

Foreword

The main part of this book consists of a number of articles that have been edited and amended to provide continuity and cohesion. The first and last chapters (chapters 1 and 11), however, have been written specially for the book. (Bibliographical information on the articles on which chapters 2–10 are based is given following this foreword.)

The book has been organized with a view to reconciling two potentially conflicting aims. On the one hand, the chapters are arranged in a sequence that is designed to convey a single, expositionally coherent account of the insider-outsider approach to wage, employment, and unemployment determination. Thus, those who read the book from cover to cover will, it is hoped, find a continuous line of argument. On the other hand, each chapter is self-contained, in the sense that the reader should be able to delve into separate chapters without reading the rest of the book. To reconcile these two objectives without being unduly repetitive, chapter 1 is meant to serve as an introduction, telling the reader enough about the terminology, assumptions, and implications of the insider-outsider approach to make each chapter independently comprehensible. In addition, each chapter is preceded by an overview, summarizing the main ideas of that chapter and relating them to the theme of the book.

The book has been written with the aim of making its main ideas accessible to a wide audience, without thereby sacrificing precision and rigor in our analysis. On one level, the book may be viewed as a contribution to basic research in macroeconomic theory and labor economics, and consequently some sections are rather technical. On another level, our basic message can be absorbed by undergraduates, nonspecialist economists, and policymakers. Accordingly, we have kept the introductory and concluding chapters (1 and 11) nontechnical, and the overviews to all the intervening chapters are of course easily digestible as well. The same may also be said of chapter 2 (which surveys current theories of unemploy-

ment) and chapter 4 (which surveys the insider-outsider theories of unemployment).

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