

[That crisis in manufacturing](#) [1]

Written by [Tim Worstall](#) [2] | Monday 28 January 2008



One of the statements that engenders general bewilderment is the insistence that there is no crisis in manufacturing in the UK. It's certainly true that manufacturing employment has fallen a lot, but (with a few years of flatlining just recently) manufacturing output has continued to rise. This is a result of increasing productivity and is generally a good thing: we make the things we can drop on our feet using less labour, meaning that we can both break feet and have other things produced by that newly freed labour. It's also true that the workshop of the world (copyright, 19th century Britain) now has an economy which is only some 16 percent [or so](#) [3] manufacturing, but this is a result of the service side of it growing more swiftly in recent decades.

Even the car industry is [doing well](#) [4]:

Britain exported a record number of cars last year, marking a renaissance in the motor industry, according to the Society of Motor Manufacturers and Traders.

However, I have this horrible feeling that exactly the wrong lesson is being taken from this renaissance:

(SMMT CEO) Everitt said there was a renaissance in the car making industry that should lead to a re-evaluation of the role of manufacturing in the UK economy. "Looking at areas [of the economy] where there is now concern, these are the areas we have been told were the future. We were told that this future was with service industries and we did not need to worry about manufacturing. I think it's time we looked once again at the value of manufacturing."

No, I don't think this is the time to look at the value of manufacturing at all. These good figures have come after a couple of decades where we, as a society, didn't investigate, promote, worry about nor subsidise manufacturing in any manner. We seem to have empirical proof that leaving the business of business to those who actually do business works just fine: the last thing we want to do now, when we've got it running on all cylinders is to open up the bonnet and start fooling around with things again.

If "we" start to look at the role of manufacturing again that'll only encourage the politicians to take an interest: as British Leyland should remind us, that's a great way to destroy an industry.

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[1] <http://www.adamsmith.org/blog/miscellaneous/that-crisis-in-manufacturing>

[2] <http://www.adamsmith.org/taxonomy/term/5778>

[3]

<http://www.esrcsocietytoday.ac.uk/ESRCInfoCentre/facts/UK/index58.aspx?ComponentId=13119&SourcePageId=18135>

[4] <http://www.guardian.co.uk/business/2008/jan/26/automotive1>

[5] http://disqus.com/?ref_noscript

[6] <http://disqus.com>