

Longer hours: Does Najib know what he is talking about?

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A Concerned Citizen

I refer to the report media report regarding Deputy Prime Minister's Najib Razak statement on working longer hours. First and foremost, it would be wise for Najib to actually comprehend the definition of productivity first before propagating his messages to the masses as in this case, it is obvious enough that whatever he chose to convey was utter nonsense due to a lack of understanding of such a concept.

Bear in mind that productivity in its most conventional form is, if you will, the amount of output created (in terms of goods produced or services rendered) per unit input used. So it is essentially a ratio of output over capital (to express capital or input productivity) or labour (which typically expressed in the form of worker or worker-hour to calculate labor productivity).

In this manner, I would think that Najib is referring to the labour productivity (output over worker hour) for which he asserted that the more hours you work, the better the output churned. In reality, the longer hours used to increase output may or may not increase the productivity.

If the increase in output match the increase in hours, there's no increase in productivity since people need to use extra resources to produce the same extra output. However, if one were to use the term 'efficiency' in which the input (in this case, working hours) is minimised but output remains the same or be higher, then that is considered an increase in productivity.

So to be productive, efficiency is key, especially in the situation when resources are not abundant. So Najib's statement shows an obvious lack of understanding of the 'productivity' concept on his part and this has consequently misled people. It is erroneous propaganda.

It was even more perplexing when Najib uses the same flawed argument to assert his statement by saying that growth and productivity could be stunted just like in continental Europe where shorter hours are observed.

For information, people in developed countries work less than Malaysians or even Asians do because they are trained to be efficient in their workplace (ie. minimise time to produce output rather than prolonging time to achieve something). In this manner, they could be productive at their work and subsequently increase the overall productivity of the nation.

In addition, economic growth varies in each country as it depends on the level of development of a particular country. Developed countries tend to have lower growth (matured economies with lower but sustainable growth) which mostly supported by productivity growth while poorer countries usually resort to factor accumulation, especially Asian countries during the 'Asian Miracle' period.

Having said that, growth in the long run requires an increase in productivity (ie, the use of machines or technology to de-labourise industries) as factor accumulation (ie, increase in labour and capital though in Najib's case this would be an increase in working hours) is not sustainable for long-term growth according to the growth theories.

So my advice to Najib is to please check your facts first besides increasing your understanding of some particular subjects before coming out with statements. Your ignorance and lack of knowledge have insulted the minds of the masses, my dear DPM.

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