to remove the bedrock of protective legislation, hence creating economic flexibility on the U.S. scale in Europe would require a social revolution.

Paradoxically, European economies have increased output and unemployment simultaneously. Being employed in Europe has been a "good deal". However, since 1970 the U.S. labour force has grown 37%, whereas in the Federal Republic of Germany, for example, the number of would-be workers has grown merely 4.2% in the same period, while jobs actually dropped 3.8%. Much of the resulting unemployment is long-term. Two-fifths of all French jobless people have been out of work of more than a year, while in the U.S. the comparable figure is less than ten percent. European economies continue to be run for the benefit of the employed at the expense of new workers.

Unemployment is, and could remain, a serious problem. Jobs do not materialize out of thin air. They flow mostly from what is sometimes diparagingly referred to as the market; i.e. firms and individuals seeking opportunities to produce and or sell something at a profit. This process is difficult to 'program'. Also, the economy is too complicated and business opportunities often obvious only to those who exploit them. The role for government policy should be to try to reduce the severity of the business cycle while fostering a climate in which individuals and firms would want to expand their activities.

Jobs must be created, preferably by the private sector. Attitudes as well as perceptions must change drastically for this to come about. A gap seems to be developing at present between the U.S. and Europe regarding many aspects of fiscal and/or monetary policies, as well as