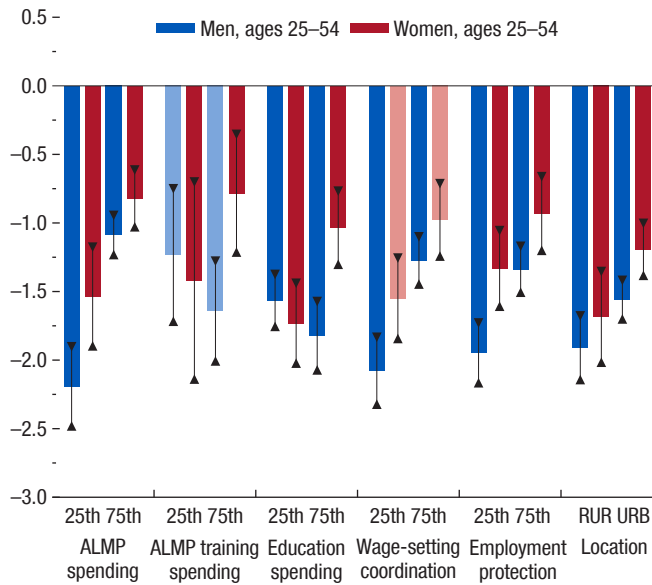


Figure 2.16. Policies and the Effect of Routine Exposure on Labor Force Participation
(Percent)

Policies, such as spending on active labor market programs and education, can help mitigate some of the negative effects of exposure to routinization on labor force participation, especially for women. The negative effects of automation are also smaller in urban areas.



Sources: Das and Hilgenstock (forthcoming); Eurostat, European Union Labour Force Survey; and IMF staff calculations.

Note: Bars show the effect of a one-unit increase in routine exposure on the probability of being active for policies at given percentiles, based on logit regressions on a random sample of 10,000 respondents per country per year from the European Union Labour Force Survey over the period 2000–16 for 24 countries. Lines show 95 percent confidence interval. Lighter colors denote that the effects are not statistically significantly different from each other at the 10 percent level. See Annex 2.5 for specification details. ALMP = active labor market programs; RUR = rural; URB = urban.