the so called "nationalisation", to be executed by socialist governments in the early eighties. The second change was the "privatisation", to be developed by the present and earlier right-wing governments. The changing ownership relations effected on the employment level and labor market structure very seriously.

The level of micro economy was having great transformation, too. New labor organizations developed, the internal structure of enterprises metamorphosed, the technological and technical components of work renewed basically. The new direction of enterprise orientation became the customer, who has an effect on the full production and enterprise strategy very profoundly.

"La société française est plus lente que d'autres à comprendre que le vrai patron d'une entreprise n'est pas son président, ni ses actionnaires, ni son personnel, ni ses syndicats, c'est le client." (**Boissonnat, 1995. 12.p.**)

In consequence of the changing positions of the customers, it seems to be, that the

workers have new level of responsibility to serve the clients directly, today. Therefore some labor economists speak to the << personnalisation du travail >>.

The transformation didn't leave the social values and attitudes of labor untouched. According to the book of Jean Boissonnat, the basic values of labor changed very deeply in the French society, e.g. the former principles of industrial work are no more accepted by citizens. The importance of industrial work diminished, because "*L'entreprise n'a jamais été le seul lieu d'insertion sociale...*" (Boissonnat, 1995, 13.p.)

The problems of employment and labor was getting into the new social space, therefore the early employment policy, which based on the system of industrial society, seems to be kept stalling.

The other key word is the *globalisation* ("*mondialisation*"). The French economy has already have a period of internationalisation during its own history (between 1880 -1900), but the current development is not identical with the economic situation at the end of the XIXth. century. The "*mondialisation*" is not simply internationalisation, than one hundred years ago, but new historical evolution at the end of our century.

The "*mondialisation*" is taking place on every economic sector and it is going on the macro-, mezzo-, micro level of the economy and society. There is "multi co-operation" in many economic activities, where the enterprises have direct contacts with one another, even in the production process.

The role of states is very important in the formation of new regulation system, but the national economies depend on the international agreements to the highest degree. New economic integration (EU, NAFTA) are working, and they make an impression on the national labor markets, too.

Summing up: In France developed new economic structure, and the conditions of the process of international adaptation came into existence, as well. It is no more possible to choose the national isolation. The international process of structural integration of production is working with the world wide competition and co-operation together. International labor markets (e.g. EU), arose at the same time. The French economy became an open economy, where the everyday life of enterprises is determined by the world economy directly.

"*La capacité de réaction, d'adaptation et d'intégration à ce nouveau mode d'organisation devient alors l'un des points essentiels pour l'orientation du système économique et social, plus particulièrement dans sa dimension <<travail et emploi>>.*" (Boissonnat, 1995.

63.p.)

If we should like to understand the French economic situation, it has to be written (briefly) to the historical role of state. Even at the beginning of the industrialisation, the state had an important role, which is reinforced for many years. In consequences of this, the role of state didn't decline in the current, new situation ("mondialisation"), therefore the scenarios of neoliberal economic strategy doesn't seem to be able to work -- in the case of France.

The wage policy of state or the regulation of law determine the labor market situation. The employment policy is a terrain of state activity, but the number of participants, because of the decentralisation, grew in the last few years.

The French state budget spend 3,31% of GDP in 1993 on the labor market programs. For the active measures was spent 1,21% of GDP, what means, that the passive measures dominated this year. In spite of this, the importance of active measures grew, because their proportions in 1990 was 0,80% only. (OCDE, 1995. 239.p.)

The proportion of state financing is high in the professional training (formation professionnelle) , too. 1994 the state (public) covered the 54% of full expenses (included the regions, what was: 6%) the enterprises give 39% and UNEDIC (foundation) 7%. The sum was 133 thousand million French Francs this year. (Premières Synthèses, 1996. No. 126.- 4. mars.)

The role of state will be important in the managing of employment policy in the future, too. According to public opinion in 1995, people in France thought, that the task to find means against unemployment is the responsibility of state and enterprises, but it is not a task of private associations. 38% of respondents chose the state, 35% the enterprises and 6% the associations. The state role in the employment policy is unquestionable.

After brief presentation on the current economic situation in France, I like to give some propositions, to summarise my research results:

1. The proportion between active and inactive population will be rearranged in the next years. The number of inactive people will growth, the active will decrease. Additionally, structural change will be taking place within the active labor force structure. The new situation will present something of a problem on the economy, so the economic efficiency will be meaningful question.

2. During the last few years grew the labor market activity of women. Women in age group 25 - 40 years are threatened by the unemployment, but they are one of the most stable labor force groups in the labor organization. Their stability within the enterprises goes with high

unemployment level together. Over and above, the part time work is used by women of this age group.

3. In spite of strong state activity on the labor market, the unemployment level is high in France. The main characteristics of unemployment are the following:

- regional segmentation,
- high level of youth unemployment, inspite of several labor market programs and growing education level. (The unemployment status is not far from the high educated people, therefore the high education can't protect from the unemployment.)
- the sexual disparity is an important factor in the labor market segmentation. (Regarding to youth unemployment, young women are over-represented in the unemployment class, especially women with high education.)
- the number of long time unemployed is high, therefore many specific problems of way of life arise. (The long time unemployed have health difficulties frequently, the divorce is high among their, etc.)

4. New job possibilities offered on the labor market, first of all for the well qualified youth, perhaps men, but the situation remained unchanged. The problems and conflicts of present industrial/ economic / social transformation seem to concentrate on new generations, therefore to find an effective means to reducing the youth unemployment is much more difficult as well as believed the actors of labor market policy before.

5. The education has double role in the forming of unemployment. On the one hand the level of qualification (quality of the degree and diploma) became much more important, than e.g. ten years ago, on the other, inspite of higher qualification level grew the youth unemployment in France.

6. The enterprise strategy of manpower utilisation changed, therefore to having a job for a long time will come to an end in the future. The job security will be a thing of the past. In this new situation, the employees will need more flexibility, individual initiative and another socialisation way to the working life. In the future people will be having many short time jobs during their working life or they will be working under different labor contracts and conditions, mostly in small enterprises.

7. The labor market model (and concept) of classical (and neo-classical) economists is the theoretical background for the statistical analyses. The categories of classical economic theory determine the description of labor market, more or less the presentation on the relations between

labor demand and supply. The categories of unemployment and employment are not be equivalent with the real labor market relations, because they can't cover many new situation, e.g. the "atypical employment forms". Second: in a number of cases, the inactive people don't present within the categories of unemployed, because of the missing registration. (e.g. women in household, they want to be getting a job after child bearing)

8., The unemployment as status within society was created by the historical development. The unemployment (*chômage*) developed from the category "sans emploi". To be unemployed meant, that the unemployed had a position in the employment system, but temporarily without work. The unemployment connected with the employment structure in this sense. Therefore the present crisis of employment system is the crisis of unemployment. (Demazier: *chômage en crise*)

9. The French economy and market system have strong segmentation, what refers to both social stratification on the labor market and economic institutions. Large - scale enterprises are operating together with small economic units, or international Giants have contracts with national companies. An important economic development was taking place on the small or medium sized enterprises and their participation is strong in the labor market programs.

10. The pillar of the contemporary employment policy, that the enterprises have a strong interest in job creation. But the reality is totally different, because, the enterprises reduce their work force, starting off the radical reduction of labor costs and the reduction of staff is subordinating the renovation of market efficiency. The French economy can't absorb the unemployed people in the present situation.

The simple truth is, that the enterprises haven't an economic interest in job creation, because of theirs new strategical aims. This situation is the result of the strategy of stability, which was restored by the economic actors within the enterprise. The coalition for stability was created by trade unions and management, workers groups and experts. There is new development in the economic history, especially in France, where the conflicts dominated within the enterprises earlier.

The strategy of status - quo is an important answer from the economic challenge and international competitions. The marketability has its own price: decreasing elasticity in the employment policy.

11. The enterprises don't create jobs for the most part, but they participate in the game of employment policy. The employment policy gives advantages for the economic units: resources

or possibilities to employ additional labor force. The enterprises don't break off the relations with public power, because the state and other public actors can give them benefits, e.g. information about market situation. The public actors can protect the economic units, too. In the modern world, the network capital has significant role in economic development, for this reason the enterprises are collaborators in the employment policy.

FIRST PART: FACTS, DATA AND PROBLEMS OF THE FRENCH LABOR MARKET TODAY

I.1. Labor market characteristics: demand (demande) and supply (emploi offre)

I.1.1. Economic development in France after 1945. (Short presentation)

Five different economic periods can be distinguished between 1945 and 1994 in France, according to the opinion J.L.Outin and Cl. Thélot. (J.L.Outin. 1994. 26 - 27. p.)

1st: 1945 - 1968. The style of political economy is <<restrictive>>, and the intensive reconstruction of production systems met with international competition. The resources of labor force expanded, therefore grew the number of women in the economy and the young people had more and more jobs. In this time grew the number of unskilled workers rapidly and it is the time of important emigration.

2nd.: 1969 - 1974. The economic growth was very quick: powerful demand and supply existed on production markets. The reconstruction of production systems went with large labor force mobility together. Parallel with the development of employment possibilities increased the level of unemployment to a lesser degree.

3rd.: 1974 - 1979. The unemployment developed very energetic. New context of economic system came into being, but the new system of economic conditions was not favourable for the French economy: falling demand and investment on the national markets, which caused strong reduction of production capacities. The labor supply increased, but it got never in touch with labor demand. The main reasons of this gap were the growing number of active population and numerous dismissals.

4th.: 1980 - 1987: This is the time of economic crisis, to be caused by the after -effect of the second oil shock. This is the period of economic illusions, too, although the market possibilities of economic units became narrow. The effect of this economic situation was negative on the employment level, consequently stabilised the high unemployment rate.

5th.: From 1987 up to the present: The French economy gains from the opening to international markets, but the process of opening windows was going together with restrictive wage policy and inflation, up to the middle of the nineties. The capacities of production increased, but dismissals and personnel reduction were taking place in many cases. From 1990 we talk about the new period in the history of French unemployment. (Explication see in the chapter: I.2.)

