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## The Futures of Work Initiative

### Introduction.

The Futures of Work initiative will engage the best thinking on the factors driving the diminution of middle-income jobs and the policies and practices that can transform the trajectory from job losses to job gains. It will also address how workers and the workforce system are finding ways to succeed in the face of structural economic changes over several decades. The goal is to link successful and satisfying careers with business growth and community economic achievement.

The hollowing of middle-income jobs is squeezing the financial security of millions of Americans and producing additional barriers for those who are attempting to work their way out of poverty. Groups that have been especially disadvantaged are put even further behind.

Prognostications about the future of work often treat changes in the workplace as indications of a brave and exciting new world. Challenges are seen as opportunities and success is a matter of preparing oneself to take advantage of changes. They tend to treat the loss of steady, fulltime middle-income jobs as inevitable, with survival and prosperity going to the fittest. The other extreme treats the loss of middle-income jobs as something that can be stopped and reversed by progressive public policy that incentivizes the good employer and weeds out the bad.

These are false choices. A growing body of research, including that done by the Institute of Work and the Economy, shows that the erosion of middle-income employment opportunities stems from fundamental transformations in the objectives and operations of U.S. business enterprises in which making money now dominates making goods and services. Profitable companies are neglecting the training and retaining of committed employees, thus denying members of the U.S. labor force the opportunities for accumulating the productive capabilities that are the foundations of a prosperous middle class.

A decade ago, the Institute for Work and the Economy began issuing warnings about the changes in business models and employment relations that were undermining the economic foundations of a prosperous middle class in the United States. Unfortunately, before the Great Recession many economic indicators seemed to point up, and even sympathetic policy-makers paid little heed. Yet, what IWE was hearing from middle-income workers was that outsourcing, off-shoring, increased automation, downsizing and the perception that unauthorized immigrants who were satisfied with much lower wages were taking their jobs, threatening their careers and undermining their economic status.

Since the 1980s, transformations in employment relations, manifested in plant closings, layoffs of experienced workers, and the globalization of production have

undermined middle-income jobs. Technological and operational changes, and even the globalization of production, need not result in the hollowing of middle-income jobs if industrial corporations had retained profits and reinvested in productive capabilities.

Today, we know a good deal more about the financialized objectives and operations of larger U.S. business enterprises as prime sources of the problem. One objective of the initiative is to address these problems through effective policies and practices that recognize and deal with the deep-seated disadvantages that now face large groups of the population who lack capabilities and incentives because of the obsession of corporate executives with distributing cash to shareholders and the consequent seemingly unrelenting erosion of middle-income employment.

Where pathways exist to sustainable middle-income jobs, structural barriers to those jobs break along the lines of race, ethnicity, gender, age, and immigration status. This initiative will focus on possible policies and practices that address such embedded inequities. Of particular importance are the roles of education and training in leveling the playing field for those who are disadvantaged, and how business leaders can become advocates of these programs through the recognition that they are good for business. Also, there are new ways to organize markets and investment in workers, such as rules-based electronic labor market exchanges, worker cooperatives, and effective incumbent worker and apprenticeship initiatives, that are examples of practical efforts to bring order to an otherwise chaotic environment for American workers.

*Framing the Issues: The Futures of Work Conference, Chicago, Fall 2016*

Scores of conversations with policy makers at all levels of government, foundation leadership, and with leadership of civic, business, labor, community and educational organizations have led us to conclude that while each of these various stakeholders is seeking to find a role in addressing unprecedented new challenges in work and the workplace, each is stymied because the overarching issues and challenges related to the futures of work are not well framed. Prior events organized on the question of the future of work have addressed specific concerns in isolation from each other and not the broader context. For example, a great deal of attention is being given to the gig economy. Others focus on structural changes in how work is organized. On the other hand, very little public attention is being paid to growing gaps that are exacerbated by structural racism, sexism, ageism, ethnicity or immigration status. In addition, much of the effort up until now is being put toward dissecting current conditions, such as the role of technological change, without giving much attention to choices expressed through policies and practices that may be addressed through concerted action.

