In this chapter, I address a range of issues related to the fact that large population segments are being excluded from the labor market in advanced capitalist countries. Although, for a long period, the standard of living has successively increased for the citizens in these countries, the problem of providing sufficient numbers of jobs has not been solved and, with capitalism, it will hardly be solved once and for all. Sizable proportions of the population are left outside working life as unemployed, marginalized, or excluded; the expectations in terms of jobs and income that people may have are only partly met by the economic system. We shall thus turn to the relationships between individuals and the labor market, not implying employment.

Some observers do not simply make the observation that demand for labor power is too low, but they see no reason why things should improve, neither in the short term nor in the long term; they rather expect deteriorating opportunities for people to earn a living through paid employment. It is frequently suggested that non-employment is growing, a process that is sometimes referred to as the emergence of a ‘two-third society’ or as a ‘Brazilianization’ process. These conceptions represent a pessimistic perspective concerning the future, although, in a way, an optimistic interpretation is also possible. The marginalized categories are assumed to increase in numbers and to become more or less permanently excluded. In addition, it is sometimes suggested that new social dividing lines are being drawn between those who have (secure) jobs and those who do not.

Taking the process of marginalization to be inevitable, some authors conclude that wage-work or even work-based society will come to an end or, to be more accurate, that we need to dispose of the manner in which work is organized in the existing socioeconomic order. Seemingly paradoxically the deterioration of present labor markets is supposed to pave the way for a desired change. One of the more influential authors advocating the end of wage-work, André Gorz, has accordingly described himself as a ‘pessimistic optimist’. He, and some other intellectuals, do not stop at predicting or...
hoping for a specific kind of change; they are also engaged in suggesting reforms that will further the desired future (see, e.g., Gorz 1985, 1999; Offe 1996; Standing 1999, 2002; Van Parijs 1992). Such suggestions should perhaps be taken more seriously than predictions that are often mere guesswork. The most significant proposal in this context is that of a citizenship or basic income and, as this idea seems to be gaining ground among certain intellectuals, it may be important to pay attention to it.

This chapter, first, provides some conceptual clarification with respect to unemployment and marginalization, and, second, will touch upon some issues related to these phenomena. Third, I will comment on the two rather similar scenarios of the two-third society and Brazilianization; my aim is to examine the assumptions on which these scenarios are based and to establish if they have anything analytically valuable to contribute. Fourth, I turn to the ‘end-of-work’ thesis, which goes one step further to argue that the era of wage-work is over or has entered into its terminal phase. This thesis does not seem to be derived from serious analysis but rather represents utopian and wishful thinking. A fifth discussion deals with the idea of a citizenship income that is a key proposal both by end-of-work proponents and by some authors who more modestly believe that full employment belongs to the past. Finally, I ask whether contemporary advanced societies really tend to run into increasing difficulties as regards employment developments. My general answer is that the demand for labor is not likely to diminish dramatically or at least that it does not have to be that way. Although unemployment and marginalization will continue to haunt the populations, I doubt that paid work is on its way out and I develop my reasons for taking that position.

Unemployment and marginalization

Insofar as people do not get a sufficient foothold in working life, we can describe their situation by means of such labels as unemployment, marginalization, and exclusion. These labels are commonly applied more or less interchangeably and, as they are not all that clear, we shall take a look at some of the conceptual solutions available. In my view, there is no immediate reason to prefer one ahead of another notion, although in this chapter I above all refer to unemployment and marginalization. When involved in empirical research, the most important thing is to define distinct concepts that fit the purpose of a given study and that can help us make sense of existing data. This is not my task here, but I nonetheless try to bring about some conceptual clarification.

As discussed in Chapter 2, unemployment simply refers to a situation when a non-employed individual offers his/her labor power in the market but finds no one who wants to hire it. Although the language is slightly different, this concept is fundamentally in line with the definitions used in