THE END OF WORK: THE DECLINE OF THE GLOBAL LABOR FORCE AND THE DAWN OF THE POST-MARKET ERA

JEREMY P. RIFKIN, NEW YORK: JEREMY P. TARCHER/PUTNAM, 1995, PP. 350, $24.95.

A Book Review by:

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The message we've heard for many, many decades in a seemingly never ending procession of promises, promulgations, and prophecies--that labor saving devices would release humankind from toil, drudgery and enslavement to an endless treadmill called "work"--is finally coming true. At least this is according to Jeremy Rifkin in his new book, The End Of Work: The Decline Of The Global Labor Force And The Dawn Of The Post-Market Era, published by G.P. Putnam's Sons.

As a former advertising executive, I need only close my eyes for a nanosecond to conjure up the previous uses of this theme: from washing machines, vacuum cleaners and frost-free freezers, to the electricity that magically powers them; industrial machines that fold, fill and seal cartons with goods; office copiers that automatically feed a stack of pages and then collate, staple and deliver duplicate sets, completely unattended; all of these ideas have been sold utilizing the same basic appeal--ending work.

The end of work is all but here, and then a future world of leisure can be ours; except, there's "one small problem" (I can hear these words said in a sardonic voice from a Monty Python sound clip on my computer). According to Rifkin,

we're not ready for work to end. Ironically, instead of leisure and freedom, if we are not very careful to restructure our society, (more) joblessness, chaos, crime and a host of other ills will result instead.

Rifkin paints a disturbing picture, suggesting that joblessness has thus far been erroneously explained away by economists, business leaders and politicians as temporary in nature--displacements brought about by technological innovations representing mere glitches in our progress. As new technologies create worker layoffs, or even kill whole job categories, the traditional view has been that in the wake of progress, new jobs arise to replace those that are lost.

These replacements, so the explanation goes, are brought about by even newer technological developments. However, when events are judged as a continuum over the last two hundred years rather than as singular advances, the march of increasingly sophisticated technological capabilities is creating "a near-workerless world," he says.

Rifkin assuredly builds his case (and intensity for the reader in the process) by citing developments in various industries, past, present and future. As he proceeds one gets the idea more clearly and in no uncertain terms--doom and damnation is upon all but a few fortunate workers, in his words, the "knowledge elite." Juxtaposed to this privileged

class are the masses of unemployed laborers, middle managers and lesser-skilled souls who have been replaced by machines endowed with artificial intelligence, robotized and computer controlled assembly lines and even “farmless agricultural production” (I’ll explain later).

Nowhere is there a safe refuge from those who would replace human hands and thinking abilities with faster, stronger, cheaper, tireless, information-driven, attitudinally neutered, and all around, simply better solutions for increasing productive outputs. It’s not just industrial settings that are affected either, service sector workers can be replaced, too. In other words, to borrow a well-used thematic notion from science fiction writers, “the old organic ‘carbon units’ (humans) don’t measure up.”

Rifkin cites examples in chapter after chapter of riveting assaults on traditional assumptions about the future need for human workers. Among these he includes virtual people, “by the end of the twenty-first century, scientists believe it will be possible to create life-sized holographic images of computer generated human beings capable of interacting with real human beings in real time and space...so lifelike that they will be ‘indistinguishable from real people’” (p. 62).

Returning to the “farmless agricultural production” explanation, Rifkin cites the “not far off” day when a

technology for genetically engineered tissue production of agricultural products such as orange juice grown in vats will emerge. Already, vanilla has been produced in similar fashion and he predicts the economic repercussions for three small island countries that presently grow 98% of the world's crop. If one generalizes these ramifications and applies them to other forms of agricultural production in the future, as he does, the implications become awesome:

> Now, the new gene-splicing technologies allow researchers to produce commercial volumes of vanilla in laboratory vats--by isolating the gene that codes for the vanilla protein and cloning it in a bacterial bath--eliminating the bean, the plant, the soil, the cultivation, the harvest, and the farmer....Escagenetics, a start-up biotechnology company headquartered in San Carlos, California, has produced vanilla in tissue culture at a fraction of the cost of producing natural vanilla. While natural vanilla sells on the world market for about $1,200 per pound, Escagenetics says it can sell its genetically engineered version for less than $25 per pound....companies like Escagenetics are eager to bring their product to market, convinced that it will drive farm-grown vanilla out of business. For the tiny island nations of the Indian Ocean, the indoor farming of vanilla is likely to mean economic catastrophe. (p. 124)

Along with these, Rifkin refers to re-engineering efforts underway in the manufacturing sector, hitting blue-collar workers and middle managers alike in industries ranging from automobiles, "the world's largest manufacturing activity," to steel mills, mining, chemical refining, tire

making, textiles, and others. In connection with steel production, for example, he observed "in 1980 United States Steel, the largest integrated steel company in the United States, employed 120,000 workers. By 1990 it was producing roughly the same output using only 20,000" (p. 134).

