主旨: Give Views

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Comments:
In some of the recent discussions on improving the labor force participation in a rapidly aging population, the empowerment of female workers is one of the frequently mentioned strategies. But, in practice, it may not have been the best idea. Classical labor market theory suggests, under many assumptions, that women choose whether to bear children based on their opportunity cost - in most cases, their wages forgone. So if female-workforce favored policy is put into place, it may improve labor participation in the short-run for those who decide to go to work, but in the long-run the fertility rates may drop even more. In fact, there are many studies on Central European countries that suggest such policies tend to create adverse effects. On the other hand, while it is heartwarming to see a balanced gender ratio in the workforce, one can argue that family values are also of great importance. Children raised under day-care may not experience the same cognitive growth process, th! e unique norms and values that only a parent should confer, or, in the far future, the capability (as in Amartya Sen's definition of the term) to become a highly refined person.

Labor force participation may be improved by assisting the discourage workers. Instead of trying to affect the dependent variable - LFPR - via the tampering of an ambiguous and proxied independent variable - population momentum, we should focus on the more direct variable - allocative inefficiency. I myself is a student who has just graduated from a bachelor degree program, and I am discouraged from job search because of the many uncertainties of the labor market: risk of unemployment, risk of getting stuck in a job with low vertical mobility, and, most importantly, the ongoing wage rate for graduates are sufficiently low that it may cost more in time and effort than the wage I earn.

Traditional job search agencies are already in place but since they target all groups in the population they may not achieve exactly what is needed here. My idea is this: borrowing from Albert Hirschman's "unbalanced growth" theory, employment-assistance policies should target key industries that provide backward and forward linkages. The government may target industries that are relatively more willing to provide training programs for skills that are general such that they can be carried over to a different job. In doing so, the groups of workers produced may become more skilled and benefit other industries with higher quality applicants (FL); at the same time, these industries will chew-off some of the discouraged workers (BL). Over time, I believe the LFPR will improve; and if it still gradually falls - under an allocatively efficient environment - then the labor market will simply have to adjust their wages and opportunities to fit the new labor supply, and as ! a result, those who do work enjoy a higher income.

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