

**International Labour Office.** *World Employment Report 1998-99. Employability in the Global Economy: How Training Matters.* Geneva: ILO. 248pp. Paperback. Price US\$34.95.

Statistics reveal that some one billion employable workers are unemployed—almost 33 percent of the total global workforce. Unemployment has therefore come to be a significant political issue in Western Europe, the developing world, and the former ‘tiger’ economies of the Far East and South East Asia. Former Soviet Union and Eastern Europe, undergoing a process of structural reform, have also significant populations that are in search of employment. The world outlook for employment is therefore very grim. Such high levels of unemployment cause major economic losses not only to national economies but also to the world economy by reducing growth rates, thereby further adding to the problem of unemployment, a vicious cycle indeed.

The rise of unemployment levels requires radical new measures that need to be put in place if this problem is to be tackled effectively at the national and international levels.

The current World Employment Report presents a comprehensive review of the employment situation at the national, regional, and international levels. A comparison with an earlier Report, of 1996, shows that the overall economic conditions favouring higher employment are no longer evident. Economic growth did take place in a number of selected countries (USA, Britain, and Canada) but in the other major economies, such as France, Italy, Germany, and Japan, the levels of unemployment rose substantially.

The emphasis of the current World Employment Report, which is the third in a series of ILO reports, is on the benefits of training, in particular on developing the best training strategy that is both flexible and responsive to the fast-changing international as well as domestic economic environment. The Report examines in detail various training systems internationally. One of the significant findings in this Report confirms that investment in training systems helps countries to enhance their competitive performance in the international economy. Further, such flexible and responsive training systems also help in making enterprises more efficient, thereby raising the levels of employment.

Accordingly, the chapters are devoted to globalisation, technological change, and the demand for skilled labour; training systems, their efficiency and governance; the impact of education and training on competitiveness in growth; women and training in the global economy. The last chapter looks at the employability of low-skilled workers’ training in the informal sector in developing countries and the returns to education and training in the informal sector. These issues are important because of the fact that the informal sector is often the largest employer in developing countries. In addition, the question of improving the status of vulnerable

groups, like young workers, the long-term unemployed, and the disabled workers, is examined, the recommendation being to bring them into the mainstream labour market and raise their chances for productive employment.

The status of women in the workplace is also not ignored. The chapter on this subject confirms that access to training programmes for women is limited. Changes in technology and the organisation of work have hindered women's ability to enhance their skills. Sustained efforts are required to bring about an appreciable change on the employment front so that women have easy access to the labour market to raise their income levels and, thus, their status.

The report concludes with the observation that with the recent trend to globalise the economy, along with the spread of new information technology, the national endowment of human capital becomes a significant input for future economic growth. The more skilled and developed is the human capital, the higher will be the living standards and prospects for future growth. Thus, it is important that educational levels be improved, and the quality of the workforce enhanced. This is a dynamic process in which training systems require flexibility to keep up with technological change and the varying demand for skills.

Like other UN reports, the current ILO Report is also a snazzy production, with innumerable tables and boxes highlighting the major points and issues raised in the text. However, it should be pointed out that training alone will not resolve the massive unemployment that exists in the developed and developing worlds; appropriate macroeconomic policies which increase the purchasing power of the masses require immediate implementation so that economies can begin to grow again. Globalisation may have its merits and advantages but its impact needs to be evaluated critically where unemployment is concerned, particularly when one reads and hears about the mega-mergers taking place at the national and international levels in the manufacturing and other sectors and resulting in further mass lay-offs. In short, labour-friendly policies need to be devised and implemented if the current grim picture of unemployment is to be tackled successfully. The current Report only goes part of the way in suggesting what can be done about reducing unemployment.

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