I want to return to the presentation of post war economy in France later, but the above

mentioned short description gave a suitable starting point now. For instance, it was demonstrated, that the trend of economic and employment development had interruption and continuity at the same time. Therefore the presentation and analysis of employment situation have to take into consideration the concrete social and economic situation without overstrained generalisation.

I.1.2. Scientific forecasts and their reality.

Scientific analysis tried to make forecast on changing labor market in France already in the late eighties and early nineties. According to these opinions, the following trends can be presented:

- Decreasing job supply for unqualified workers and stabilised supply for qualified. Consequently the proportion of active labor force decreases up to 2000 in the industry. Paul Maruani means for instance, that the proportion of qualified industrial labor force will be reduced with 3% in the last fifteen years of this century. **(Maruani, P. 1991. 16.p.)**

- In this context the labor force structure will be significantly rearranged among economic sectors.

Table 1st.
Structure de la population active occupée. (%)

	1896	1950	1960	1970	1975	1980*
Primaire	43,4	28,6	21,2	13,3	9,5	5,3
Secon- daire	31,3	35,3	38,7	39,3	39	33,8
Tertiaire	25,3	36,1	40,1	47,4	51,5	60,9

(* forecasted in 1978.)

(Albertini, 1978. 26.p.)

This trend seems to be unambiguous: there is changing economy in the background. The reorganization of employment structure can represent itself the industrial modernisation in the last two centuries.

The forecasts were not mistaken, the change of employment structure appeared continuously during the last twenty-two years, but without big explosion.

In 1994 30,8% of the active labor force worked in the agriculture, industry and building trade together. (In France the industry and building trade create the so called <<second

sector>>.) The expansion of employment in the third sector goes also away in the nineties. The development is irreversible, what is confirmed by many scientific analyses.

Table 2nd
Répartition par grand branche,
de l'emploi et de la valeur ajoutée (en%)

Branche d'activité	Emploi	Emploi	Valeur a.	Valeur a.
	1973	1994	1973	1994
Agriculture sylviculture et pêche	11,1	4,8	5,3	4,1
Industrie	28,5	19,3	28,6	24,7
Bâtiment, génie civil et agriculture	9,6	6,7	8,7	5,6
Commerce et services marchands	29,5	38,7	31	35,8
Immobilier, assurance, finance	2,2	2,7	10,3	12,6
Services non marchand	19,2	27,8	16,1	17,2
TOTAL	100	100	100	100

(Boissonnat, 1995.73.p.)

The growth of service sector is not new phenomenon in the economic history. The strengthening of service has important consequences at present, because *"... face à la menace de désindustrialisation et à la destruction massive d'emplois industriels, est avancée la remarquable vitalité de l'emploi tertiaire: les activités de services sont créatrices nettes d'emploi"* (Lefevre - Farcy, 1994. 97.p.)

The problems of "service economy" provoke double discussion: first on the limit and capacity of economy, second: the dynamic of economic growth and equilibrium. The notion of service sector is not unanimous, because there are different service sectors: e.g. we can speak to service, directed with the logic of market and service without market logic. ("services marchand" and "service non - marchand")

According to many analyses, the service sector is the motor of job creation and veritable explosion was taking place here. At the centre of job creation is the market service, which situation is summarised by Lefevre - Farcy well: *"Surtout ce sont les seuls services marchand qui assurent l'essentiel des créations nettes d'emplois."* (cit. 100.p.) I want to complete this statement, because the "services non marchand"; e.g. the state; is very important

employer in the modern societies, particularly in France. The present situation maybe different, because of staff reduction in public service.

In addition to the above introduced differentiation, we can distinguish service within enterprises and service of consumption. Both have different roles and possibilities in the reconstruction of labor market. Firstly we present the problems of service sectors in the enterprises, secondly the relation between job creation and consumption service.

The explosion of service sector started with the externalisation of service activities of the enterprises. Several small firm was organized by "mother companies", and this change influenced not only the economic place of service activity, but the organization structure of "mother" enterprises, too. The changes didn't make reform on the style of working method, because *"Cette externalisation ... permet ensuite d'approfondir la division du travail issue du taylorisme."* (Lefevre - Farcy. 1994. 103.p.)

After the externalisation, the small firms became the main pillar in the reorganisation process of work.

"Par ailleurs, à la recherche également d'économies de gamme, le recours à des sociétés extérieures participe à la définition d'un nouveau modèle de rationalisation de la production: les entreprises s'adressent de plus en plus aux sociétés de services informatiques pour les logiciels de conception, production, contrôle de la qualité par ordinateur..." (Lefevre - Farcy. 1994. 103.p.)

The economic crisis strengthened the economic and social positions of service sector and service units, because of their active role in the process of job creation. At the same time, the development of service sector revaluated many economic notions, e.g. the notion of productivity. In consequence of the transformation, new relationship evolved between the society and the service sector.

According to the traditional point of view, the service of consumption is non - productive era. In this respect can not be seen the point of economic role of service. However in modern societies, the service sector of consumption is the most significant economic place, to be reorganizing the activity of the member of society. New economic and social relations are taking place on the service, but the service sector develops neither to the direction of new slavery (Gortz) not to the standing of total self - government. The service sector is a part of the economic system, therefore *"le secteur tertiaire peut tout aussi bien participer à une recomposition post - fordiste de l'emploi."* (Lefevre - Farcy, cit. 113.p.)

In the service sector are working big service companies, beside small (economic or family) firms. The working tasks and working time structure were redetermined by the actors of service sector. The innovation in the service got in touch with the industry, according to the opinion of Levery - Farcy: *"Alors que l'industrialisation a généré un processus de déqualification des tâches, aujourd'hui la rationalisation de la production en gestation s'accompagne d'un retour vers plus de qualification, polyvalance et autonomie au travail. L'emploi de services est au centre de cette mutation: sa croissance ces dernières années se double d'une tendance dominante à l'élévation des exigences de formation, de qualification liée à la complexification des modes techniques de prestation des services et ce y compris dans des activités du pôle peu qualifié."* (cit. 113. p.)

The progress of manpower utilisation was strongly influenced by the rapid change on scale of enterprises in the nineties. The economic literature described this change very thoroughly, therefore it is no wonder, if the trend became known in France, too. The establishment of small firms was accelerated by the development of service sector, but new small economic units are working without service sector, too.

Until 1989 23% of workers had job in these (big) enterprises, where the number of employees was over 500, till 1995 12% only. Regarding enterprises between 10 and 500 employees, it is visible, that the number of their employees increased. In 1989 19% of workers worked in medium-sized enterprises only, but in 1995 already 44%. One of the reasons for this development maybe, that many big companies reformed their own organization (see: the above mentioned problems of the service) during this time, and the local units of big companies were transformed to small enterprises. This is the reason why this change seemed to be rearranging the employment structure.

The proportion change of clerks looks another picture. In 1989 28% of the clerks had a job in the big enterprises and in 1995 26 % of their. Decreasing number of workers went also together with stability of administrative staff in big enterprises.

The situation in medium sized enterprises (10 - 500 employees) is different from the big companies. In medium sized enterprises employed 14 % of clerks in 1989 and this proportion did not change during the last six years.

Parallel with these processes, the average length of employment decreased in one given (constant) enterprise. Before the nineties, the so called "big enterprises" served security to their employees, therefore 10% of labor force have never changed their working place during their

active working life. Important groups of employees had 15 years employment -- on average -- in their own company sometimes. (**Première Synthèses, No. 86. 1995.**)

The force to create jobs is great in the small enterprises. Regarding to the employment policy institutions, researchers clarified, that the small firms and enterprises are the most significant partner in the process of employment creation. Many programs of employment policy were successful carried out on the labor market with assistance of small enterprises. For example the employment form of "Contrat de travail aide" ("Job-contract for aid") was used mostly by small enterprises in 1994. Consequently: in the firms with 2 - 9 employees worked 1,4 million people (approx. 5% of active labor force) under conditions of "Contrat de travail aid". Another example is the part-time work, which is favoured by the small (family) enterprises. (**Premières Syntheses No 127 and 97. 1995.**)

I.1.3. Demand side: the sex

The labor market has permanent moving by the side of many aspects. During the last twenty-four years grew the proportion of women in the labor force and decreased the number of men. This change was +-8,5% of both sexes. (It has be noted, that this transformation started earlier, at least in 1962.)

Table 3rd.
Evaluation de l'emploi et en France

Années	1970	1980	1985	1990	1992	1994
Emploi total (mill.)	20 611	21 747	21 450	22 397	22 306	22 109
Hommes	64,5%	61,4%	59,0%	57,9%	56,7%	56,0%
Femmes	35,5%	38,6%	41,0%	42,1%	43,3%	44,0%

(Source: INSEE)

In 1994, 62,7% of men and 46,6% of women had secure job (stable employment) without big uncertainty. This disparity could be presented in every age-group of both sexes. While 54,5% of women in age-group between 25 - 39 years have stable job (or security of employment), 71,3% of men have stable job contract in the same age-group. The difference

between women and men can be presented in the older age-groups, too. **(Source:INSEE Première vague du panel européen de ménages, 1994.)** Consequently, it seems to be sexual disparity on the French labor market.

Our impression is reinforced by the analysis on several employment policy institutions. The sharpest difference between men and women can be presented by the using of part time work. In 1995 was the proportion of new contracts 80 % - 20 % up to women. The proportion of youth women grew strongly among part time employees, e.g. during thirteen years increased the rate of women in age-group 15 - 24 years from 13% to 35,2 %.

