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CHANGING NATURE OF WORK

Implications for Workforce and Economic Development
June 27, 2016

Futures for Work

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- Pre-ordained?
- Individualism and economic forces
- Hollowing of middle income jobs
 - ▣ False choices: inevitable vs. controllable
- Retain and re-invest vs. downsize and distribute
 - ▣ Innovate vs. commodify

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3 Stages: Shareholder Value Thinking

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- Rationalization: Distributing risk
- Marketization: Open systems
- Globalization: Distribute means of production and services to lowest cost locations

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Innovative Economy

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- Places high value on and rewards the creation, production and distribution of novel goods and services
- Competition is over the next new thing
- Transformational work is done by workers in the middle

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Examples

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- Old economy example: Bell Labs & AT&T
- Domestic auto makers vs. transplants
- Motorola
- Lisle Corporation
- Pittsburgh start-ups

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Framing the Policy Discussion - 1

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- **The innovative enterprise:** What is an innovative enterprise? How are innovative enterprises major sources of middle class jobs? What are examples of innovative enterprises and where are they succeeding? What can be done in terms of policies and practices that return capital to its productive uses and towards innovation and employment growth?

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Framing the Policy Discussion - 2

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- **Restoring the middle:** What becomes of the workers whose labor services are thrown on the market? What happens to the relationships of these business with suppliers, customers, government and educational and training institutions? What are the roles for business enterprises, civil society organizations, government agencies, and labor unions in restoring the middle? What are possible policies and practices at various levels that address uncertainties faced by workers and that grow local and regional economies?

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Framing the Policy Discussion - 3

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- **Structural racism:** Structural racism jeopardizes the security of racial and ethnic groups that are stigmatized by the majority population. Structural racism also erects barriers for those who seek to move up into the middle, suppresses wages, blinds them from recognizing good talent, and jeopardizes real growth for all families. These challenges are not the same for all groups and vary by place, time and economic conditions. What are the possible new policies and strategies for changing these structures, for enhancing the job security of African Americans and other racial groups, and for supporting broadly-based upward mobility?

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Framing the Policy Discussion - 4

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- **Barriers tied to age, gender, and immigration:** Barriers to accessing middle-income jobs are also constructed along the lines of age, gender and place of origin. These severely limit opportunities for those who are already in the middle-income range and narrow the pathways for workers who wish to move from low-wage to middle-income jobs. As with structural racism, these limits suppress wages and jeopardize growth for all families. It also puts blinders on employers so that they fail recognize good talent. Although the various barriers manifest themselves in different ways, it is possible that they lend themselves to systemic solutions at both the level of policies and practices.

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Framing the Policy Discussion - 5

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- **The on-demand economy and workers:** What constitutes the so called “on-demand,” “1099” or “gig” economy? What is the composition of work and workers? What are the trajectories of changes in both work and workers? How may the on-demand economy be framed so as to afford workers essential protections while allowing businesses to operate successfully and ethically?

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Framing the Policy Discussion - 6

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- **Economic justice and the moral imperatives regarding work and family.** What is the meaning of “inclusiveness” as it is applied to the concepts of economic growth and justice, sustainability, and equality? What principles should guide public policies and practices and how are they manifested through action?

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Roles of Workforce and Econ. Dev.

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- Economic growth strategy
- Active employer engagement
- Apprenticeship and incumbent worker training
- Worker cooperatives
- Labor market exchanges

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