

The Future Of Labor

As I mentioned yesterday, I am moderating a panel this morning at [NewCo Shift Forum](#) on The Future Of Labor.

As I think about, there are three big megatrends impacting the future of labor/work.

The first has largely played itself out over the past thirty years and that is globalization and outsourcing. I believe we have seen most of the impact of that trend in the US as wages and the standard of living has risen dramatically around the world and has stagnated here in the US for the working class. We are not yet in balance with the rest of the developed/developing world, but we are getting close enough that it is a much harder decision now to move a job somewhere else.

The next two big megatrends are starting to happen and they will shape the next fifty years. They are the move to an on demand model for work and the automation of work.

And so, the two people that are joining me on stage this morning are people who can help us think about where all of this might be going.

[Stephen DeWitt](#) is the CEO of USV portfolio company [Work Market](#). I [wrote a bit about Work Market here](#) a few months ago. Work Market's software allows employers of all shapes and sizes to arrange the people they work with into labor clouds. These labor clouds include freelancers, contractors, and full time employees. When they need something done, they issue the work order to the labor cloud and someone picks up the work order and gets it done. If you think about many of the operational things companies do (provide customer service, install something, attend a marketing event, make a house

call, etc), these labor clouds allow an employer to get the work done without thinking about the kind of relationship they have with the worker. This is the “on demand” model for work and I think we will see this model explode in the coming decades.

[Maya Rockey Moore](#) is the CEO of Global Policy Solutions, a think tank and advocacy organization that focuses on the needs of workers and their communities. She is an expert on the US Social Security System and has written extensively on it and other issues.

I talked to Maya last week in anticipation of this panel discussion and I wanted to get her take on what happens to all of the jobs we could lose to automation over the next few decades. She explained to that we may want to look at the safety net that we built with social security as a model. We will get into that in more detail this morning as that is an interesting idea to me.

I don't think all the work opportunities will be gone in fifty years. But I do think the nature of work is changing quite dramatically in front of our very eyes. Some jobs will clearly be automated out of existence. We are already seeing that. And other jobs will go from being full time employment to on demand employment and that will require big adjustments from everyone, including policymakers.

I thought it was interesting in [Henry Blodget's talk at DLD, which I blogged this past weekend](#), that we have gained 30 hours a month in productivity over the past fifty years and that 28 hours of those gains have gone towards watching TV. We are going to gain even more hours in productivity over the next fifty years. And what we do with those hours will say a lot about who we are as people, what we value, and where we are headed as a society. It is very possible that jobs and work will matter less and other things will matter more, a concept my partner [Albert](#) has been considering in his book [World](#)

After Capital.

We should be talking about these issues as a society instead of pretending that we are going to bring back all of the jobs lost to globalization and outsourcing over the past fifty years. Those jobs are more likely to be gone completely via automation than coming back to the US. So that's what I plan to do with this panel today. It should be interesting.