I.1.4. Demand side: the qualification

Additionally the sexual composition of the labor market, the level of professional training and education changed rapidly in the last few years. The process of change can be thereby presented, that the labor force became more educated and qualified than before. The change was important on the upper levels of education system, concentrated on the ranks after maturity. In the three highest categories of qualification grew the number of educated people with 9,1% between 1991 and 1994. **(Premières Synthèses, No 93. 1995.)** According to other analysis, the number of people in the highest categories grew with 17,2 % between 1980 and 1990. **(DEP, Ministère de l'Education Nationale, 1994.)**

Table 4th.
Evolution des taux de scolarisation par age (en %)

	1983/84	1990/91
Garçons		
16 ans	90,8	95,4
18 ans	48,1	74,1
20 ans	20,7	39,2
22 ans	11,9	19,9
24 ans	8,0	8,6
Ensemble	32,4	43,2
Filles		
16 ans	91,2	95,3
18 ans	55,9	79,6
20 ans	24,0	44,9
22 ans	13,2	21,9
24 ans	7,6	9,8
Ensemble	34,2	45,7

(Source:DEP Cit.:Vialla, Lebris, Lemaire. 1994. 25.p.)

The education level grew in both sexes, but women seem to be better educated than men today. Apart from the differences in 1983, the rate of growth was each year higher by women than by men. Especially the education level of women after 20 ages increased with the highest degree, what means, that women are really better educated in the high education class, than men.

The evaluation of education is not new process in France, because the education level grew continuously since the end of Second World War. (An example about the situation in branch of metallurgy between 1976 and 1984 see in Appendix; table 1st.)

Regarding to the technological development in France, it should have to be clarified the relation between education and technological evaluation. According to the optimistic point of view, the technological development can create demand for new professional knowledge. From the new professional knowledge arise new jobs, which can replace the eliminated jobs. The pessimistic opinion references to the large number of job annihilation, therefore the

technological development is the main reason for unemployment. According to Rachel Silvera, it is not direct relation between technological development and education or unemployment. These relations aren't logical necessities, for example the technical development can cause higher level of needs for qualified labor, but this process can go several compensation strategy for unskilled labor force together. (retraining, further training) The situation of unemployment is the same, because *"Il existe donc bien une relation possible entre changement technique et chômage mais cette relation n'est en rien automatique."*

Summing up: *"...l'impact du progrès technique est déterminé par la structure des marchés ... par la flexibilité des coûts ... par la nature de la demande ... enfin par la rôle de l'investissement."* (Silvera, 1994. 61. and 64.p.)

In accordance with Freyssinet, the key issue is the system of production. *"... Le changement technique n'est donc pas, par nature, créateur ou destructeur de niveau de l'emploi. En résultera-t-il plus de consommation, plus de temps libre, plus de chômage? La réponse ne réside pas dans le progrès technique mais dans les modes de regulation du système productif"*. (Freyssinet, 1984. cit. Silvera, 1994. 62.p.)

The problems of qualification and technology are linked with the question of work organization. The notion of qualification and the content of knowledge can not be analysed without the presentation of the internal relations of work organization.

According to Taylor made labor organization we can find two basic approaches:

1st: the qualification can be taken to refer to the contents of work and characteristics of labor posts. This qualification is presented by labor supply and it is standard, thanks to the professional training.

2nd: the qualification is identical with qualification level of individual, which is presented by the labor demand and it is summary of professional experiences and studies of person.

The sociological notion of qualification is not exhausted by these determinations, because the qualification is social process, therefore its contents and structure are built up by the complete society. The qualification is a "social construction", to be used the paradigm of Berger - Luckman here. From this point of view, the technological determination of qualification is mistaken, as the categories of professions, to be deduced from working posts. *"Les développements, même les plus modernes, de l'automatisation n'impliquent nullement la formation d'une <<seule et nouvelle meilleure manière de faire le travail>>. Avec la*

modernisation actuelle, mieux vaut donc parler d'un "champ des possibles", champ plus ouvert que jamais grâce aux nouveaux moyens technologiques et au sein duquel les choix réalisés relèvent tout autant de contraintes techniques, économiques et sociales." (Silvera, 1994. 75.p.)

An ancient discussion in the scientific literature is the relation between technological development and the future of qualification need. The main point of view is the proposition of dequalification. The discussion is long and it has several remarks. From the above mentioned aspects we can argue for the mistake of the proposition of dequalification. In the light of quoted opinion, the qualification seems to be wide field of possibilities, to be divided by social and economic actors sharply. Dequalification and overqualification in the same enterprise (déqualification - surqualification) exist at the same time and they dimension depends on the concrete labor organization and enterprise tradition.

I.1.5. Demand side: population development

In above briefly presented changes on sexual characteristic of labor market and education level determine the variation and moving of labor demand. Similarly the development of population and the change on active population structure, etc. influence on the labor market situation.

The population forecasts in the eighties indicated a growing number of population in France. In the country in 1950 are living 41 647 000 people, in 1980: 53 731 000, in 1990: 56 577 000. In the time of our research this number is 58 048 000. The trend is growing up, therefore in 2000 is expected 59 412 000 people, but in 2015: 62 648 000 people. **(Quang Chi; 1994. 29.p.)** The inflow of immigrants seems to be stopped, therefore the reproduction of population became an automatic, self-building process.

The age-group structure of population will change in the future, and the direction of change is not favourable -- from the aspects of labor market development. Decreasing number of the age-group 0-14 years (with 4%) and growing number of the age group over 65 years. The number of age-group 25-59 will grow, too, but this evolution will not be as big as the increase of population group over 65 years.

The withdrawal of elderly employees started in the eighties. The moving of withdrawal was promoted by the reforms on pension system and the labor market policy. Two institutions have to make mention here, the preretirement and the part-time work. (According to the legal

regulation of French labor market institutions can be with each another combined.)

After many earlier reforms, the legal system of preretirement changed basically in December 1992. Since January 1st 1993 the number of new applicant grows with 7,1% each year. The preretirement seems to be an effective instrument against unemployment of elderly employees, because 30% of preretirement was realised as substitution of dismissal. The preretirement is preferred by man and the big enterprises. (**Premières Synthèses, No. 110.**)

After all, the number of employees decreased in age-group 55-64. Since 1970, the reduction was 42% in France since 1970, and presented by both sexes. As a result of these, 43,5% of men and 30,4% of women were active employees in age group 55-64 years in 1993 only. (**Guillemard, 1993. 257.p. & Blanchet - Brousse - Okba, 1996. 203.p.**)

To analyse the population development, the decreasing of active population seems to be an important trend; but the number of active population decreased since the end of Second World War. (**Boissonnat, 1995.55.p.**). In 1990 the active population were 24 390 000 people (43,3% of the full population) and the inactive population 31 914 000. The proportion of these people, who are able to work, was 68,8% of full population at the same time.

The future trend is not only simple decreasing of active population and increasing of inactive, but real structural change among active age-groups. (**Banque Mondiale, 1995.**)

I.1.6. New forms of employment: the changing labor supply

As a result of employment policy and economic transformation, many employees have another legal status in the working places than before. With respects the institutions of manpower policy, numerous forms of employment status can be presented in France. The employees are standing under different conditions of different forms of labor contracts or they are working in several constructions of employment policy. From this point of view the regulation system of employment policy has difficulties, because the flexibility of political or legal system can't follow the economic challenge in many cases. On the contrary, it could be happen, that the actors of change overestimate the effectiveness of social institutions, first of all the efficiency of labor law. (**Le Monde Initiatives: Le droit du travail en question. 26.06.1996.**)

Under the effect of unemployment, many forms of so called <<atypical employment>> were introduced by the employment policy after 1974. These forms changed the employment structure basically . *"Emploi en miettes, petits boulots, emploi précaires, formes particulières*

d'emploi..." (Caire, 1994. 85.p.) became the most important possibilities to get a job.

The innovation had an effect on the labor law, e.g. new forms of labor contracts or new legal constructions developed step by step. As a result of this process, the atypical labor forms came closer to the normal forms of employment. The most significance forms are: "*a., le travail temporaire, b., le contrat à durée déterminée, c., le travail indépendant, longtemps marginal et maintenant utilisé comme un moyen de gestion parmi d'autres en particulier dans les services rendus principalement aux entreprises...*" (Caire, cit. 75.p.)

The atypical forms of employment influenced as strong challenge as the formation and professional training, because they were not incorporated in the systems of teaching. In addition to this, the atypical employment forms redefined the industrial relation, because they recreated the classes of professions. The atypical working forms resulted in new forms of segmentation, therefore we can speak to **new fragmentation**. "*On pourra donc parler de fragmentation du collectif de travail au plan sociologique... D'autre part, la multiplication de statuts, qui se double parfois d'une grande incertitude quant à savoir si la relation de travail s'applique encore, introduit en matière de réglementation des zones de flou qui font pendant au << halo du chômage>>... Fragmentation du collectif de travail, éclatement du droit du travail se conjuguant et qu'on pourrait également retrouver sous des modalités différentes dans d'autres pays ne manqueront pas de perturber le processus des relations professionnelles.*" (Caire, 1994. 86.p.)

The legalisation of atypical employment forms was (is) not too easy. This employment sector was considered as the dysfunction of industrial society. (aberration sociale) The differentiation between formal and informal sector became questionable today, because workers in the informal sector have worse labor conditions in many cases than in the formal sector, where high level of industrial safety exists. Therefore the characteristics of labor can be more "capitalist" in the informal sector than in the formal. (Zagefka, 1994.)

The list of invisible employment forms is longer today, than before, consequently the notion of work has to be renovated: "*... le travail (est devenu) synonyme de toute activité sociale*". (Zagefka, cit. 180.p.)

The work is "*construction sociale*", where "*le caractère socialement construit, caractère d'artefact, du travail, de l'emploi, du chômage.*" (Zagefka, cit. 181. - 182.p.)

I.1.7. The problems of part-time work

The discussion on working hours is one of the much important discussions in France today. After long process of changing regulation (since 1982), the average weekly working hours are 39 hours. There is always a plan to reduce the working hours, because of the opinion of political leaders, the reduction of working time is powerful arrangement against unemployment. They mean, that after reduction will grow the largeness of labor supply.

