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Peter Coy

OPINION

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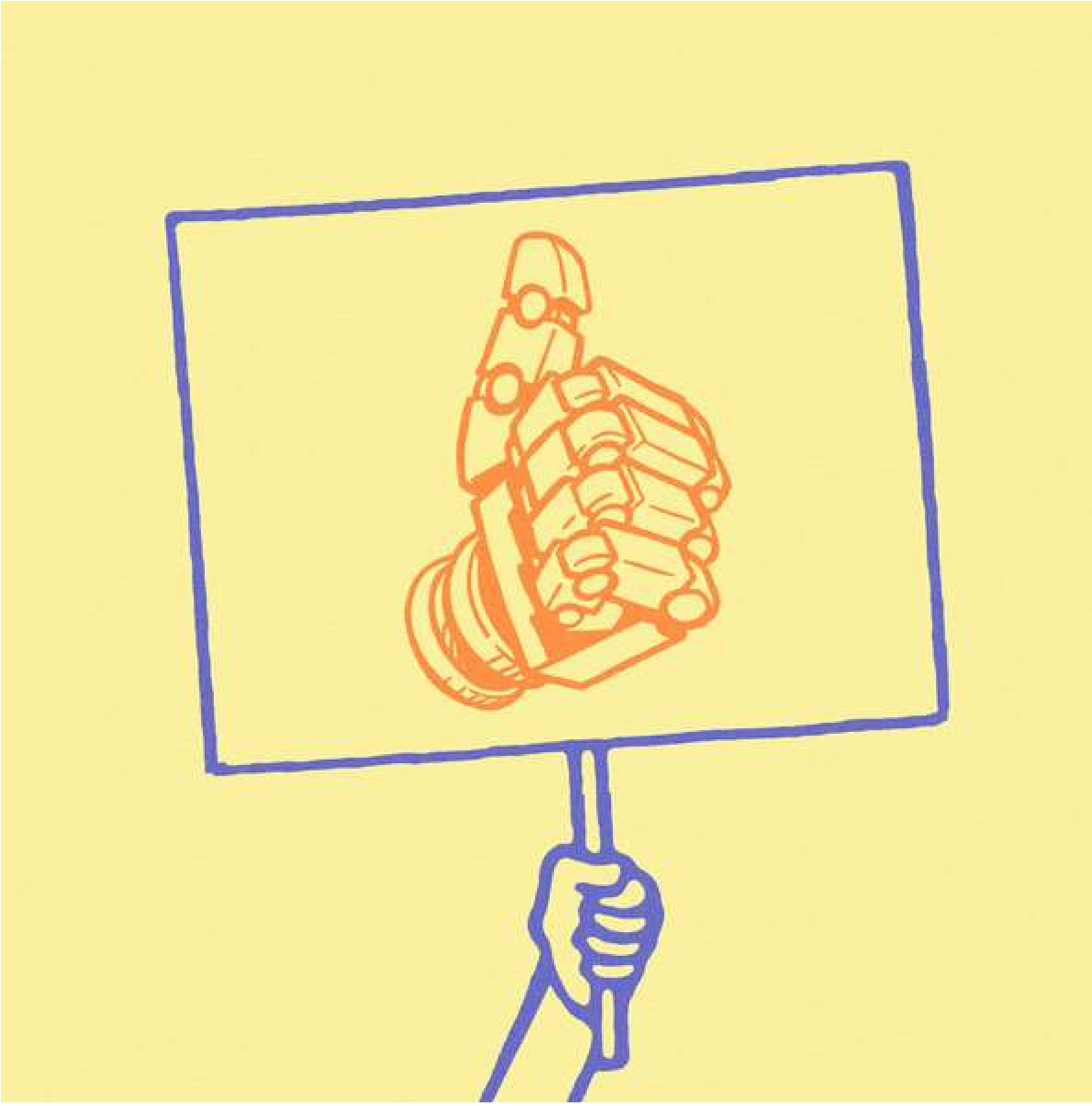

The New York Times; Photography by CSA-Images/Getty Images

A new book argues that unions can embrace technology that eliminates jobs

By Peter Coy

Some people on the political right love robots and hate labor unions. Some people on the political left are the opposite: They hate robots and love labor unions. Then there's David Autor, a labor economist at the Massachusetts Institute of Technology. He loves both.

Automation will destroy some jobs but also make workers who aren't displaced more productive, raise overall incomes and create new kinds of jobs, says Autor, who has done pioneering work on the impact of tech and trade on blue-collar workers. Labor unions, which have been beaten down, can help ensure that the gains from automation don't accrue only to the wealthy and that the new jobs workers move into are good and well-paying, he says.

