Contents

List of figures vii
List of tables viii
Acknowledgements ix

1 'DISTURBING PERHAPS ALARMING': why mass unemployment is not just economically wasteful but also socially disastrous 1
  1.1 Outline of the book 1
  1.2 Disquieting features of unemployment in the early 1990s 3
  1.3 The social consequences of high and prolonged unemployment 9

x  2 'RICARDO'S SURPRISE': economic theory and why the fears of technical change on the part of the 'labouring class' conform to the correct principles of political economy 17
  2.1 Pre-classical economics 18
  2.2 Classical economics 19
  2.3 The neo-classical school 23
  2.4 The Keynesian school 26
  2.5 The Structuralists 30
  2.6 Conclusions 35

3 'THE BIGGEST TECHNOLOGICAL JUGGERNAUT THAT EVER ROLLED': Information and Communication Technology (ICT) and its employment effects 39
  3.1 The rise of new technologies 39
  3.2 The rise of ICT 41
  3.3 Characteristics of the new techno-economic paradigm 47
  3.4 ICT and the growth of employment 58
4 'GET SMARTER OR GET POORER': The international dimension of technical change and employment in the world economy

4.1 Structural change and employment growth
4.2 Trends in employment: growth in Asia at the expense of Europe?
4.3 Sectoral shifts in employment: from manufacturing to services?
4.4 Employment growth and productivity
4.5 International trade and employment
4.6 International trade in ICT commodities
4.7 Growth in service employment, service tradability and ICT
4.8 International relocation: from manufacturing to services?

5 'A MAN'S PLACE IS IN THE HOME': various forms of flexibility
5.1 Introduction
5.2 Wage flexibility
5.3 Organisational flexibility
5.4 Flexibility and skills
5.5 Conclusions

6 SUSTAINABLE DEVELOPMENT AND LIMITS TO GROWTH: the end of the love affair with the automobile
6.1 Introduction
6.2 The 'externalities' of technical change
6.3 The transition of technological growth paths from motor vehicles to electronics
6.4 From GATTpeace to Greenpeace: on trade, mobility and transport costs
6.5 New sustainable growth and ICT

7 POLICIES FOR FUTURE EMPLOYMENT: In the long run we are not all dead
7.1 The urgent need for higher levels of employment
7.2 ICT and future sources of new employment
7.3 Investment in physical infrastructure
7.4 Education as a form of social infrastructural investment
7.5 International trade competition and future employment
7.6 A two-tier economy and the 'sheltered' non-tradable sector
7.7 Conclusions

References
Index
List of figures

1.1 Unemployment and burglaries, Britain, 1980s 13
3.1 Chronology of electrification of industry 40
3.2 Some key events in the convergence of information technology and communications technology 43
4.1 Development of total employment, 1974–1994 70
4.2 a-c Average annual growth 1972–1994 71
4.3 Sectoral employment shares, 1990 74
4.4 a-c Change in employment shares 75
4.5 a-c Average annual employment growth, 1980–1990 77
4.6 a-c Estimated growth in employment in various sectors, 1972–1985 80
4.7 a-c Trade impacts on employment, 1972–1985 82
4.8 a-c Imports and exports of IT Sectors, 1980–1990 86
4.9 a-b Revealed comparative advantage index, 1970–1990 88
4.10 Manufactured exports of the South to the North 93
4.11 Delocalisation pressure 94
6.1 Traffic at Ludgate Circus, 1870 131
6.2 Modal split in passenger transport in France 133
6.3 Share of different transport modes 135
7.1 Part-time workers as percentage of all employed, Canada, 1953–1992 143
List of tables

1.1 Unemployment in various countries, 1933–1994 5
1.2 The profile of OECD (1992) unemployment 6
1.3 Extract from the OECD Report to Ministers on Unemployment 8

3.1 Estimates of increase in ICT capacity 45
3.2 Change of techno-economic paradigm in OECD countries 48
3.3 Change of techno-economic paradigm 53
3.4 Outlook 1990–2005: occupational employment forecasts for the United States 62

4.1 Rates of growth of exports, 1980–1989 85
4.2 Share of office machinery, telecom equipment and electronics in total merchandise exports 85
4.3 Commodity growth and comparative advantage 89

5.1 Labour force participation rates by sex, 1973–1992 99
5.2 Size and composition of part-time employment, 1973–1992 110
5.3 Number of self-employed persons employed, 14 OECD countries, 1970, 1980, 1990 111
5.5 Average hours actually worked per person per year 114
5.6 Part-time opportunities for civil servants 115
5.7 From Fordism to a new model: a synoptic presentation 118

7.1 The Delors Report’s ‘Action Plan’: ICT in Europe 154
7.2 The Delors Report’s ‘Action Plan’: promotion of four priority applications 155
7.3 Occupational employment forecasts, United States, 1990–2005 166
7.4 Public and private expenditure on education as a percentage of GDP, 1991 169
7.5 Non-farm employment in the United States, 1980–1991 171