We can't describe every aspect of this problem here, we wish to concentrate on the part time work only. The part time work seems to be a flexible form of employment, because the part time work should be combined with other forms of employment policy institutions. Over and above, the part time work is an autonomous employment form, too. ("l'emploi partiel" and "le travail à temp réduit")

In spite of discussion, significant development took place on the using and introduction of part time work. 3 200 000 people (14% of active labor force, 15,4% of wage earners) had job contract under condition of part time work in 1994. Since 1992 the number of yearly entrants grew with 20% each year. (**Premières Synthèses, No 97.**) In the part time work dominate the women, especially in the age-group 25 - 39 years. Additionally, the part time work is preferred by women over 60 years, where the proportion rate is 37,9%.

The part time work is current in the third sector, where service units, restaurants, coffee bars offer many part time jobs. The manpower strategy of enterprises is different, regarding to the part time work. For instance, the possibility of rationalisation on working time structure through part time work is preferred by big commercial companies, but small enterprises are looking for the way of higher market flexibility through the using of part time work. The part time workers have lower qualification level usually, but there is not important difference between part time workers and full time employees.

To sum it up, part time work has growing popularity on each side of the labor market. I don't know, whether the part time work can add to the labor supply, because during this time grew the unemployment rate, too.

I.1.8. General remarks on labor supply.

The changing characteristics of labor supply can be presented by the evolution of open job possibilities. Historically to see, between 1975 and 1995 decreased the number of job in agriculture (with 4,9%). In addition to this, the possibilities for non-qualified people fallen in the

industry, most often for manual workers. (with 2,2%). The largest growth took place on the professions of qualified -- intellectual - groups of labor force. (e.g. in "cadres" +3,6%) (Seys, 1996.20.p.) The reorganisation of opening job structure followed the process of industrial modernisation, what we mentioned above.

The influence of modernisation logic could be demonstrated well by the analysis of concrete labor market policy institution. For instance the development of opened jobs structure follows the logic of pushing forward of third economic sector in case of the allowance of first salary. (Yearly changes see in Appendix; table 2nd.)

Table 5th.
Caractéristiques des emplois offerts de 1990 à 1994.
 (Exonérations de cotisations patronales pour l'embauche d'un premier salarié.)

Emploi offert	1990	1991	1992	1993	1994
Ouvrier agricole	6,0	4,9	4,8	4,5	2,5
Ouvrier non qualifié	17,4	15,0	14,1	12,9	14,5
Ouvrier qualifié	29,4	27,3	25,7	24,0	15,1
Employé	22,4	22,8	23,2	24,9	26,3
Tecnicien, agent de maîtrise	3,2	4,7	5,1	5,7	5,6
Autre profession intermediaire	6,7	7,1	7,5	7,3	6,7
Cadre, ingénieur	2,2	5,7	6,8	8,4	8,3
Autre	12,7	12,5	12,8	12,3	11,0

(Bilan de la Politique de l'emploi en 1993 et Bilan de la Politique de l'emploi en 1994.)

Inspite of the yearly fluctuation, the job possibilities are preferred by those labor market actors, who are adaptable to the process of "economic reorganisation".

I.2. Characteristics of French unemployment.

The unemployment as large field of social problems came into consideration 1974, after long term economic development. *"A partir du milieu des années 70, le chômage devient à l'évidence un phénomène massif. Sa croissance paraît irréversible. Elle est rapide et*

continue, sauf à de rares moments de courte durée." (Outin, 1994. 25.p.)

The unemployment developed step by step in France, and the unemployment trend has unequal and cyclical characteristic. For example: the growing number of unemployed culminated in 1985, after that decreased. A new period in the increasing of unemployment rate began 1991, and since 1994 the level of unemployment stabilised on 12% (- 0,6% and +0,4%).

Table 6th
Evolution de l'emploi et du chômage en France

Taux de chômage	1970	1980	1985	1990	1992	1994
Global	2,5	6,4	10,2	8,9	10,3	12,4
Hommes	1,5	4,3	8,3	6,7	8,3	10,8
Femmes	4,3	9,5	12,9	11,7	12,9	14,5
- de 25 ans	7,9	14,7	25,4	16,5	19,6	24,7

(Source:INSEE, Cit.:Boissonnant, 1995.83.p.)

This table presents, that the women unemployment is always higher than the unemployment of men, and the unemployment rate of youth people is doubly high than the general unemployment rate.

The situation is unchanged during the last two years. Today (1996), women in the age - group between 25 - 49 years seem to be uncertain group, because the unemployment rate of this age-group grew very rapidly during the last two years. Particularly women in the age group 15 - 24 years have the highest value of unemployment rate in 1996. (29,5% : **Première Synthèses, 04.04.1996.**) In the reference group of men (age group: 15-24 years) the unemployment rate is high, but with 7% lower than in the case of women. The sex is also really meaningful fact on the French labor market.

In accordance with the opinion of Jean - Luc Outin, the unemployment in France can be characterised by the following points of view:

1. **inequality**: the number of unemployed women and young people is over-represented in the unemployment statistics, especially the proportion of young women, elderly employees and unskilled workers is high among unemployed people.

2. **uncertainty and instability**: the general duration of labor contracts is short, the work and unemployment status alternate very quickly.

3. the **regional dispersion** of unemployment is **unequal**, because of regional

demographical trends and particular local structure of economic activities. (Outin, 1994. 32.p.)

According to ILO report: the unemployment rate is 12,3 % in France in 1996. It means that 3 146 thousand people are standing without job. The development of unemployment was the following in 1995 and 1996:

Table 7th.
Le Marché du Travail en 1995 et en 1996

	Taux de chômage (% en ILO)	Chômage d'un an et plus. (% in Demandeurs)
Janvier 1995	12,3%	35,9%
Avril 1995	12,2%	38,3%
Juillet 1995	11,4%	37,7%
Septembre 1995	11,5%	35,7%
Janvier 1996	11,8%	34,4%
Avril 1996	11,9%	34 %
Juillet 1996	12,4%	37 %
Septembre 1996	12,5%	34,3%

(Source: Premières Informations)

The facts present, that the duration of unemployment is really long in France. But long term unemployment was typical on the French situation already in the late eighties. E.g.: in 1987 the rate of long term unemployment was 32%. (In the proportion of unemployed population. See: Appendix; Table 3rd and 4th.)

The long term unemployment has its own structure and periods. Labor market analyses make a signal one category, "unemployment over one year" only. But unemployment over one year has its own characteristics and problems, so we can speak about unemployment over two and three years. The significance of time-structure is great, because over one year is not easy to find job, or there are many problems by readaptation into work organization, etc. In France 14% of unemployed waited for job from 1 year to 2 years, 4 % demanded job from 2 years till 3 years, and 3,5% of unemployed was without employment over 3 years. 22% of

unemployed were in the so called "long time unemployed" status in 1990.

In the eighties, the social sciences rediscovered the importance of industrial regions, within /and without/ certain countries. The labor market analyses became an evidence to describe the unemployment structure of (micro) regions.

In the background of scientific innovation is the real inherence between unemployment structure and industrial development. In this context can be presented important differences among different regions in France, too. At the beginning of the period 1991 - 1996, the highest unemployment rate was in Languedoc - Roussillon (13,7%). Second was Nord - Pas - De- Calais (12,3%), the third Prov-Alpes-Cote-D'Azur (11,6%)%. Haute - Normandie had 11,2% unemployment, and Corse 10,4%. We note, that the average unemployment rate was 9,3 in this year in France. **(Chiffres clés de l'industrie dans les régions, 1993. 8.p.)**

There are several social and economic disparities among local labor markets. For instance Nord - Pas - de - Calais has have traditional industrial structure, but in southern France, the labor market situation was determined by significant immigration. Outin writes: *"... en région méditerranéenne où la croissance de la population active est alimentée par des mouvements migratoires importants..."* **(Outin. 1994. 33.p.)**

The characteristics of the unemployment on local labor markets are: long term unemployment, cyclical (so called returning) unemployment, and adaptation problems in the direction of professional positions. (chômage recurrent dans la phase d'insertion professionnelle.)

In 1993 the sequence of unemployment rate in the regions was identical with the value of the first year in the nineties, but in Aquitaine grew the unemployment up to 10,4% between 1991 and 1993. **(Grelet, 1994.98.p.)**

Today the growth of unemployment has another structural dispersion. Between 1995 and 1996 the unemployment grew in Corse (+18,3%), France-Comté (+10,3%) Languedoc-Roussillon (+3,1%), Champagne - Ardenne (+2,4%) with the highest values. (We remark, that in Languedoc - Roussillon were created many new jobs, thanks to the labor market programs. But the situation is difficult in this region, because the employment vacancy was never identical with the job demand.)

In any case, the population development will raises difficulties a number of regions, where the unemployment level is high. For example the highest population development is

projected in Languedoc Roussillon (30,3% up to 2015), in Provence- Alpes - Côte d'Azur (25,1% up to 2015) and Corse (18,3% up to 2015) Population decreasing is prognosted in Nord-Pas-de-Calais (-1,2% up to 2015). (**Deschamps et Gléau, 1994.33.p.**) These trends probably determine the coming problems of unemployment.

I. 3. Employment policy and youth unemployment.

The employment policy has it's own social and institutional history in France. Numerous stages can be presented after the second world war.

The first phase was between 1945 and 1963. The ministry of labor met several problem of modern industrial society, e.g. professional training, qualification, etc. Labor market problems: internal mobility of workers within France, and immigration.

The second phase was from 1963 till 1967. Foundation of modern employment policy. Appearance of unemployment, a number of institutions were introduced against dismissals. 1967: creating the ANPE.

The third phase between 1967 and 1974. In the economy came into being problems of the structure of industrial sectors, therefore new economic policy was elaborated, to be concentrated on the development of new economic structure.

The fourth phase is the stage of economic crisis, between 1974 - 1977. The state didn't have an efficient strategy against economic crisis, but it had an aim: return to the economic growth. As a consequence, the employment policy had two objects: protection of employees and building up the unemployment insurance system or / and introduction new means against mass dismissals. The economic policy wanted to help these economic units, who had difficult market situation. On that account, the new enterprise strategies of Human Resources were supported by the state. The key word of New Strategy of Human Resources was the effective labor utilisation, what meant large scale possibilities to the rearranging and restructuring of labor force; in other words, free way was given to the management to provoke the labor movement, inside the enterprise and out from the enterprise.

