

The Global Auction for High Skilled Work and the Death of Human Capital

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There is a cut price competition for brainpower in the global labour market. Since the late 1990s I have been investigating, with Professor Phillip Brown, the changing contours of the global economy, talking to corporate managers and executives, along with national policy advisors in several countries including: The United Kingdom, America, Germany, China and India. The compelling conclusion to emerge from over 250 face-to-face interviews with these leaders of the world economy is that the relationship between education, jobs and incomes is being transformed in ways that cast doubt on the policy rhetoric of 'learning equals earning' in many, although not all, European countries. In economies like those of China and India the idea that higher education leads to well-paid jobs, holds for the time being.

In our research, there are four trends that have made the relationship between education and the global labour market problematic. These are: the higher education explosion in Asia: the quality-price revolution: the introduction of digital-Taylorism which replaces knowledge work with computer routines and the intensification of the war for talent, amongst multi-national companies. At the moment, these trends favour Asian graduates and corporations. Our own work (Brown, Lauder and Ashton, 2011) as well as quantitative estimates from the United States, (Mishel, Bivens, Gould & Shierholz, 2013) suggest that the many of highest paid jobs are vulnerable to offshoring from Europe to Asia. This raises questions about human capital theory and matters of policy. Over time, trends such as digital-Taylorism will impact on manufacturing and service jobs in Asia. How then can either Europe or Asia respond to the threat these trends pose for well-paid middle class jobs?

Key Words: High Skill, the Future of Middle Class Jobs, The Global Labour Market, The Competition for Brainpower.

Biography

Hugh Lauder is Professor of Education and Political Economy at the University of Bath (1996–to present). He has studied at The University of London (The Institute of Education), and gained his Doctorate at the University of Canterbury (NZ). He was formerly Dean of Education at Victoria University of Wellington. He specialises in the relationship of education to the economy and has for over 10 years worked on national skill strategies and the global skill strategies of multinational companies.

His books include:

Brown, P., Lauder, H., Ashton, D. (2012) *The Global Auction: The Broken Promises of Education, Jobs and Incomes*, Oxford University Press, New York; Published in Chinese by the Hunan Science and Technology Press (2013) and Korean, Kaemakowon Publishing House (2013)

Lauder, H., et al. (eds.) *Educating for the Knowledge Economy: Critical Perspectives*, London, Routledge (2012)

Lauder, H., Brown, P., Dillabough J-A. and Halsey, A.H. (eds.) (2006) *Education, Globalization and Social Change*, Oxford, Oxford University Press (translated into Japanese, University of Tokyo Press, 2012)

Brown, P., Green, A. and Lauder, H. (2001) *High Skills: Globalisation, Competitiveness and Skill Formation*, Oxford, Oxford University Press

Brown, P. and Lauder, H. (2001) *Capitalism and Social Progress: The Future of Society in a Global Economy*, Basingstoke, Palgrave Press (translated into Chinese, the Social Sciences Press, 2007).

He has published many academic papers including on international education and globalization, and is Editor of the *Journal of Education and Work*. He has been a Visiting Professor at the Institute of Education, The University of Turku (Finland) and current at the University of Witwatersrand (South Africa) and has been a member of the ESRC Virtual College.