Preventing the Societal Crises of Failed Expectations and Threatened Self-Esteem in the New Economies: A Proposal for Helping the “Generation at Risk”

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This article begins with a brief description of important trends in the Western postindustrial economies and some of the attendant major individual and societal problems. This leads to an analysis of the inadequacies in the presently available efforts to deal with these problems and the description of a program based upon the inevitable changes the meaning of work will have in people’s lives. Analyses will focus, particularly, on that part of the population most affected by these events: the generations now entering the labor market.

KEY WORDS: job insecurity; economic victims; underemployment; generation at risk; downward mobility; youth unemployment.

EMPLOYMENT AND INCOME IN THE NEW ECONOMY

Although protectionism continues to appear in the political dialogues, the Western economies are increasingly driven by international competition for global markets. Corporate accommodations to this competition have typically led to increased investment in advanced technology and restructuring of operations to generate more efficient production with fewer employees (see, e.g., Aronowitz and Di Fazio, 1994). According to economist Krugman (1994):

there is now a growing realization that we are living through one of those difficult periods in which technological progress, instead of producing broadly shared economic gains, steadily widens the gap between those who have the right skills

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and those who do not: The evidence suggests it is the nature of recent changes in
technology, which favor the most highly skilled at the expense of nearly everyone
else. On both sides of the Atlantic economic forces are more and more tending to
split society into two: Those with good jobs and a rising standard of living and
those with either falling incomes or the prospect of a more or less permanent life
on the dole. A few people have seen spectacular increases in earning, but most
have experienced little growth—and large groups, like young men without college
degrees have seen their real wages decline by 20 percent. (p. 9)

Social analyst Rosenthal (1995) cited Felix Rohatyn, a senior partner
of the investment firm of Lazard Freres, who provides quite similar obser-

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