The phase between 1977 - 1981 has more periods. The most important characteristic of these periods is, that special labor market policy for young people started during this time. (**Caire, 1994.**)

We presented above the current variation of unemployment rate. If we make analyses on the structure of labor demand, it will be clear, that one of the most significant problems is

the labor market situation of young people.

Table 8th.
Demandes d'emploi (DE) par sexe et âge (milliers)

Evalution récente des DE.	1995 Juillet	1996 Juillet
DONNEES C.V.S. DE en fin de mois	2939,1	3085,1
Hommes de moins de 25 ans	255,7	277,8
Femmes de moins de 25 ans	320,3	323,8
Hommes de 25 à 49 ans	976,3	1017,8
Femmes de 25 à 49 ans	1042,7	1056,9
Hommes de 50 ans et plus	197,4	210,8
Femmes de 50 ans et plus	146,7	158,9

(Premières Synthèses, 1995 - 1996. The full table see: in Appendix.)

During the post war era, the employment problems of young people has never lost its importance. Four periods in the history of youth employment policy can be distinguished in France. The first period was between 1955 and 1965, the second: 1965 - 1975. The third phase evaluated in the eighties and the new began in 1990. According to other analysis, the second period began in 1985 and it is on up to the present.

Between 1985 and 1994 in the centre of labor market policy was put the problems of youth. In spite of the endeavour of labor market policy, the unemployment level of young people was always high, therefore the special labor market institutions for youth was renewed and reformed in the early nineties. **(Les Jeunes et L'emploi, 1996.)**

Since this innovation several labor market institutions and programs exist, but it has to be noted, that many programs can be found for the employees over 50 years, too, additionally to the special programs for youth. **(Presentation: Cléménçon - Coutrot, 1995. 755.p.)**

The young people can get unemployment benefit, if they became unemployed -- if they worked before -- support to having a job or they can enter into contracts to get training, further training, etc.

According to the Report of Ministry of Labor, the following forms of labor policy institutions are offered for youth in 1992 - 94.:

Emploi AIDE; Exo sur Jeunes (cutting down the salary in the cases of youth

employees); Fonds départemental initiatives jeunes; Contrat d'apprentissage; Contrat de qualification; Contrat d'adaptation; Contrat d'orientation; CES (together with other age-groups) and Contrat local d'orientation; Credit formation jeunes, PAQUE, Autre stage (16-26 ans), Aide au Premier Emploi des Jeunes). (CES= Contrat Emploi Solidarité, PAQUE= Préparation active à la qualification et à l'emploi)

Between 1984 and 1993 existed SIVP (Stage d'initiation à la vie professionnelle); and between 1984 - 1989: TUC (Travaux d'utilité collective)

The number of participants in these projects shows meaningful fluctuation. Between 1992 and 1993 decreased the number of participants in the program EXO Jeunes, Contrat d'adaptation and Contrat de qualification, but in 1994 there is a contrary trend, growing participants number in every project. Exception: the program "Exo jeunes". In spite of these programs, the youth unemployment rate grew during this period. Result: a few number of young people of different unemployment groups has better situation today, only. E.g.: Men under 25 year have more job possibilities, therefore their unemployment rate decreased to 10,5% in 1995. (**Premières Synthèses, 27. mars 1996.**)

Table 9th

Les entreprises accueillant les bénéficiaires de la politique de l'emploi
(En pourcentage, en 1993.)

	PE.<10	Tertier.
Exe 1er salarié	100	66
Abattament temps partiel*	59	79
EXO Jeunes*	65	63
ACCRE	100	70
CDQ*	51	73
CDA*	22	62
Apprentissage*	76	58
Retour a l'Emploi*	68	65

* Sur Jeunes E<10.= Part des contrats conclus par les entreprises de moins de 10 salaries.

(Source: Bilan de la Politique de l'Emploi en 1993)

The data of this table are clear: largest number of the entering into a contract were presented by the third sector, not only in the case of youth but as a general rule. The biggest rate existed in the case of the contracts of qualification. Conclusion: the most successful programs were taking place in the third economic sector, and (excepting the contract of adaptation) in the small firms.

Table 10th.
Caractéristiques des bénéficiaires de mesures pour emploi en
1993. (%)

	Part des femmes	Age: -25 ans	Age: 25 - 39 ans	Age: 40 - 49 ans	Age: + 50 ans
Exo 1er sal.	34,2	24,2	51,3	19,0	5,5
Temps partiel	67,9	30,6	46,4	15,5	7,6
Chômeurs créat. d'entr.	25,8	6,3	58,9	28,9	5,9
CRE	41,0	10,0	49,0	19,0	23,0
EXO Jeunes	31,0	100	-	-	-
CDQ	47,5	94,8	5,2	-	-
CDA	38,5	93,1	6,9	-	-
CDAPR.	29,7	100	-	-	-
CES	63,2	30,3	45,7	16,7	7,3
AIF	56,6	8,1	64,3	23,1	4,5
CFI Jeunes	51,2	100	-	-	-
PAQUE	50,1	100	-	-	-
SAE	44,0	37,0	nd.	nd.	2,0
SRP	65,1	12,8	nd.	nd.	5,3

(Bilan de la politique de l'Emploi en 1994)

The facts and proportions are the same in 1994. There are also labor market programs, where the proportion of men / or women is in the majority and / or where particular age-groups dominate.

I. 4. The French labor market in European comparison.

I can't present every aspect of comparison, but many analyses and studies can be found about the situation of labor market in the European -- or better: OECD -- countries. I'm interested in the question, whether the situation in France unparalleled or typical? I wish to present these relations only, which were topics of my paper.

Table 11th
La population active dans le pays de l'OCDE
(en millions)

Année	Etat.U	Japon	CEE	Allem.	Roy.U	Italie	F
1975	95453	53230	130159	27184	25893	21233	22353
1980	108544	56500	135561	27948	26839	22553	23369
1985	117167	59630	140548	28897	27714	23495	23917
1990	126424	63840	147047	30327	28478	24515	24432

(Gautié, 1993)

The absolute value of the number of active population grew in each country. The comparison is very difficult, because of different population large and demografical trends. All the same, it can be proved, that the growth of active population in France was lesser than the population development in USA or Japan. The French evolution seems to be standing nearer to the European evolution. The corrected statistical analysis supports our arguments.

According to this fine analysis, the development of active population in France is almost identical with the active population development in Germany and Austria during the period 1973 - 1994. Since the beginning of the eighties, the French development has several common characteristics with the population bulge of Netherlands, Spain, Switzerland and Greece.

The proportion of active population decreased in age-group 15 - 64 years in France (between 1993 - 1994 grew only), but grew in the most European countries. Since the seventies e.g. in Austria, the proportion of active population growth was 5%, in Belgium 1,7%, (Germany is atypical because the reunion), in Netherlands 2,8% etc.

Our conclusion, that the French evolution is not far off the general trend of the European population development, but the country has unparalleled characteristics in many

questions.

The classification of the unemployment in the European countries is important question of each comparison. The comparison presents different model of labor market policies with different population structure together, but the analyses have many conclusions.

We should like to underline the differences among the countries again, e.g. the speed and extent of unemployment since the end of the so called "full employment" period. Until in France, in Spain and in Germany was taking place constant evolution of unemployment; without visible end; till in the United Kingdom (and in USA) this trend is over its culmination point. (**Perspectives de l'emploi, 1995. 232.p.**) The conclusion refers to the unemployment rate of men and women, too.

The situation of youth unemployment is the same with the above presented relations. In France the youth unemployment is going on -- as in Finland, in Italy, in Germany or in Spain -- but in Norway, in UK and in the USA the trend decreased during the last two years. (**Perspectives de l'emploi, 1995. 233.p.**) Apart from this, the level of youth unemployment is very high in each country. In 1994 (age-group:15 - 24 years) e.g. in France was 27,5%, in Finland: 30,9%, in Spain: 41,2%. In this comparison, the situation in France is better, than in the other countries.

Among the countries, there are important disparities, regarding to the length of unemployment and the age-structure of the unemployed. (**OECD, 1995**). Apart from the different structure and characteristics of unemployment, we can conclude, that the long duration of the unemployment -- especially the youth long term unemployment -- is the biggest labor market problem in every European country today.

I.5., Conclusions of the first part.

1. The proportion between active and inactive population will be rearranged in the next years in France. The structure of active labor force will change, therefore the new situation will present something of a problem on the economy, e.g. the economic efficiency will be meaningful question.

2. In spite of strong state activity on the labor market, the unemployment level is high in France. The experiment to influence the demand and supply side of labor market seems to be ineffective, regarding to the trend of unemployment rate. The effectivity could be summarised: without institutions should be higher unemployment ?

3. The regional labor market structure is one of the most important segments on the labor market. The situation of regional labor markets reflects to the unequal industrial and population development in France.

4. During the last few years grew the labor market activity of women. Additionally, women in the age group 25 - 40 years are mostly threatened by the unemployment, but they are one of the most stable labor force groups on the labor organization at the same time. Their stability within enterprises goes with their high unemployment level together. Over and above, the part time work is used by women of this age group. There are many contradictions here, so our question: did the employment policy prepare the new time of women activity? (See facts in Appendix; table 5th.)

5. The youth unemployment grew visible, inspite of several special labor market programs. On the bases of the statistical analysis, we establish, that the unemployment status is not far from the high educated people. There are differences among different education levels on the way to the unemployment, but the high education can't protect from the unemployment. "*.. le diplôme n'est plus suffisant pour décrocher un emploi stable et qualifié, mais il reste nécessaire*" (INSEE, 1996. 143.p.) wrote the authors of INSEE in autumn 1996.

The sex is an important factor in the shaping of youth unemployment. Young women are over-represented in the unemployment class, especially women with high education. The differences are sometimes over 10% between men and women in the different age groups.