Autor has seen the good and bad sides of the American economy for himself. He dropped out of Columbia University, landed a job as an administrative assistant for a hospital in Boston, moved up, studied psychology at Tufts, graduated, then "climbed into a Dodge Colt that he had bought for $250 and drove across the country, without any firm plan in mind," according to a 2017 profile in Finance and Development, a publication of the International Monetary Fund. He wound up teaching computer skills to inner-city youth at a church in San Francisco before veering back into academia and getting a doctorate from Harvard.

On the robot-loving side, Autor argues that the technology will be highly useful — and inevitable. "We need the technology," he told me last week. "We can't avoid the technology. There are many, many ways it will make our lives better."

Tech has to be properly harnessed, though, he said. "Most people's fear of technology is really a fear of capitalism, what the markets will do with the technology," he explained. "You can't make a lot of progress if you're making people poorer at the same time."

I interviewed Autor to get his thoughts about a book that's being released on Tuesday by MIT Press, "The Work of the Future: Building Better Jobs in an Age of Intelligent Machines." He is one of three authors of the book, along with David Mindell, an M.I.T. professor of the history of engineering and manufacturing, and Elisabeth Reynolds, special assistant to the president for manufacturing and economic development at the National Economic Council.

The authors began working on the book when the U.S. unemployment rate was still high after the pandemic recession of 2020. "Millions are unemployed," it says in the opening pages.

The problem today, Autor said in the interview, is not a lack of jobs. It's a lack of good jobs. Some economists figure this is a problem that will solve itself: With millions of people quitting, employers will be forced to offer more pay and better working conditions. Autor disagrees. “I don’t think that’s sufficient,” he said. He doesn’t believe “that the market will solve this problem even though it hasn’t done so for the last four decades.”

The share of workers in the private sector who belong to labor unions fell from 21 percent in 1979 to 6 percent in 2019. The federal minimum wage hasn’t kept up with inflation. State funding for community colleges that train workers is inadequate. And free trade with China — a subject Autor has covered extensively — has wiped out manufacturing jobs.

Society needs to build or restore institutions that protect workers, the book says. “The United States has allowed traditional channels of worker voice to atrophy without fostering new institutions or buttressing existing ones,” the authors write. They call for a higher federal minimum wage and changes in labor law that make it easier for workers to bargain collectively for higher pay, among other measures.

The book attacks the notion of shareholder primacy, the idea that corporations should serve the interests of their owners, the shareholders. In a rhetorical flourish, it says that in shareholder capitalism, workers are “scrapped if their value to the firm falls below their cost to the firm.”

Engineers, such as those that M.I.T. churns out, bear some responsibility in that the technology they design can either empower or dis-empower workers, the book says: “Engineers encode social relationships and preferred futures into the machines they build.”

I told Autor that the book’s conclusions seemed liberal for an engineering school. He said the authors were simply responding to a challenge issued by M.I.T.’s president, Rafael Reif, who “felt very strongly that M.I.T. was throwing things out there, producing technologies but not answering the question of what are the possible consequences, how do we minimize hardships and maximize benefits.”

A day after interviewing Autor, I spoke with Steve Preston, the president and chief executive of Goodwill Industries International, a nonprofit whose affiliates operate thrift shops and train workers for jobs. (Before Covid-19 hit, those affiliates were helping two million people a year.) Preston worked for President George W. Bush as administrator of the Small Business Administration and later as secretary of the Department of Housing and Urban Development.

I asked Preston about what the M.I.T. book says about strengthening labor unions and raising the minimum wage. “We focus on building the bridge” that connects workers and employers and giving workers “a sense of awareness of the possibilities” for career advancement, he said. In a follow-up email, he wrote, “Fair wages are critical, but I tend to focus more on supporting people on their journey to higher-paying jobs and better pathways.”

One point of alignment between Preston and Autor is that workers need training so they can use automation, not be replaced by it. “We are underinvesting in our people,” Preston said.

Number of the week

110.5

The estimated level of the Conference Board’s index of consumer confidence in the United States in January, down from 115.8 in December, according to the median of estimates of economists surveyed by FactSet. The Conference Board is scheduled to release the data on Tuesday. The chart below shows that consumers’ feelings about their present situation worsened in the 2020 pandemic recession but have since rebounded, while their expectations have remained little changed.

Consumers' Confidence Has Rebounded

They feel good about their present situation and expectations are little changed.

Index numbers, 1985 = 100

Source: Conference Board, FactSet • By The New York Times

Quote of the day

"Change the Joke and Slip the Yoke"

— Ralph Ellison, title of an essay in Partisan Review (1958)

Have feedback? Send me a note at coy-newsletter@nytimes.com.
