COURSE TITLE: Challenges of Welfare States in Digital Era

LANGUAGE: English

LECTURERS:

Joksimović Ljubinka, Full professor
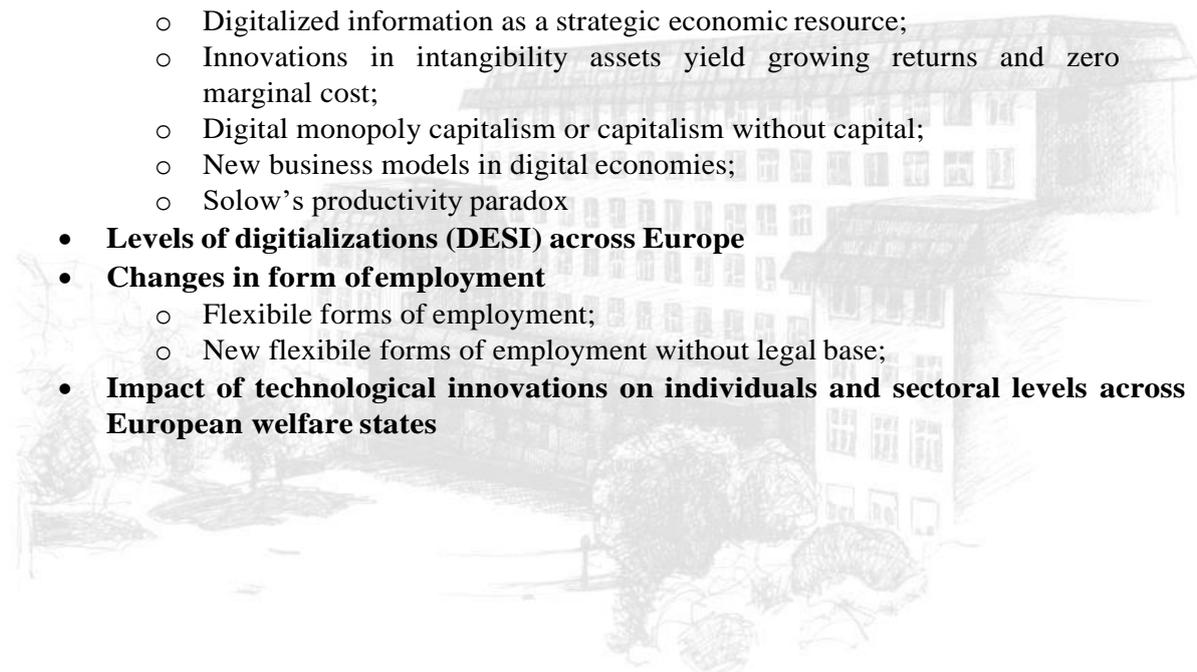*University of Belgrade, Faculty of Economics*

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AIMS OF THE COURSE

Increasing digitalization affects production regimes of contemporary industrial societies and individuals (as citizens, consumers, capital owners and entrepreneurs, employees and employers). Changed production regimes make difficulties for individuals and society as a whole and create need for compensation by welfare state. From public policy perspective this situation unfortunately is often linking with disruption of jobs. Nevertheless, it is recognised window for opportunity to redesigned established institutional solutions in terms of skill formation, fiscal policy and social protection. Aims of the course are introducing positive and negative implications of digital era on realm of work and offering suggestions for solving generated labour market problems in terms of creating public policy recommendations.

COURSE TOPICS

- **From First Industrial Revolution to Industry 4.0**
- **Digital economy and its specific features:**
    - Digitalized information as a strategic economic resource;
    - Innovations in intangibility assets yield growing returns and zero marginal cost;
    - Digital monopoly capitalism or capitalism without capital;
    - New business models in digital economies;
    - Solow's productivity paradox
- **Levels of digitializations (DESI) across Europe**
- **Changes in form of employment**
    - Flexibile forms of employment;
    - New flexibile forms of employment without legal base;
- **Impact of technological innovations on individuals and sectoral levels across European welfare states**

- o Long trend and recent impact of technological innovations on occupation structure by sectors;
  - o Jobs destruction and jobs creation;
- **Digital divide on individuals and erosion foundations of welfare state**
  - o Workers in occupations with high treat by digitalization;
  - o Total job opportunities, replacement demand and employment change by occupations;
  - o Qualification requirements and qualification shares across occupations;
  - o Change in employment by occupations depending on educational level;
  - o Occupational shifts, job polarization and wage inequality;
- **Main drivers of labor market participation**
  - o Potential labor market imbalances on demand and supply side;
  - o Country characteristics influencing economic activity (population, set of cultures and macroeconomic conditions);
- **Consequences of eroding of welfare state: concentration, income inequality, fiscal policy and control**
- **Challenges and options for weak welfare states in Western Balkan countries in digital era**
- **Institutions and public policies to adapt to digital economy**
  - o Public policies;
  - o Education, effective long life learning and retraining;
  - o Protecting unions and labor standards;
  - o Social protection and fear distribution (liberal solution based on a universal unconditional basic work, Bismarckian model and flexicurity model, programs in weak welfare states).

GAINED SKILLS

- Power to understand the consequences of digital era among youth and elderly people with employment or unemployment status;
- Ability to forecast and create career paths with regard to increased digitalization;
- Capacity to understand insecurity on labor market and to evaluate public policy recommendations.

GUEST LECTURER

Gordana Matković
Center for Social Policy

PRACTICAL CASE STUDY EXAMPLE

Uber, Airbnb, Virginia Doellgast