Table 12.th.
Situation en mars 1992 neuf mois après la fin de formation initiale
(Chômage en %)

Niveau de formation	Garçons	Filles
VI - Vbis	13	29
V	21	31
IV	10	28
III	8	13
I - II	6	18
Ensemble	13	25

(Minni et Vergnies, 1994.46.p.)

(We should like to call the readers attention to the possibility of statistical error. The presented facts are: average values. Secondly: the activity structure is very specific in the case of youth.)

Parallel to this development, new job possibilities offered on the labor market, first of all for the well qualified youth, perhaps men. It seems to be, that the problems and conflicts of present industrial/ economic / social change concentrate on the new generations, therefore to find an effective means, to reducing their unemployment, is much more difficult as well as believed the actors of labor market policy before. Indeed the process should be very hard discussed, because the basic principle of labor market institutions is the permanent increasing of the qualification standard of youth.

6. The education has double role in the unemployment. On the one hand, the level of qualification became much more important, than e.g. ten years ago, on the other, inspite of the higher qualification level grew the unemployment in France.

7. The length of unemployment grew, therefore typical problems of way of life are taking place. The long time unemployed have many problems in the way of life, frequently they have health difficulties, the divorce is high among their, etc.

8. Because of changing manpower utilisation of enterprises, having a job for a long time will come to an end in the future. The job security will be a thing of the past. In the new situation, the employees will need more flexibility, and individual initiative. For instance, this change needs another socialisation of working life. In the future seems to be a general rule, that people have many short time jobs during their working life or they are working under different labor contracts and conditions, mostly in small enterprises.

SECOND PART: THEORETICAL POINTS OF VIEW

II.1. The limit of traditional labor market approaches.

The present employment crisis gives an opportunity to consider the labor market models and concepts in France. In the first place, the critical remarks take aim at the traditional labor market models.

Many aspects are formulated by authors.

1. The present statistical analysis can't respond to the labor market segmentation or cumulation of social disadvantages. Every labor market has cumulative structure, where e.g. the disadvantages can concentrate on particular social group(s). *"Car le marché du travail est aussi le lieu d'un marchandage social où se jouent les statuts des différentes catégories de salarié(e)s, où se constituent les clivages socio - professionnels, où se construisent les frontières de la division sociale et sexuelle du travail où se modèle la pyramide de la stratification sociale."* (M. Maruani, 1994. /1/ 246. p.)

2. The labor market statistics can't present the complete social stratification system, because it doesn't make a signal on the different labor (social) positions. For instance: in which economic sector is taking place the working activity, that is not all the same. To be worker (e.g.: mechanic) in the service sector is totally another situation than to be mechanic in manufacturing industry. Regarding to the statistics, in a number of cases we don't get complex information about labor status.

3. The labor market problems of civil servant are not presented by the labor market statistics. The category like "service non marchand" can't be reflected to the employment situation of this professional group.

4. The statistical sum between job ceasing and job creation maybe zero or minus, although many jobs were created in France, undoubtedly. Furthermore, behind the quantitative sum there is qualitative evolution, because the new created jobs have better working conditions in a number of cases, or their social characteristics represent more recent economic and technological systems.

The statistical analysis is the starting-point for the labor market policy. The errors of statistics give trouble to the practice of labor market policy, because the labor market programs are taking place in the divided social place, what is unexplored area for the most statistical reflections.

The critique on statistical description reached the classical and neo-classical economic

theories, because the market model (and concept) of classical (and neo-classical) economists is the theoretical background for the statistical analyses. The categories of classical economic theory determine the description of labor market, more or less the presentation on the relations between labor demand and supply. The classical economic theories couldn't give a correct answer from several current problem.

The best example is the Maastricht contract. After national passing of the contract, mass dismissals of civil servants will be taking place in every country of EU, because of the obligatory state budget reforms. The increasing of unemployment level is effected by politics directly in these cases. The ideological background of dismissal comes from the theoretical arguments of economists, but every financial decision of the state is political decision. Furthermore, the theoretical problem is: where is the limit between economy and politics in the modern society? The explanatory model of unemployment has a precondition: the cause of unemployment is the economic situation itself. But what is the "economic situation" in the case of civil servant? There is a crisis of state and public service, contrary to the ideological references.

The closing system on (neo)classical view is broken by the development of economic theories itself, and the renovation was taking place on two levels: on the case studies on labor market and the theoretical analysis on labor market movements. Many alternative views are presented also by the economic theories, in addition to the sociological critiques. The adaptation process was taking place in the French social sciences during the last years. Lallement and his contributors write for example, that "*Le marché comme forme d'organisation: les contradictions de l'échange... l'échange conjugue en même temps équivalence et différence, accord et conflit.. Dans cette perspective, le marché est une forme d'organisation qui tire sa force de ce qu'elle unit les aspects les plus contradictoires des relations sociales.*" (Lallement - Maillefert - Michon, 1994. 207 - 208. p.)

Their opinion underline, in contrast with (neo)classical economist, that "*... le conflit... comme une tension entre un principes (économique) marchand et d'autres principes étranges à l'essence même du marché. Le conflit nous paraît être une dimension centrale de l'échange.*" (Lallement - Maillefert - Michon, cit. 209.p.)

One of the most important points of view is in the French sociology, that the labor market is **social construction**. The analytical consequence of this concept has primary importance. For instance, the inherence between social stratification and labor market

segmentation must be analysed or the social division of knowledge can't be omitted, referring to the career possibilities. The final result of new analysis is more complex description on the labor market, what is very important for the establishing of new labor market policy. Maruani means, that *"sociologie de l'emploi:... l'analyse de la construction sociale des marchés du travail, et des rapports sociaux de l'emploi passera à la trappe."* (M. Maruani, 1994. /1/ 245.p.)

As a consequence of the theoretical development, the theoretical and statistical categories of the labor market have to be corrected. Additionally to scientific reason, there is practical consideration: the development of "atypical employment forms". People, who are doing some kind of activity within "atypical employment forms", can be unemployed or can be stood without kind of employment status (inactive), but the current employment policy don't know what to do with them.

Another reason: many inactive people don't present within unemployed, because these people aren't registered as unemployed earlier. (e.g. women in household, they want to be getting a job after child bearing) (Outin, 1994)

"La crise contemporaine est fondamentalement une crise des représentations et des catégories anciennes. Elle ne peut se développer et s'achever sans modifications des représentations du travail et du non - travail, employées dans leur activité par les divers acteurs sociaux (individus, entreprises, institutions), ni sans transformations des catégories correspondantes." (Salais - Bavez - Reynaud. 1986. 20. p.)

II.2. The problems of present employment policy in France.

The full employment evolved in the post-war industrial societies with some kind of social characteristics together, e.g. large - scale industry, mass production systems with big series and semi - skilled labor force. (Salais, 1994.) The industrial societies transformed during the last twenty; twenty-five years basically, therefore the basic values of former employment system lost its force. The full employment came to an end, and the crisis of labor markets became normal standing in the post-industrial societies.

The unemployment as status within the society was created by historical development at the beginning of the industrial society. The unemployment (chômage) developed from the category "sans emploi" (out of employment). To be unemployed meant, that the unemployed has a position in the employment system, but temporarily without work. The unemployment

status connected with the employment structure very closely, therefore the present crisis of employment system is identical with the crisis of unemployment. (Demazier: chômage en crise) **(Salais and others, 1988.)**

The employment policy concentrated on two directions. First: on the enterprises, second: on the training system. Both changed rapidly in the eighties and this change caused many problems in France.

The pillar of employment policy was (and survives today), that the enterprises have strong interests in job creation. It is assumed to the labor policy expansion or the upgrading of labor force quality. But the reality is totally different, because the enterprises reduced their own work force in the eighties, starting off the radical reduction of labor costs. The reduction of staff was subordinated the renovation of market efficiency. The enterprise organization transformed basically, too, the former broadening of organization came to an end. The degree of self-government of enterprises increased and the strategical coalition among economic (and social) actors within the enterprise prefers the politics of closed internal labor market. **(Paradeise, 1988.)**

The problem of professional training system became critical, therefore the traditional approach, which was in hegemon position during the last forty years, seems to be proved false. The hypothesis was: the profession is identical with the industrial knowledge, concentrating on manual ability and practical elements of technological manipulation. Additionally, the process of professional training served for the acquisition of norms and values of industrial production and work organization. In the new era, the definition of professions and practical knowledge became uncertain. Firstly: our time is the time of service economy, where the traditional industrial knowledge and practice don't work, secondly: the notion of unskilled labor force is converted into questionable, because of the high level of general education. An empirical example: in France, the so called "unqualified labor force" flooded to the service for the most part during the last few years.

The employment policy gave a priority to the retraining, but the practice of retraining for unemployed has a strong supposition. It is postulated, that the situation of unemployment is temporary (in consequence of the unemployment definition), and there is an opened job possibility somewhere, of which knowledge domain corresponds to the new knowledge structure of unemployed, predetermined by the course of retraining. Today, the number of opened jobs seems to be not enough.

The flexibility became the key word of the education system in our time. It has to be asked a question: can the labor force be flexible for the long time? Can it be participated in the permanent further training, in-service training? In addition to the problems of way of life, there are some talk of there, like investment and recovering of Human Capital, which is needed approx. thirty years. The invested Human Capital has a limit for the conversion, but may be educated the ability of the conversion itself.

In the eighties, the strategy of decentralisation and localisation was worked out by the politics. In France, the localisation process was not identical with the foundation of small enterprises (than in UK or in Hungary), because the evaluation renovated the relations between large - scale enterprises and local actors in a number of cases. The localisation meant new development strategy for the using of local resources, maybe Human Resources. The localisation of employment policy was taking place during the period of industrial reconstruction and it's logic built into the system of employment policy. Final result: centralisation and decentralisation together, where the central and local labor market policy institutions shape the strategy of employment policy jointly. This contradiction causes several conflict among employment policy institutions.

II. 3. The labor market strategy of the enterprises.

The paradox of present situation is in France, that inspite of the economic progress, the economy can't absorb the unemployed people. The simple question is: why? First hypothesis: the technological development annihilated many jobs, therefore the unskilled labor force doesn't find job today. Second: important modernisation was taking place on the enterprise level, so the rationalisation and transformation within the structure of labor division ceased several labor post.

