

STATEMENT BY MAYA ROCKYMOORE ON FEDERAL POLICY SOLUTIONS TO THE CHALLENGE AND OPPORTUNITY PRESENTED BY AUTOMATION

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Automation can offer many advantages — increased safety, efficiency, convenience, and ecology are among them—but it also has the potential to eliminate human jobs.

Tech sector observers and economists have been sounding the alarm about the likely threat of mass layoffs due to automation for several years. Although estimates vary, one widely cited study projected that as much as [47 percent](#) of U.S. workers could be at risk.

Now a recent study by my organization, the [Center for Global Policy Solutions](#), estimates that more than 4 million US transportation jobs will be lost if industries embrace a rapid transition to fully autonomous vehicles. It's a scenario that could realistically occur within the next five years.

Our study, *Stick Shift: Autonomous Vehicles, Driving Jobs, and the Future of Work*, finds that massive worker displacement in the transportation sector—particularly among delivery and heavy truck drivers, bus drivers, and taxi and chauffeur drivers—will have a disproportionately negative impact on certain populations and areas of the country.

White men, who represent the largest segment of our nation's drivers, will be heavily hit. African American, Latino, and Native American drivers would also be disproportionately harmed, since they are overrepresented in these roles compared to their percentage of the US workforce; what's more, these groups earn a “driving premium” from these occupations, meaning they earn more from driving than they could from non-driving jobs.

Although populous states like California, Texas, New York and Florida have the largest gross number of workers in driving jobs, Midwestern and Southern states like Mississippi, Wyoming, West Virginia, North Dakota, Iowa, Indiana, and Arkansas have a disproportionate share of workers who are employed in the driving industry and who earn a driving premium from these jobs. This combination makes these states especially vulnerable to economic disruptions created by driverless vehicles.

Ironically, Congressional Republicans have been trying to tear down the social safety net at the exact time it is most needed for those who are likely to suffer job losses because of the transition to autonomous technology. For example, efforts to destroy the Affordable Care Act would mean that their constituents could find Medicaid unavailable and health insurance unaffordable if their unemployment causes their income to be greatly reduced.

US workers will need a stronger, not weaker, safety net if they are to survive in an automation nation.

The vast majority of drivers—93 percent---don't have a college degree. The same is true in some other industries—retail is a prime example—that are vulnerable. If their jobs are lost to automation, these workers would need easy access to quality retraining programs, apprenticeships, and affordable post-secondary education that can align their skills with available jobs; they would also benefit from entrepreneurship programs that can spur the creation of sustainable businesses. The US already has a patchwork of job training and education programs primarily designed to help workers displaced by globalization, but these initiatives must be strengthened, modernized, or reimaged to meet the needs of workers displaced by automation.

Expanding social insurance programs like Medicaid, unemployment insurance, and Social Security will also be vital for preventing undue hardship on displaced workers and their families. Medicaid and unemployment insurance, for example, should be automatically available to low-income displaced workers from heavily affected states, since they will need healthcare and income as they seek new work opportunities.

And if the most aggressive estimates of projected job losses are likely, Social Security should be expanded to accommodate a progressive basic income (PBI) program. A PBI would insure workers against the risk of automation-triggered job loss and scale progressively to the workers' income, pre job loss, in an effort to those households from economic insecurity. The PBI would augment, not replace, Social Security's existing benefits framework for retirees, the disabled, and the survivors of deceased workers.

Advocates for income replacement plans typically call for a Universal Basic Income that gives all workers a guaranteed, standard amount regardless of their income levels or whether they have experienced automation driven job loss. This approach is regressive and would unnecessarily pay out funds to workers who have not lost their jobs to automation. In contrast, the PBI is a social insurance plan that provides replacement income to workers and their dependents in the event they lose their jobs to automation.

Other promising strategies include:

- A federal job guarantee program
- 21st Century Unions
- Universal Access Apprenticeship Programs
- Unemployment Insurance reform
- Affordable Post Secondary Education
- Lifelong Learning Refundable Tax Credit

Thanks to 20th century New Deal and Great Society programs, the policy and programmatic infrastructure to meet the labor challenges of a 21st century automated society already exists. But the party currently running the federal government has opposed these programs since their inception. Unfortunately, the alternatives Republicans are presenting (as they feverishly work to dismantle these programs) would place workers in a dramatically worse position.

When ideology meets reality there will be an inevitable crash. But who will be the casualty, the ideologues or the people desperate for help? It's time for policymakers from both sides of the aisle to acknowledge and prepare for the very real threat that automation poses for American workers. Acting as if this threat is minor or doesn't exist will only make the coming crash that much more devastating for workers, their families, and our democracy.