In order to fill these gaps, the Institute, and its partner, DePaul University, propose a framing conference that brings together a discussion on the policies and practices set within the current economic and technological context that are driving changes in the organization of work, how these changes are manifested, the varying consequences faced by different groups, and the range of pathways that each stakeholder may consider. This two-day event, set tentatively for the Fall 2016, will be structured as series of open conversations along six themes. Each conversation will occur in 90-minute blocks. Each conversation will be launched by a 15 – 20 minute presentation by a thought-leader and discussed openly by a small collection of experts. Time will be reserved at the end of each session for general audience participation and discussion. The conference will conclude with an opportunity for participants to explore more deeply the issues raised in each of the sessions. This will be followed by the final plenary speaker and a wrap-up by the organizers.

The six themes and draft agenda are:

#### Draft Agenda

##### Day 1

7:00 a.m. – 8:00 a.m.

##### **Registration and Continental Breakfast**

8:00 a.m. - 8:30 a.m.

##### **Convene and opening remarks**

8:30 a.m. – 10 a.m.

**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?

10 a.m. – 10:15 a.m.

##### **Break**

10:15 a.m. – 11:45 a.m.

**Restoring the middle:** Businesses grow and prosper by retaining and reinvesting in the productive capabilities of workers who can transform ideas into innovative goods and services. These workers act collectively and learn cumulatively; they effectively form the middle tiers of innovative business. These businesses are disappearing as executives “unlock” value by downsizing the labor force and distributing cash to shareholders. 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? This conversation will address 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?

Noon – 1:30 p.m.

**Plenary speaker and lunch**

1:45 p.m. – 3:15 p.m.

**Structural racism:** Structural racism jeopardizes the security of middle-income African Americans, Native Americans and other 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. Policies and programs established in the mid-20<sup>th</sup> century are being questioned regarding their effectiveness and are being eroded by a string of judicial decisions and legislative actions. The conversation will address 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.

3:15 – 3:30 p.m.

**Break**

3:30 p.m. – 5 p.m.

**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. This session will explore these possibilities.

5 p.m. – 6:30 p.m.

**Reception and Networking (?)**

Day 2

7:30 a.m. – 8:30 a.m.

**Late Registration and Continental Breakfast**

8:30 a.m. – 10:00 a.m.

**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?

10:00 a.m. – 10:15 a.m.

**Break**

10:15 a.m. – 11:45 a.m.

**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?

Noon – 1:30 p.m.

**Facilitate working lunches organized by session theme.** Participants will participate a working lunch tied to one of the conference sessions: i.e., the innovative enterprise; restoring the middle; structural racism; barriers tie to age, sex, immigration status; the gig economy; and, inclusive growth. Conference participants will be invited to engage in a facilitated discussion that explores each topic more deeply. They will draw from each other’s knowledge and experiences as well as that of subject matter experts from the relevant working session.

1:30 p.m. – 1:45 p.m.

**Break**

1:45 p.m. – 3 p.m.

**Final Plenary Speaker and Wrap-up**

Post Conference:

The proceedings and conclusions of the conference, including all presentations and video content, will be published on the Institute’s website. These materials also will be made broadly available to participants so that they may independently publish and distribute them.

The long term plan for the Institute is that this conference will launch a year of discovery on the road where we will engage people to talk about their own circumstances and to hear their ideas and to see what communities are doing to address the challenges that we discuss in the conference. We will go to union halls, churches, town halls, sewing circles, community center, book clubs and company lunchrooms. These will be structured and facilitated discussions. All of the events will be recorded (video) and edited into a documentary with an accompanying

report. There will be a capstone event at the time that the documentary and report are released.

*Project Organizers:*

Peter A. Creticos, President and Executive Director, Institute for Work and the Economy, a Chicago-based national policy collaborative specializing in workforce and economic development. He is also a Research Fellow at the Chaddick Institute for Metropolitan Development at DePaul University in Chicago.

Robert Stokes, Director, School of Public Service and Chair of the MPA Program, DePaul University. The mission of the School of Public Service is to educate women and men to be effective public service leaders in the global community guided by the values of St. Vincent de Paul.

Larry Bennett, Professor, Political Science, DePaul University. Dr. Bennett's research focuses on urban politics and public policy. He is the co-editor of the Urban Life, Landscapes, and Policy book series published by Temple University Press. Dr. Bennett's most recent book is *The Third City: Chicago and American Urbanism*.

Laura Owens, Associate Professor of Economics, Driehaus College of Business, DePaul University. Laura's research interests are in American economic history, U.S. labor history, industrial relations and American studies. Her work has been published in the Journal of Economic History, Industrial and Corporate Change, and the Oxford Encyclopedia of Economic History.