Both opinions seem to be inadequate interpretation. The simple truth is, that **the enterprises haven't an interest in job creation**. Our starting point is this fact, therefore we won't follow the logic of labor market policy, which concentrates on the possibility of employment evaluation. The enterprises don't create jobs for the most part, but they participate in the game of employment policy. This is the new situation in France, and we should like to present the historical trend and analytical background of the current social setting.

II.3.1. Historical reasons.

The most economic analyses started the presentation in 1974, when the first oil crisis exploded. (According to the opinion of Robert Salais, the current employment crisis began earlier: in the sixties.)

Anyway, the complex social and economic system changed very rapidly in the last twenty years and the transformation developed on many levels in the society; e.g. in the micro and macro levels of economic system or in the relationship between industrial partners.

In France, the enterprises existed always in the centre of the political system. This situation was turned up after 1945. (**Sainsaulieu, 1992.**) Since 1981, the state attached its influence on the labor organization. The background: Keynes and the left - wing powership. A new economic plan for 1982 - 1984. was passing in 1981, and this plan had four points of orientation:

- search for the conditions of permanent growth, orientation to the consumption, reinforcing the national markets, assistance of exports,
- program of national solidarity, new distribution (partage) of work, weekly 35 working hours for 1985.
- financial activity of public power, budget deficit.
- battle against inflation.

One result of this time is the "Act of Auroux". The Act gave direct possibility to the collective bargaining in the enterprises. The Act has double philosophical principle: a. the employee is a citizen of the enterprise, b. the employee is an important actor of change within the enterprise.

The Act:

- restored the right of employees to be participated in the reform progress of the enterprises.
- restored the collective characteristic of work
- confirmed the roles of representative institutions in the collective bargaining
- gave a priority to the political agreement.

"Mais ce New Deal a une fin rapide" (Caire, 2004. 82. p.)

The 9th economic plan gave the economic equilibrium a start, and the combat against inflation was reinforced again. The economic growth has to be equivalent of economic equilibrium: it was the new slogan. According to the 10.th economic plan, the wage increasing

had to be connected with the results of economic growth. The economic growth had its own centre: the enterprise. *"Les entreprises doivent bénéficier d'une stabilisation, voire d'un allègement du coût relatif du travail et de possibilités d'investir mais doivent accepter une responsabilité sociale de création d'emplois nouveaux par rapport à l'utilisation intensive du travail existant ou du capital"* (Caire, 1994. 82. p.)

II.3.2. The development of new economic and labor market strategies of enterprises.

According to the opinion of Burkart Lutz, there are three historical stages of labor market strategy of enterprises during post - war time. The first phase is the dependency on external labor markets, where the state and organizations of employers and employees operated. The enterprise autonomy developed step by step, so in the third phase (today) the enterprises aren't at the mercy of the external labor market relation. The results can be catastrophic, because the labor force, which has high level of Human Capital investment (invested by social and private actors), lost its own selling markets. (Lutz,1994.) So, the **enterprise autonomy** is first result of the transformation.

The market relations between enterprises and customers changed rapidly during the last years. The clients (customer) became the most important centre of the economic activities. The customer didn't prefer more the quality and service of mass production, therefore the enterprises had to move to the changing market demand and they had to form their own strategy of market flexibility. (Lallement - Lefevre-Farcy, 1994.)

The **flexibility** became in the centre of new economic strategy of enterprises. The stairs of flexibility were the following:

a. Introduction of new technology. (Production systems with computer leaded numerical systems, etc.) Its importance: liquidation the direct piecework and control system, possibility for the immediate quality control, indirect determination of working tasks, large variability in the labor process, impersonal relations in the direct conflict field of work.

b., Revolution in the work organizations. According to Fayol, several unit and bureau arose in the work organization. The relations between production and market was divided by different departments, therefore the flexibility and adaptativity of enterprise had many problems. This organizational rigidity became inconsistent with the new challenge.

In consequence of the new challenge, the Taylor made work organisation transformed,

maybe disintegrated. The working TIME wasn't exepcted of this progress, even the restructuring of working time was a direct stab in the heart of labor organisation, because of the introduction of part time work or the individual working hours. Notwithstanding, the preparation for the new time began in the last sixties, after 1968. The new regulation of working time, the restructuring of working tasks, the enriching of working exercises, the introduction (experiment) of autonomous working groups, quality circles, etc. helped to realise the reforms in the eighties.

In the new organization maybe introduced new information system according to the principle of date - bank. The flow of information is accelerated by the network of enterprise organization, what can create better connection between market and firm.

"Une organisation transversale et interactive suppose de gérer maintenant de facon conjointe et synchrone l'ensemble des facteurs mobilisés par l'acte productive. (travail, machines, stocks, matières premières, information...)" (Boyer, 1993.)

The new demand for the elaboration of new strategy had another reason: the economic situation of enterprises. The resources of profit were exhausted, therefore the enterprises tried to find new conditions of efficiency and profitability within the enterprise (flexibility of working organization), but they were looking for the new strategy of growth on the macro economic level. (process of independence) Both reinforced their aims: stabilisation their economic positions. As a result of challenges: the enterprises had to form theirs own strategy of stability, too, in particular under the conditions of instability, intensive international competition and new demand for high quality products. **(Lallement - Lefevre-Farcy, 1994.)**

The strategy of stability could serve the change as an important background as. Summing up: the strategy of flexibility and the strategy of stability are twins of the new time.

II.3.3. Consequences

The process of transformation is keeping the door open for the new strategies. "The one best way" didn't exist more, therefore can be evolved various alternatives for the organizational development. The new strategy is a result of the large compromise, which was made with one another economic actors of the enterprise.

Managing of internal labor market development is having several method and option. The constitutional reform is one of these, only. The reform developed like an alternative, to be final solution of labor conflicts and changing power relations among economic actors within the enterprise. Accordingly, the new labor market policy of enterprise is a result of the new

strategical consensus among social actors of the enterprises. The coalition for stability (and flexibility) could be created by trade unions and management, workers groups and experts. The strategy of status - quo maybe an important answer from the economic challenge and international competitions, too.

After all, there is new development in the economic history, especially in France, where the conflicts dominated within enterprises. The marketability has its own price: the loss of elasticity in employment policy. **(Gautrat, 1992.)**

The state employment policy gives advantages for the economic units: resources or possibilities for employ of additional labor force, because the job creation and employment expansion is public or social interest. The enterprises don't incorporate the job creation within their strategies, because of the new strategical consensus. This is the reason, e.g. that the special labor contracts, supported by the state, were not extended after their expiration.

The enterprises don't break off the relations with public power. The state or the other public actors can give them e.g. information about market situation or the public actors can protect the economic units. In the modern world, the network capital has significant role in economic development, for this reason the enterprises are collaborators in the employment policy, but without economic interest. There is the main problem of present employment policy in France.

Today the French economy has strong segmentation **(Michon, 1994.)**, what refers to both social stratification on the labor market and economic institutions. Large - scale enterprises are in operation together with small economic units, or international Giants have contracts with national companies. An important economic development was taking place on the small or medium sized enterprises, but the big companies aren't dissolved. The participation of small and medium sized enterprises is strong in the labor market programs, but the Giants don't refuse the co-operation with labor offices. Many programs of labor market policy concentrate on big companies (e.g. preretirement), but many other programs of labor market policy is used by small and medium sized enterprises. (See: First part of this paper.)

"A la lumière de ce qu'en perçoivent aujourd'hui sociologues et économistes, l'après-taylorisme semble pouvoir se mesurer à l'aune d'un compromis géométrie variable qui, tout à la fois, structure l'organisation de l'entreprise et jette le bases d'une régulation sociale inédite... En second lieu il convient de souligner que la segmentation de la main-d'oeuvre ... reste une conséquence plus que probable." (Lallement - Lefevre-Farcy. 1994. 57.p.)

In spite of all, the role of enterprises is very important to the reconstruction on labor market policy. Without revaluation and renovation of the labor market strategy of enterprises doesn't exist a solution. (Therry, 1996.)

II.4. Labor market problems as a part of Human Resources Policy.

In the previous chapter we presented, that the enterprises haven't an economic interests to follow an extensive labor market policy. This fact doesn't mean, that the problems of labor could be unimportant or the management aren't interested in the questions of labor utilisation. The enterprises can't be working without application of the Strategy of Human Resources, therefore every problem of labor force is subordinated to the Human Resources Strategy.

The Strategy of Human Resources is first of all a component of the general Enterprise Strategy. The economic aims of enterprise, the projected market positions, the technological development etc. are formulated on the level of General Strategy. The labor policy has to follow the general plan therefore it has sometimes lost its own feature.

The empirical observations strengthened our proposition. In the middle of the eighties many large-scale enterprises (e.g. Rhône-Poulance) started their transformation first with creating a "Transformation Project", where scenarios for social and organizational change were cleared and presented. This plan determined every question and problem during the transformation, e.g. the future of labor force, their qualification need, the main directions of retraining (professional training) were regulated by the documentation. The problems of labor market were integrated within the large relation of strategical aims, too. The "strategical integration" ("d'intégration stratégique") had different models, but the strategy of general plan had priority always.

After the great change in the eighties, the French enterprises (re)formulated their own Human Resources Strategies. Because of their strategical aims, the flexibility became; there is no wonder; the number one on the priority list. According to the management opinion, the flexibility is identical with the mobilisation of labor force and it secures possibilities to the rapid rearranging of staff among labor positions. The qualification of labor force, the working conditions are seen that way, although the strategy of mobilisation has different solutions.

Janine Freiche and Martine La Boulaire presented several models:

Firstly: strategy of staff reduction, dominated in the last eighties.

Secondly: staff reduction with staff hiring at the same time, concentrated on different

labor force groups. (e.g. reduction of non qualified workers, hiring of engineers.)

Thirdly: externalisation of work (or working tasks).

Fourthly: the strategy of co-operation. The management give priority to the co-operation, what is taking place on different labor force groups.

