

Reviews

WHAT UNEMPLOYMENT MEANS**Adrian Sinfield**

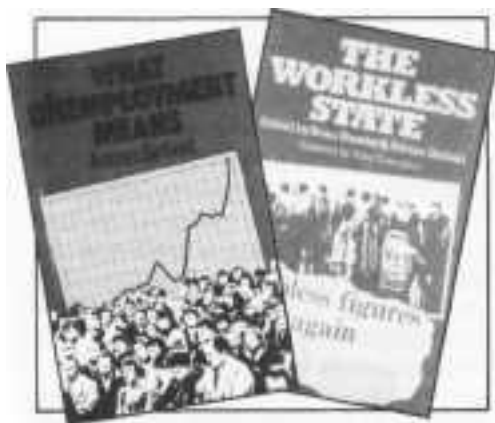
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THE WORKLESS STATE**Ed. Brian Showier & Adrian Sinfield**

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'We were dominated by the fear of unemployment. It was this which made us turn back against our own better judgement and try to spend our way out of unemployment, while relying on incomes policy to damp down the inflationary effects.' That was Keith Joseph in Preston on 5 September 1974 — the speech which marked the decisive turn towards monetarism in the Tory party. Underpinning the economic theory were the political judgements about the unemployed which were to become the hallmarks of Thatcherism and the New Right in Britain. A third of those out of work were unemployable, he claimed; a tenth were working on the quiet or onto some other fiddle. Many of the rest of the unemployed — then about 600,000 — were changing jobs.

From then on, the Tories progressively abandoned the principle of full employment, and it wasn't a manifesto commitment in the 1979 election. Yet ten, twenty, thirty years

ago, such a low priority for employment policy would have been unthinkable. By shifting the political focus on to inflation, the Tories have established a buyer's market for jobs. And, at the same time, with the new fraud teams, and taxes on benefits and ending of Earnings Related Supplement on the way, they've tried to convince us that unemployment is all the fault of the unemployed.

Both these books try to understand the social implications of mass unemployment. Both show how unemployment has grown, how it is distributed across the country and across the workforce, its effects on individuals and communities, and how the services for the unemployed are, and in many cases aren't, operated. In addition, *The Workless State* attempts to provide the theoretical background — the economic analysis of unemployment, the change in political attitudes, and some international comparisons.

The books' common area is useful stuff. The huge numbers actually hide much deeper problems. Unskilled workers are usually the first to lose their jobs, and find it hardest to get back into work. It's progressively harder for the long-term unemployed to rejoin the job market, and they get more isolated, more depressed, and more poverty-stricken. Young people, with neither skills nor experience, suffer more than most. Unemployment among women has grown far faster than among men. And black workers are also far more likely to be jobless.

But while the books' treatment of the experience of unemployment is good — Adrian Sinfield started interviewing people out of work in the North East in 1963 — neither get much beyond that. Take the treatment of women's unemployment. Of course National Insurance contributions changes, and the surge of women on to the job market in the 60's and 70's, are reasons for the growth in women's work, and therefore the current women jobless. But neither book rates the *nature* of women's work as important. It's common currency amongst those writing about unemployment to point to the undercounting caused by women not registering, but the numbers aren't the end of the story. What kind of work do women do? How should women's work — and therefore worklessness — be defined? How can Thatcherist ideas about a woman's place be challenged? These questions deserve better treatment.

Another glaring failure in both books is the lack of discussion of immigration and imperialism. The chapter 'Unemployment in International Perspective' in *The Workless State* is nothing much more than a com-

parison of the numbers out of work in the major capitalist countries. Useful, perhaps, but it goes no way towards explaining the predatory relationship between these countries and their labour markets, from the days of slavery to the gastarbeiters in Germany, the wetbacks in the USA, and the black immigration to the UK. And, just as important, without such an explanation, there can be no understanding of the institutionalised racism of the current labour market.

'Political Economy and Unemployment' is also patchy. The section on the macroeconomic effects of unemployment — in terms of tax take, benefit and administrative costs, and foregone production — is good. But the theoretical analysis of both monetarism and Keynesianism is weak. There's no discussion of the actual mechanisms of monetarism — exchange and interest rates, exchange controls, government cuts — and the way they act to discipline the workforce. Nor is there any distinction drawn between reflation of demand, and the much more important emphasis that Keynes put on public investment in capital goods.

On the other hand, Alan Deacon's chapter on the change in political attitudes is one of the best in either book. He shows very clearly how central employment policy was the post-war governments, and how the shift to the obsessive fear of inflation came about. Most interesting of all, perhaps, are the references to some of Beveridge's ideas in *Full Employment in a Free Society* (1944). Beveridge stressed that it wasn't just the brute number of jobs that was at issue, but also the quality of the work, and the choice that workers should be able to have. Linked to these ideas are the crucial social choices about who works and when. As education lengthens, and the retirement age comes down, the definitions of workers and the unemployed are bound to change, and clearly these issues will grow in importance as technological change accelerates.

A final failing of both books must be pointed out. Neither takes any time to discuss trade union reactions to unemployment. Certainly trade unions have been slow to translate conference policy into strategies to deal with unemployment. But the growth of Unemployed Workers Centres is surely a significant political development, because, while they're closely linked to the labour movement, they offer the opportunity for the unemployed not only to escape their isolation, but also to organise collectively. With unemployment at even the official, understated level of 2.5 million, that's got to be important.

Peter Higgins

No matter what its name, demand theory holds that this means that if the unemployment rate gets "too low," inflation will accelerate in the absence of wage and price controls (incomes policies). One of the major problems with the NAIRU theory is that no one knows exactly what the NAIRU is (while it clearly changes over time).[18] The margin of error can be quite high relative to the actual unemployment rate, making it hard to use the NAIRU in policy-making.[19]. What does unemployment mean? Unemployment means you don't have a job. Not having a job. Does unemployment help with tuition? if you mean unemployment benefit, yes it does. What does cob stand for on the unemployment website? Think! If you know what unemployment and economic expansion mean, you would know the answer to this! (by Solomon Zelman). Why isn't full employment the same as zero unemployment? Full employment doesn't mean that there is zero unemployment.