


Don't Blame Robots for Low Wages

 [nytimes.com/2019/03/14/opinion/robots-jobs.html](https://www.nytimes.com/2019/03/14/opinion/robots-jobs.html)

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The other day I found myself, as I often do, at a conference discussing lagging wages and soaring inequality. There was a lot of interesting discussion. But one thing that struck me was how many of the participants just assumed that robots are a big part of the problem — that machines are taking away the good jobs, or even jobs in general. For the most part this wasn't even presented as a hypothesis, just as part of what everyone knows.

And this assumption has real implications for policy discussion. For example, a lot of the agitation for a universal basic income comes from the belief that jobs will become ever scarcer as the robot apocalypse overtakes the economy.

So it seems like a good idea to point out that in this case what everyone knows isn't true. Predictions are hard, especially about the future, and maybe the robots really will come for all our jobs one of these days. But automation just isn't a big part of the story of what happened to American workers over the past 40 years.

We do have a big problem — but it has very little to do with technology, and a lot to do with politics and power.

Let's back up for a minute, and ask: What is a robot, anyway? Clearly, it doesn't have to be something that looks like C-3PO, or rolls around saying "Exterminate! Exterminate!" From an economic point of view, a robot is anything that uses technology to do work formerly done by human beings.

And robots in that sense have been transforming our economy literally for centuries. David Ricardo, one of the founding fathers of economics, wrote about the disruptive effects of machinery in 1821!

These days, when people talk about the robot apocalypse, they don't usually think of things like strip mining and mountaintop removal. Yet these technologies utterly transformed coal mining: Coal production almost doubled between 1950 and 2000 (it only began falling a few years ago), yet the number of coal miners fell from 470,000 to fewer than 80,000.

Or consider freight containerization. Longshoremen used to be a big part of the scene in major port cities. But while global trade has soared since the 1970s, the share of U.S. workers engaged in "marine cargo handling" has fallen by two-thirds.

Technological disruption, then, isn't a new phenomenon. Still, is it accelerating? Not according to the data. If robots really were replacing workers en masse, we'd expect to see the amount of stuff produced by each remaining worker — labor productivity — soaring. In fact, productivity grew a lot faster from the mid-1990s to the mid-2000s than it has since.

So technological change is an old story. What's new is the failure of workers to share in the fruits of that technological change.

I'm not saying that coping with change was ever easy. The decline of coal employment had devastating effects on many families, and much of what used to be coal country has never recovered. The loss of manual jobs in port cities surely contributed to the urban social crisis of the '70s and '80s.

But while there have always been some victims of technological progress, until the 1970s rising productivity translated into rising wages for a great majority of workers. Then the connection was broken. And it wasn't the robots that did it.

What did? There is a growing though incomplete consensus among economists that a key factor in wage stagnation has been workers' declining bargaining power — a decline whose roots are ultimately political.

The decline of unions, which covered a quarter of private-sector workers in 1973 but only 6 percent now, may not be as obviously political. But other countries haven't seen the same kind of decline. Canada is as unionized now as the U.S. was in 1973; in the Nordic nations unions cover two-thirds of the work force. What made America exceptional was a political environment deeply hostile to labor organizing and friendly toward union-busting employers.

And the decline of unions has made a huge difference. Consider the case of trucking, which used to be a good job but now pays a third less than it did in the 1970s, with terrible working conditions. What made the difference? De-unionization was a big part of the story.

And these easily quantifiable factors are just indicators of a sustained, across-the-board anti-worker bias in our politics.

Which brings me back to the question of why we're talking so much about robots. The answer, I'd argue, is that it's a diversionary tactic — a way to avoid facing up to the way our system is rigged against workers, similar to the way talk of a "skills gap" was a way to divert attention from bad policies that kept unemployment high.

And progressives, above all, shouldn't fall for this facile fatalism. American workers can and should be getting a much better deal than they are. And to the extent that they aren't, the fault lies not in our robots, but in our political leaders.