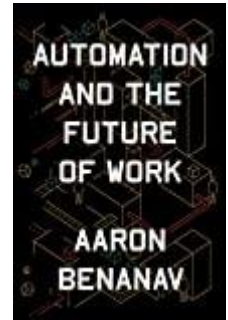


Aaron Benanav. *Automation and the Future of Work*. London: Verso, 2020. xiv + 146 pp. \$18.84, cloth, ISBN 978-1-83976-129-4.



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Automation and Work

If you were paying attention to technology news headlines and riding the wave of popular sentiment, the period from, say, 2013 to 2021 was a worrying time. Robots and “AI” were racing over the horizon to take our jobs and would soon lead to significant, problematic technological unemployment. Popular books, like Erik Brynjolfsson and Andrew McAfee’s *The Second Machine Age: Work, Progress, and Prosperity in a Time of Brilliant Machines* (2014), breathlessly predicted that the kinds of software used to recognize voices and win chess games would soon be applied to ... well, nearly everything, potentially causing troubling job loss and increased inequality. In 2013, two Oxford researchers estimated that “47 percent of total US employment is at risk” from computerization,[1] and famed consulting firm McKinsey projected that 39 million Americans would be “automated out of work.”[2] Holy smokes! Socialists even got in on the action. In *Inventing the Future: Postcapitalism and a World Without Work*, Nick

Srnicek and Alex Williams wrote, “The most recent wave of automation is poised to change” the labor market “drastically, as it comes to encompass every aspect of the economy.”[3] Every aspect of the economy! Only socialism, Srnicek and Williams claimed, would keep these technologies from creating even more massive inequality.

But was any of this true? And what evidence were automation prophets drawing on to make their predictions? By now, there are signs the air is going out of these hype-mongering prognostications. A number of scholars, including Robert Gordon, Susan Houseman, David Autor, and Jeffrey Funk, have noted that automation has been moving at a much slower pace than its prophets thought. Even mainstream economist Paul Krugman chastised entrepreneur, former presidential and New York mayoral candidate, and automation prophet Andrew Yang in the *New York Times*, noting that if technological change was proceeding speedily, “That would imply a rapid rise in the

amount of stuff produced by each worker still employed—that is, rapidly rising productivity. But that’s not what we’re seeing.” Instead we are witnessing a long-running “productivity slowdown—the historically *low* growth in productivity since 2005.”[4]

On the side of automation skeptics, one of the handiest, clearest, tightest arguments lives in Aaron Benanav’s 2020 book, *Automation and the Future of Work*. Benanav argues that what he calls “automation discourse” is a reaction to a real problem: “there are simply too few jobs for too few people. This chronic labor underdemand is manifest in economic trends such as jobless recoveries, stagnant wages, and rampant job insecurity” (p. x).

The issue, according to Benanav, is that the automation discourse gets causality wrong. The underdemand for labor, which Benanav believes leads to persistent underemployment, isn’t arising from automation but from overproduction on a global scale. Benanav’s argument builds on his doctoral advisor Robert Brenner’s overproduction thesis, but Benanav also goes well beyond that thesis and contributes his own insights, including by examining how these issues play out in the agricultural and service sectors.

The overproduction thesis centers on a story of global economic transformations after World War II. For a brief period after the war, US manufacturing dominated globally because its productive capacities hadn’t been blown to smithereens during the fighting. The US economy—both in terms of extensive growth and productivity improvements—exploded. But soon the US began experiencing competition from Germany and Japan, both of which had developed productive capacity partly through American encouragement. Then the other so-called “Asian Tigers”—Singapore, Taiwan, and South Korea—came online. By the 1970s, the overproduction thesis holds, major economies became stagnant as available global production outstripped demand. And all of this was

before Chinese production came online in a serious way, which greatly exacerbated the issue.

