

Controversies in the measurements of unemployment: the French experience

Matt Perry

Official unemployment figures in Britain have been plagued by controversy. The rapid rise in unemployment has been accompanied by numerous revisions, bringing the statistics themselves to the centre of the debate¹. However such quarrels have not been restricted to the Thatcher government, in France the Mitterand government too is subject to serious criticism for its handling of unemployment statistics.

The first source of confusion in current labour market statistics in France is the duplication of tasks by various official agencies. By 1987 the official statistical institute, L'Institut National de la Statistique et des Etudes Economiques (INSEE) disagreed on the level of unemployment with the employment department, L'Agence National Pour L'Emploi (ANPE), INSEE were also quarrelling with the organisation which manages unemployment insurance, L'Union Nationale Interprofessionnelle pour L'Emploi Dans L'Industrie et Commerce (UNIDEC). INSEE carries out yearly labour force surveys conducted upon a proportion of the population according to International Labor Office definitions. ANPE, on the other hand, bases itself on monthly claimant counts. (A. LeBaude, *Le Monde*, 14/8/87).

TABLE 1

Comparison of claimant count and ILO-defined unemployment

| | Claimant count | | ILO | |
|------|----------------|----------|---------|----------|
| | in 100s | % change | in 100s | % change |
| 1980 | 13612 | 13.4 | 13498 | 16.0 |
| 1981 | 14669 | 7.8 | 14506 | 7.6 |
| 1982 | 17729 | 20.9 | 17501 | 20.6 |
| 1983 | 19228 | 8.5 | 20106 | 14.9 |
| 1984 | 23231 | 20.8 | 23403 | 16.4 |
| 1985 | 24422 | 5.1 | 24584 | 5.0 |
| 1986 | 24895 | 1.9 | 25166 | 2.4 |
| 1987 | 25317 | 1.7 | 26217 | 4.2 |
| 1988 | 24432 | -3.5 | 25629 | -2.2 |

1. The Unemployment Unit has monitored the 30 or so revisions to the unemployment figures and calculates the number of unemployed according to 1982 methods.

Table 1 demonstrates the scale of change of the two counts can vary quite significantly, for 1983, 1984, and 1987. As neither the claimant count nor the labour force survey could replace the other, this paradox is likely to continue. The labour force survey is able to include certain groups that are unemployed but unlikely to register as such and is able to eliminate groups that do claim benefit but, should not according to ILO definitions, be considered unemployed. It is suited therefore to international comparison. The claimant count on the other hand is able to provide cheap data at monthly intervals, which is also a necessity for modern labour market analysis conducted by the government, business and investors in France.

The second form of controversy that emerged in France came from outside official channels. As with the Unemployment Unit in Britain an unofficial unemployment figure was published which focused opposition criticism of the government's unemployment policy as well as its measurement. Interestingly though in France a 'Socialist' administration faced criticism from the right. This would suggest that the question cannot be reduced to the manipulation by a particularly aberrant right wing government as is often suggested in the British critiques. The controversy obviously has deeper roots. L'Association de Recherches Internationales Economiques (ARIES) who produced the alternative series is linked with the former Finance minister of the Barre government, Lionel Stoleru, who produced alternative figures for French unemployment between 1982 and 1986. As Stoleru saw it:

"The truth we are finding is that as the paradise of employment thins, the hell of unemployment is hardly being filled but it is the purgatory of underemployment (schemes, retraining courses etc.) whose numbers are swelling. Something the official figures conceal totally. The official response, that nothing has been changed since 1981, is meaningless because the problem is as if the same thermometer has been immersed into entirely different mixtures." (*Le Monde*, 8/3/86)².

TABLE 2

Comparison of official and ARIES statistics on unemployment

| | A DEFM | B ARIES | A - B ARIES - DEFM |
|-----------------------|-----------|------------|-----------------------|
| December, 1982 (s.a.) | 2 118 600 | 2 338 600 | 220 000 |
| March, 1985 | 2 416 000 | 2 833 200 | 417 200 |
| January, 1986 | 2 436 000 | 3 040 000 | 604 000 |

2. For the effect of schemes on British figures, McLeish, H., (1990), *Unemployment under the Conservatives*, published by the Labour Party.

The dispute was finally settled by a report commissioned by Mr. Seguin, the Minister for Employment and Social Affairs. The report, written by E. Malinvaud the then head of INSEE and leading French economist, rejected the ARIES figure. Consultation with the ILO to get a ruling on whether the various groups that Stoleru had added to the official figure could be categorised as unemployed. At this point having failed to get his measure adopted by the government, Stoleru stopped publishing his series.

For those who take a critical attitude to official statistics, concern must be centred on the unfortunate reality that the modern state is able to effectively monopolise the collection, definition and development of statistics. Stoleru was therefore in the unfortunate position of having to base his series on manipulation of various figures published by the government but was also left with little option but to abandon the measure when leading official organisations in statistics, INSEE and the ILO undermined its credibility. It is interesting that like their British counterparts the French government was strongly criticised for not only its policy to fight unemployment but also its undervaluation of the problem.

But the French debate also suggests that the controversy over unemployment has causes that go far deeper than rivalry between different political camps, although this is a way in which the argument does articulate itself. As Salais et al argues its heart is the way in which modern society is constantly changing and the concepts we use to describe the labour market therefore have to respond to an evolution in objective circumstances³. Consequently, we need to consider not only unemployment but also employment and the active population within a developing historical situation, and to consider them socially "invented". Indeed Salais et al locate the phenomenon of modern unemployment with the development of Fordist production. Unemployment statistics are, under contending pressures, on the one hand, that of attempting to define a category whose former certainty is being broken over time as the boundaries between employment and unemployment shift, especially in periods of crisis such as the difficulties of the world economy since 1974, and on the other hand, the immediate pressure for governments to have low unemployment records.

3. Salais, R., Reynaud, B., Baverez, N., (1986), *Invention du Chomage*, La Documentation Francaise.