LOUSY AND LOVELY JOBS:
THE RISING POLARIZATION OF WORK IN BRITAIN

Maarten Goos
and
Alan Manning
Centre for Economic Performance London School of Economics Houghton Street
London WC2A 2AE

This paper argues that skill-biased technical change has some deficiencies as a hypothesis about the impact of technology on the labor market and that a more nuanced view recently proposed by Autor, Levy and Murnane [2003] is a more accurate description. The difference between the two hypotheses is in the prediction about what is happening to employment in low-wage jobs. This paper presents evidence that employment in the UK is polarizing into lovely and lousy jobs and that a plausible explanation for this is the Autor, Levy and Murnane hypothesis.

JEL Classification: J210
Keywords: Labor Demand and Technology, Inequality