If true—and I see no reason to think it isn’t—the overproduction thesis has far-reaching consequences. Among other things, too much productive capacity leads to low profits, which disincentivizes firms from investing in new capital, which further aggravates technological stagnation. Benanav argues further that, although the service sector has greatly expanded in size since the 1970s, it has never become the engine of growth that manufacturing used to be. The service sector has remained stubbornly unamenable to automation.

In a careful and detailed section, Benanav explains that automation *has* led to there being fewer jobs in manufacturing, but not because it is happening at an impressive rate. Rather, when the rate of productivity improvement outpaces the rate of increase in overall output, which is low because of overproduction depresses demand, the number of jobs decreases. This isn’t sudden unemployment because of fast technological improvement but a slow and steady decrease in job numbers. Around the world, nations produce more than they ever have with fewer workers, but the rate of increase in output remains frustratingly low.

Benanav includes a chapter that addresses Universal Basic Income (UBI), a solution proposed by boosters of the automation discourse, including Elon Musk and Andrew Yang, in which every citizen would receive regular income from the state. Benanav argues that UBI would be likely to increase the divide between have and have nots and that the wealthiest citizens would be unlikely to go along with the plan, potentially leading to a capital strike. While re-reading the book over the summer of 2022, I found the sections on UBI—for the moment—to be oddly dated, perhaps a remnant of pre-COVID times. As inflation heated up in 2021 and 2022, chatter about UBI seemed to disappear, at least from my media streams. But who knows, it

could come roaring back any day. I also wondered if some of the predictions Benanav made about how the COVID pandemic would affect the issues he examined would hold up under later scrutiny. But I think we will need to wait until 2023 or 2024 to have decent numbers about how the period from, say, 2020 to 2022 has played out for most workers.

In a few places when discussing UBI, Benanav also argues that workers should push for a more thoroughgoing transformation of the economy and only accept UBI as a fallback if that's all they can get. But what would that more thoroughgoing transformation look like? Benanav advocates for workers seizing the means of production and moving towards a post-scarcity economy. His hopes here raise a paradoxical aspect of the book: although he thinks socialists who glommed onto the automation discourse, like Srnicek and Williams, are wrong about automation, he is grateful to them for the utopian post-work visions they put forward. He writes: "it should be said from the outset that I am more sympathetic to the left wing of the automation discourse than to any of its critics," which one assumes includes people like Gordon and Autor (p. 11). I think Benanav is wrong about this, or at least I personally come down somewhere else. Culture is littered with empty utopian visions premised on false analyses, whereas critics of the automation discourse have actually increased our understanding of the world around us.

Benanav's last chapter outlines a post-scarcity vision. After teaching *Automation and the Future of Work* several times to graduate students and also discussing it with colleagues, my general take is that people, including myself, find this last chapter to be at best sketchy and the weakest part of the work overall. But in the end, this is no big deal. Benanav is a young and promising scholar who has much to teach us. I hope he develops his thinking about post-scarcity economies as well as his suggestive thoughts about the problem of un-

deremployment (as opposed to unemployment) in future work, as he has promised to do. For now, we have *Automation and the Future of Work*, a great little book that deserves to be read by all who care the economics of technology.

Notes

[1]. See Carl Benedikt Frey and Michael A. Osborne, "The Future of Employment: How Susceptible Are Jobs to Computerisation?" September 17, 2013, 1, pdf available at https://www.oxfordmartin.ox.ac.uk/downloads/academic/The_Future_of_Employment.pdf?link=mktw.

[2]. Kevin Carey, "Do Not Be Alarmed by Wild Predictions of Robots Taking Everyone's Jobs," *Slate*, March 31, 2021, <https://slate.com/technology/2021/03/job-loss-automation-robots-predictions.html>.

[3]. Srnicek and Williams, *Inventing the Future: Postcapitalism and a World Without Work* (London: Verso, 2015), 4.

[4]. Paul Krugman, "Andrew Yang Hasn't Done the Math," *New York Times*, April 15, 2021.

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