Although over the past few decades lost manufacturing jobs have migrated to, and been absorbed by, the service sector, Rifkin predicts similar job losses in the future service economy as well. He cites a 1994 Wall Street Journal article warning 'much of the huge U.S. service sector seems to be on the verge of an upheaval similar to that which hit farming and manufacturing, where employment plunged for years while production increased steadily....Technological advances are now so rapid that companies can shed far more workers than they need to hire to implement the technology or support expanding sales' (p. 141).

AT&T has pioneered technology that will replace 6,000 human operators by recognizing words and responding to requests; the postal service plans to replace 47,000 workers with machines that can "read" addresses and sort mail; from 1983 to 1993, banks have replaced 179,000 tellers with ATMs; Aetna closed an entire warehouse facility by converting to paperless, electronic manuals.

Voice mail, speech recognition, document imaging and computer connectivity technologies are creating mobile,

‘deskless’ offices, void of thousands of receptionist jobs. Retailers are eliminating cashiers, inventory and stock clerks, and wholesalers, with scanners, bar-coded packaging and computers directly linked with manufacturers’ order systems; synthesizers are replacing musicians; and digital imaging is replacing Hollywood actors.

The price we pay is joblessness among not only production-level workers in the agricultural, manufacturing and service sectors, but also a “declining middle” class. Rifkin observes:

> While the first automation wave had its greatest impact on blue collar workers, the new re-engineering revolution is beginning to threaten the middle echelons of the corporate community, threatening the economic stability of the most important group in American Society--the middle class. The newest victims of re-engineering are likely to live in affluent suburbs...Today, thousands of laid-off middle managers and executives find themselves at home, waiting for the phone to ring with a potential job offer. For many, the call they hoped for never comes. (p. 170)

The result, Rifkin says, is an increasingly polarized society, where “a small cosmopolitan elite of affluent Americans [is] enclosed inside a larger country of increasingly impoverished workers and unemployed persons” (p. 173). In further elaborating on these “affluent Americans,” Rifkin portrays a stratum from the super-rich to the more ordinary knowledge worker; collectively, he terms this group

the “knowledge class.” Among this knowledge class Rifkin includes “research scientists, design and civil engineers, software analysts, biotechnology researchers, public relations specialists, lawyers, investment bankers, management consultants, financial and tax consultants, architects, strategic planners, marketing specialists, film producers and editors, art directors, publishers, writers, editors and journalists” (p. 174). As a whole, this knowledge class “represents 20 percent of the workforce, [and] receives $1,755 billion a year in income, more than the other four fifths of the population combined” (p. 174).

Beyond economic consequences, there are societal ones as well, he says. A violent criminal subculture has caused a separatist response from the knowledge class; money and power create entry-controlled neighborhoods, complete with walls and gates, security guards, surveillance equipment, alarms and other measures to keep the excluded classes out.

Rifkin cites a litany of other social problems, often with one leading to another. “One child in four growing up in the United States goes hungry” (p. 178); chronic hunger is contributing to escalating health care costs; home ownership has declined; and those who remain employed are working increasing hours, under increasing stress. He writes, “Harvard economist Juliet Schor points out that American productivity has more than doubled since 1948, meaning that

we can ‘now produce our 1948 standard of living...in less than half the time it took in that year.’ Yet Americans are working longer hours today than forty years ago at the outset of the information-technology revolution” (pp. 222-223).

Another aspect of the problem Rifkin portrays is its ironic side effect of weakening consumer buying power, creating and exacerbating spiraling social and economic ills as more and more workers are “downsized.” While corporations are striving to be more globally competitive, by cutting payroll costs and simultaneously achieving productivity gains, they are in effect shrinking the size of their own markets due to unemployed consumers’ lack of spending ability.

In contrast to this scenario, earlier in this century, Henry Ford made “management theory history” by ensuring that workers in his automobile factory could afford to buy one of the Ford Motor cars they made on his assembly lines. Accordingly, implicit in Rifkin’s analysis is support for Ford’s thinking; ensuring workers’ access to goods they produce is necessary for the well being of producer and consumer alike.

While Rifkin adeptly points out our social and economic plight, providing ample and convincing evidence that exemplifies his reasoning, his analysis about the solutions-side of the problem he presents seems weaker by comparison.

Unfortunately, his recommendations make perfect sense, yet they hardly seem acceptable to an entrenched mind-set, bound-to-stay-the-course we have embarked upon.

Prior responses to economic crises, depression and joblessness came in the form of government intervention, creating social safety nets and job programs. Many of our present-day interstate highways, hydroelectric dams and military assets are the result of government spending programs. These programs, along with service sector employment growth over the last several decades, absorbed technologically displaced workers from the agricultural and manufacturing sectors. But no more, says Rifkin. Not only is public spending "politically incorrect," we are deeper in debt, surrounded by competitors and creditors; our wherewithal is waning, and we cannot afford spend our way out of our dilemma again.