Fifthly: extension of the (employment) risk to the protected labor force groups. (e.g. foreman, who had many advantages sooner.)

Sixthly: giving large autonomy to the employees, even broadened responsibility to the labor force groups.

In the nineties, this <<classical>> management Strategy for Human Resources seems to be returning, which was typical before the strategical innovation. The reason is the economic situation. Dominique Thierry writes, that "*... la tendance récessionniste de 1990 a provoqué un retour à des stratégies de management classiques: compétitivité par les seuls coûts; croissance externe permettant une rentabilité rapide des capitaux investis; plans sociaux qu'on ne pouvait plus qualifier, sauf exception, de rattrapage, conditions de travail en dégradation, préférence française pour la flexibilité externe au détriment de solutions alternatives de flexibilité interne, etc.*" (Thierry, 1996. 213.p.)

The requirement of flexibility doesn't contrast with the new crisis strategy, because the removal of recession reinforced the flexibility within the enterprises, in terms of the management. The flexibility went with greater integration together (stability) and it became the base of new consensus. At the same time, the labor force problems concentrated on the enterprises, as a consequence of the larger autonomy of economic units. The "non employed" people (unemployed, jobs seekers) fell out from the enterprise (and management) competence and strategy.

For the enterprises, the other markets became much more important, than the labor markets. The new economic strategies overestimated the importance of money-markets and/or the products markets. "*...la dérèglementation financière a progressivement fait confondre l'économie et la finance, au point de n'attribuer le terme "marchés" qu'aux seuls marchés financier et monétaire au point de favoriser dans la distribution de la valeur ajoutée le capital au détriment du travail, au point de diminuer de façon constante la part consacrée aux investissements productifs dans la croissance nationale.*" (Thierry, 1996. 213. p.)

In 1993 (and in the next years) many French enterprises started with a new project, to be changed their own work organization. The main aims were: introduction of "just in time"

system, new production policy for quality products, reduction of bureaucracy, cutting down the hierarchy, reforming the wage system, introduction of high technology (computer led production systems). The transformation was /is supported by the state, and the state research institutes publish their observations from time to time.

The development and the transformation have no direct effect on the labor force utilisation. That is the first statement, but the transformation activated the relation between management and employees. The labor force became an important factor within the enterprises, and the management recognised the wage pluralism very rapidly.

So, the internal labor market moved between rigidity and flexibility. The rigidity reinforced the direct prescription of work, the flexibility gave more autonomy to the labor groups. Independently of the situation on internal labor market, the level of employment was unchanged. During the years of transformation didn't grow the number of staff of these enterprises, therefore we can establish, that the transformation (innovation) of work organization and the economic progress of enterprises don't create jobs at the same time. The reform enterprises didn't need more workers or employees than these enterprises, who weren't participate in the state programme, according to the observations. **(Premières Synthèses, No. 84 - 85. avril, 1995.)**

The economic approach leaves its mark on the enterprise labor market policy, e.g. the cost calculation. In consequence of the new economic philosophy, the French enterprises give a priority the policy of minimum employment level, which assure them of the optimum level in the labor and human resources utilisation. **(Freiche - Le Boulair, 1994.)** The enterprise strategy of Human Resources gives a priority for the individual or collective initiatives, too, if they could be subordinated to the market-ability.

The situation within the small enterprises are different from the above analysed companies. The small enterprises (in France PME.) created many jobs in the last few years, but on the other hand the employees are more closely integrated by the leader or manager into the work organization. Therefore, the labor policy of small enterprises could be characterised, as double faced strategy: externalisation of labor market problems and closing the internal organization at the same time.

According to several analyses, the PME based on the unity of management and ownership. The strategy of Human Resources, if we could speak to that, is attached to position of owner, who is the boss (le patron) personally. In spite of these, the PME could shape theirs

own internal labor market structure, because the internal labor process can be divided after several organisational principles, too.

The PME-s have great uncertainty for the employment, because of their lifetime. Firstly, the dissolution of PME organization is great and secondly, 50% of PME-s are reorganized year by year. The stability exists in the enterprises over 200 employees, only.

The PME-s have specific roles in the circulation of labor force. They can keep in reserve labor, or they can absorb free labor force from the external labor market. The labor force circulation among the PME-s can make safe the equilibrium of several labor markets, e.g. the labor market for qualified people. This role of PME works as "structural reallocation" of manpower. **(Maurin, 1995.)**

Within PME-s the personnel fluctuation and rotation are high. For instance, in 1991, 41,1% of the staff were rotated in the PME-s between 100 and 200 employees. (Rotation, caused by state labor market programs, is not included here.) The fluctuation level in this PME category was 15% this year. **(Maurin, cit.)**

The PME-s can be served as background of labor market flows among large-scale enterprises, too. Therefore, the compatibility of labor quality is very important on every level of labor force structure. In this sense, the PME-s can offer advantages to the innovations of large-scale enterprises.

According to the opinion of Maurin, the PME is a great possibility on the way for the realisation of employment flexibility and PME-s can make close connection between variability and employment need.

We aren't engaged in the problems of PME more. I wanted to present, that the problems of labor market are much more complicated, than they are formulated by labor market politics, and I wanted to describe the Strategy for Human Resources of small enterprises.

In any cases, the situation is not too easy, regarding to the enterprise level of labor market. The analysis support our point of view: there is the time of labor markets reconstruction. The labor markets claim much more dynamics and flexibility from every actor, the strategy of enterprises have different models, and the tradition of the Strategy for Human Resources exists at half steam. Advantages and disadvantages are living at the same time and place. The small business units can create jobs, but their stability is not too high. The grand companies can't be create jobs, but their stability is uncertain.

Finally: the labor market problems became current again, but without final solutions.

Appendix

I. Economic data; France, 1993.

**(Le monde du Travail dans une Economie sans Frontieres
Banque Mondiale Washington, 1995.)**

Economic growth: 1,6%

Inflation: 1970 - 1980 = 10,2%
1980 - 1993 = 5,1%

Growth of GDP: 1970 - 1980: 3,2%
1980 - 1993: 2,1%

Economic growth in economic sectors 1980 - 1993:

Agriculture: 1,8%

Industry: 0,9%

Service : 2,7%

National Brut Production:

1970: 142.869 millions de dollars

1993: 1.251.689 millions de dollar

Proportion of NBP in 1993.:

Agriculture: 3 %

Industry: 29 %

Service: 69%

Expected time of life: 77 years

II. Tables

Table 1th.

Structure des classification dans la catégorie ouvrière dans la métallurgie en 1976 et en 1984

(Les ouvriers sont de plus en plus diplômés)

Niveaux	1976	1984
I	890.000	496.400
II	737.000	612.700
III	185.000	212.400
IV	-	15.700
Total	1.816.000	1.337.200

(Maruani, 1991. 28.p.)

Table 2nd.

Variations des caractéristiques des emplois offerts de 1990 à 1994.

(Exonérations de cotisations patronales pour l'embauche d'un premier salarié.)

Emploi offert	91/90	92/91	93/92	94/93	Total
Ouvrier agricole	-1,1	-0,1	-0,3	-2,0	-3,5
Ouvrier non qualifié	-2,4	-0,9	-1,2	1,6	-2,9
Ouvrier qualifié	-2,1	-1,6	-1,7	1,1	-4,3
Employ	0,4	0,4	1,7	1,4	+3,9
Technicien, agent de maîtrise	1,5	0,4	0,6	-0,1	2,4
Autre profession intermediaire	0,4	0,4	-0,2	-0,6	0
Lodre, ingénieur	3,5	1,1	1,6	-0,1	6,1
Autre	-0,2	0,3	-0,5	-1,3	-1,5

(Bilan de la Politique de l'emploi en 1993 et Bilan de la Politique de l'emploi en 1994.)

Table 3th.

Ancienneté de chômage et variable âge

Age	<1an (88)	>1 an (89)	<1 an (88)	>1 an (89)
15 -24 ans	448.984	129.294	38,1%	14,7%
25 -49 ans	621.798	556.789	52,8%	63,5%
50 - ans	107.859	191.358	9,1%	21,8%
Total	1.178.641	877.441	100%	100%

(Source: NSEE, Cit.: Demazière, 1992.)

Table 4th.
Evolution du chômage de longue durée

	Chômeurs	Chômag.long dur.	Taux de chô. T. de	Ch.lon.d
1974	807 000	60 000	3,7%	10%
1987	2.567.000	800 000	10,5%	32%

(Wuhl, 1991)

Table 5th.
Job - change
(During 1 year; in France: %)

	Administration		Manual worker	
	men	women	men	women
No change	38	55	24	36
1X	30	24	27	29
2X	18	14	24	18
3X or more	4	7	25	17
Total	100	100	100	100

(Premières Synthèses N. 86. 1995.)

Table 8th.
Demandes d'emploi (DE) par sexe et âge (milliers)

Evalution récente des Demandes d'empl.	1994		1995**		1996	
	Janv.	Juill	Janv.	Juill	Janv.	Avril
DONNEES C.V.S:						
DE en fin de mois (catégorie 1)	3306,4	3091,7	3052,7 3306,4	2939,1	3015,9	3012,0
Hommes de moins de 25 ans	351,7	301,9	289,9 323,3	255,7	275,9	275,0
Femmes de moins de 25 ans	389,6	350,5	345,6 378,8	320,3	325,7	321,4
Hommes de 25 à 49 ans	1107,0	1033,7	1007,1 1096,0	976,3	1001,1	1000,9
Femmes de 25 à 49 ans	1096,1	1067,3	1063,2 1142,5	1042,7	1046,5	1047,0
Hommes de 50 ans et plus	212,7	197,0	202,1 212,1	197,4	210,2	210,9
Femmes de 50 ans et plus	149,3	141,3	147,7 153,7	146,7	156,5	156,8

(Premières Synthèses, 1995 - 1996)

(** During 1995 were changed the statistical class and labels. Therefore our statistical progression is not comparable with one other. People are missing or rearranged because of the new class. New numbers are bold in the table.)

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