

THE FUTURE OF EMPLOYMENT

The following is a transcript of a recent interview by *High Tech Times* of Lord Shirley Nozit, the world famous economist, whose ideas have previously appeared in our pages. Our intent in arranging the interview was to clarify for our readers the contemporary expert economic perspective on employment.

High Tech Times: Many people nowadays are talking about the demise of the traditional concept of employment. The end of the lifetime job seems to be with us already, and perhaps even the end of the lifetime career. Some students of the situation predict that a growing portion of the population will become unemployed as robots and computers replace people in functions that now require human agents. How do you see the future in this respect?

Lord Nozit: Our times are hardly unique in having their share of doomsayers, but we should not despair. Economists, financiers, politicians and union leaders are literally bent to the task of creating jobs. Many means have been discovered, and will be yet, to keep the workable people-mass working.

HTT: Not everyone sees the change as being desirable. It has been suggested that it might mean more free time and more polyvalent development of individuals. After all, one could contend that unemployment is really only leisure time (which most people seem to want) spoiled by the need to be preoccupied by the problem of obtaining an income.

Lord N.: Free time is economically unproductive and hence should be minimized. Leisure is necessary, but only as the period of recovery from work needed for fitting a human work-unit to return to work. If it extends beyond this purpose then it is sheer waste. Alas, there is too much such waste in our society already.

HTT: It might be economically unproductive (although we have reservations about that), but surely it is arising because there is little genuine need for human economic productivity these days. The point is that the machines are doing more and more work, and probably could do nearly all basic economic work if we wanted them to. Is your notion of productivity possibly too narrow? Perhaps there is a sense in which free time can be said to be productive if it leads to the development of more balanced and cultured people?

Lord N.: Economists have nothing to say about psychology and culture. These are not our fields.

HTT: You want to divorce yourself from areas other than economics, but surely because economics impinges so tremendously on all aspects of human life, you cannot do this. You and your professional colleagues would seem to have an obligation to consider the implications of economics for all the facets of human development that are sacrificed to the economic imperative. Your position is troubling because leisure has clearly been a precondition of many of humanity's greatest cultural achievements--not leisure as repose from work but leisure as freedom from any preoccupation with the necessities of life.

Also, do we really know anything about the potentially harmful effects on personality of having people for most

of their lives do repetitive, narrow tasks which interest them really only for the money income they bring in?

Lord N.: Economics is already sufficiently complicated without dragging all these extraneous matters into it. Merely keeping people busy and production flowing without letting the accounting get too far out of kilter is by itself, if I may be frank, more than enough for most economists to contend with.

HTT: Does it not disturb you to think that until modern industrial times virtually every culture was concerned first and foremost with the spiritual aspect of man?

Lord N.: Good heavens, will you desist! I am not a priest; I am an economist. My job is to give advice about economic efficiency.

HTT: In stating that, you raise another confusing matter. Efficiency is usually thought to involve getting maximum output from minimum input. However, this rule does not seem to apply in economics as it does in, say, mechanics. In mechanics efficiency is obtaining the most yield from the least work and consumption of materials. Economists, on the other hand, advocate "full employment," or work for work's sake, which certainly sounds like the maximum amount of input. With a goal like that, how is the achievement of real economic efficiency conceivable?

Lord N.: Again, I am not a mechanical engineer. The field of mechanics may have its own logic and definitions, but it is beyond me why you should assume these to be the same as the logic and definitions of the field of economics.



Lord Shirley Nozit

HTT: It is just hard to see how one field of reality (you will agree that there is only one?) can be accurately described by two totally opposite concepts. Surely mere reference to the area of study cannot explain such a

contradiction--unless perhaps the explanation is that economists are not concerned with reality.

Lord N.: The reality is not the same. Economics is concerned with the welfare of people, not the fueling of an internal combustion engine.

HTT: To the extent that is true, it only makes one marvel more at the contradiction. The mechanical engineer seeks to conserve materials and equipment. The economists' "full employment" involves waste not only of gasoline or machinery but of human life, which is surely a more precious commodity.

It is almost like saying that a tree is valueless until it has been converted into lumber. In fact, we seem to treat trees better than we treat people because, while we do not insist on subjecting all trees to economic servitude by turning them into lumber, we--at least, economists--insist on subjecting all people to economic servitude by turning them into employees.

Lord N.: You are using a false analogy. Trees don't choose to be turned into lumber, but people do choose to work.

HTT: Is it really a matter of choice? Industrial psychologists say that an overwhelming majority of people would prefer to be doing something other than their current job. It appears, therefore, that financial coercion, rather than individual choice, is the determining factor.

Lord N.: People want the things money can buy, and to get money they work. You cannot carry this choice business too far, but they are, of course, free to choose to starve rather than to work.

HTT: But this brings us back to the original point. There is now very little real need for people to work in the economic sense. Indeed, robots mass produce better goods than people do, perhaps because people by their nature do not function very well as robots. In any case, we have all kinds of production with, because of diminishing employment, potentially very little consumer buying power derived from wages and salaries to buy the production. Surely ensuring that people have access to this flood of goods is the central challenge of contemporary economics.

Lord N.: Of course this is nonsense because the marginal utility of disinvestment is traversing the production-possibility frontier of the liquidity preference in the elastic equilibrium....

HTT: Er...thank you, Professor Nozit.