Rifkin suggests that we re-negotiate the social and labor contract, calling for shorter hours, the sharing of available work, and the conversion of worker-idle time to the performance of civic chores such as the maintenance of our infrastructure. Further, taxing those individuals and entities presently enjoying the benefits of increasing productivity gains would partially pay for new social programs. Subsequently, redistributing revenues to the less fortunate would recompense for their losses as former job-

holders who have been displaced.

Rifkin also proposes the realignment of society and the shifting of emphasis to jobs in what he terms “third sector” employment. This sector, more commonly known today as the non-profit sector, could provide ample opportunities for work benefiting less fortunate members of society.

He suggests that instead of present elaborate governmental social programs, non-profits could take on much more of the burden of providing a social safety and welfare net. In exchange for this participation and partial takeover of responsibility, the government, Rifkin says, might provide unemployed workers with wages that it otherwise now gives away for free in the form of programs like food stamps, welfare, Medicare and other entitlements. Beyond this, there is an assumption (valid, I think) that participation through work and similar productive involvements would reduce other costs such as building increased prison capacity for those jobless individuals who now resort to crime for a living (or to end the boredom of poverty and powerlessness).

The notion of all of our citizenry sharing like good neighbors is extremely appealing, but will corporate and political decision makers--who are personally benefiting from productivity gains--accept Rifkin’s suggestions? This seems unlikely. After all, corporate managements who have embraced technology for the sole purpose of reducing the need for

workers, and thereby creating massive layoffs in their respective industries, can hardly be expected now to show concern for those disenfranchised workers.

Despite the popularity of contemporary buzzwords like "empowerment," relatively few employees are able to sign checks, decide on markets to attend to, or control their own fate due to work shortages brought about by any reason, be it seasonal business cycles, permanent technologically inspired workforce reductions, competition, or otherwise. In short, corporate executives establish vision, create policy, make financial and market decisions, and control the destiny of all those who are dependent on a living wage.

The availability of the unemployed, at present, is seen as an advantage in that available workers can be easily called in "as needed," and paid less, for they are more desperate and willing to accept anything they can get. Rifkin's prophecy is that in the long-term markets are shrinking and society will have to eventually pay for the upkeep of the jobless and the problems they create (this includes corporations, too, by paying higher taxes). However, from the vantage point of CEOs who are directed by stockholders to focus on near-term results, and political leaders focused on re-election, Rifkin's ideas can be put off until later.

Indeed, it is very doubtful that the business community

would support a more flexible employer-employee relationship without further impetus. Résumés portray experience in "years," because it is more convenient to stereotype worker capabilities based on assumptions about "time-served," than it is to attempt judging productive outputs or talent. Paychecks (even those of salaried workers) are ultimately based on "hours" for similar reasons of convenience.

Converting to a reduced workweek, or better still, a view of work that capably measures talents and values outputs rather than "hours" and their corresponding "workweeks" would be an exceedingly difficult concept to implement, due to management's propensity to the status quo. Accordingly, management is incompetent of envisioning change and hell-bent to avoid having to do anything that isn't convenient for themselves, exhibiting no real fore- or after thought to how others are affected and how others must struggle.

There are other examples I might suggest to support my cynicism and explain that, we are where we are because that's the way we designed the system. If one looks at what we have done to our infant children, separating them from both mother and father, housing them in daycare centers that keep them continuously ill with coughs, runny noses and diarrhea, our real values become apparent. We live in a society that accepts the idea that a forty- to seventy-hour workweek is something we do for our family--to earn money--when we all

know in the back of our minds (and if not, by simply asking), that what our families really need is time with us. In short, we must like both parents working, neglecting time with our children, parents, friends and others; valuing the income and material goods over relationships, because that's what we spend our time doing. It's not just the economically disadvantaged--have-nots--in our society that spend their time this way, either. The privileged classes are equally dedicated to structuring their worklives in the same way, neglecting loved ones in the name of responsibility, corporate profits and for the supposed beneficiaries of their efforts (beneficiaries, who might simply choose more time, if asked).

A long-standing criticism of corporate management philosophy, at least in the U.S., is its emphasis on short-term results, usually assessed by quarterly earnings. In the face of this, Rifkin's ideas for solving the problems he so eloquently identifies, although laudable, seem far-fetched. Sadly, and frighteningly, it is not the solutions he offers that are in themselves lacking all that much, rather it is the shortage of humanity, decency and caring, made apparent given where we have arrived in the first place, that cast a dark shadow on his vision of a kinder, more leisurely, and utopian existence that is free from toil and work. Thus, Rifkin's book is like a Shakespearean tragedy, both right,

and simultaneously wrong--a paradox that inspires remorse yet hope for the human condition.

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