Labor, past and futures

For the Third Annual Labor Fest Friday, September 19, 2014 Mark's Garage, Honolulu, Hawaii

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Labor unions are recent inventions. They arose when cheap and abundant energy made it possible for cheap and abundant food to be produced with far less human labor than before, requiring displaced laborers to find work elsewhere. Scientific and technological developments enabled the cheap and abundant energy to combine with the labor of cheap and abundant workers to mass-produce cheap and abundant goods for the first time. Families and workers moved from the farms, forests, and fisheries to cities and factories to live, work, and consume.

The capitalist ideology that emerged at this time encouraged owners to exploit labor to the maximum, but Karl Marx and others developed an understanding of capitalism that included a plan for workers to unite and use their combined force to counter-balance the power of the capitalists. The abundant and needed laborers formed unions that became powerful enough to influence governments to regulate and ameliorate wages and working conditions. Working class lives improved somewhat.

This continued until well after the second world war so that in many ways, in the US, the 1950s, 60s and early 70s were a golden age of relative economic equity and security.

During the same time, spectacular advances were occurring in society as well as technology. The *Report of the Ad Hoc Committee on the Triple Revolution*, signed in 1964 by a who's who of leading progressives of the time, declared that because of the new weapons of mass destruction, war was obsolete as an instrument of foreign policy; that the Civil Rights movement showed that social justice and racial equality were within reach; and that automation and cybernation were rendering more and more jobs obsolete. Soon, human labor would be unnecessary for the production and distribution of almost all goods and services. Only a small fraction of the workforce would be needed in the future, and so figuring out how to allot the required jobs fairly, and how to distribute the abundant goods produced without human labor equitably, should become the focus of economists, social scientists, and policy makers from now on, the *Report* said.

Of course, those revolutions did not happen. Americans love war more than life itself. So, instead of transforming the US into a peaceful society of abundance and leisure,

capitalists and their apologizers solved the problem/opportunity of cybernation by keeping surplus labor busy in the ever-growing and more deeply endebted command economy of the perpetual-war-as-welfare state on the one hand, and by inventing consumer credit cards to bridge the widening gap between wages and living expenses, on the other. War and debt are fantastically effective ways to keep people disciplined and insecure while the capitalists appropriate more and more of the fake wealth for themselves.

About the same time, an economic theory that even some Republicans initially called "VooDoo Economics" caught the fancy of economists, politicians, and capitalists. The formal rules of the game drastically changed from 1980 onward. The US went from being the number one creditor nation in 1980 to the number one debtor nation by 1983. Progressive income taxes were made severely regressive in order to keep governments penniless, weak, and ineffective. Airlines, banks, and other financial institutions were set free to rape and pillage to their hearts' content. Labor unions were attacked, ridiculed, broken. Jobs were outsourced, factories were hollowed out, and workers were advised to become lawyers, investment bankers and stockbrokers. Failing that, they could become waiters and maids—or homeless. The choice was up to them. Other people displaced by automation were urged to become creative entrepreneurs: There will be a Google in every garage and an Apple in every pot.

This Nobel-prize winning global economic insanity has reached fever pitch. Suddenly, even some economists have expressed shock at discovering great inequality between the one per cent rich and getting richer, and the 99% poor and getting poorer. Something needs to be done about it, they declare—not out of any concern for fairness and humanity, of course, but in hopes of preventing bloody revolutions.

So, what lies ahead? What is the future for us now?

Many of you know I insist that no one can predict the future. The most anyone can do is to forecast several alternative futures.

Here are two, briefly sketched.

1. Future one assumes that automation will continue. More and more people are figuring out that a world of well-paid full employment at necessary jobs is impossible as long as automation, roboticization, artificial intelligence, nanotechnology and the rest continue to be developed and utilized. The Triple Revolutionaries were correct in that regard.

But I have not read a single credible idea about what to do about that fact--about how to achieve and maintain a future of full Unemployment--that is any better than what was envisioned fifty years ago. Most of us still refuse to look this future in the face and embrace it.

2. Future Two points out that for automation to continue and expand, cheap and abundant energy is needed, and there is none in sight. In spite of all the hype about fracking and the

US becoming the new Saudi Arabia, the cheap oil of the past 150 years has been burned and is gone forever. Alternatives to it are prohibitively expensive and unsustainable. This is a worldwide problem, but those of us living in energy-dependent Hawaii should be screaming hysterically about it.

Climate change, sea level rise, severe scarcity of water and food also suggest that worrying about a society of abundance is absurd. We need to learn how to survive and thrive in a self-reliant, labor-intensive world once again, this second alternative future declares.

So, which future will eventuate? Which future do you want, and are you willing to strive to obtain? What other futures might be preferable?

Has tonight's discussion helped us think about and answer these questions?