The Gig Economy, Automation and Industrial Democracy: Just a Brexit Footnote or is Brexit the Footnote?

Professor Alex de Ruyter, Director, Centre for Brexit Studies

In previous blog posts, I touched upon the "Gig Economy" and the potential for a "Hard" Brexit to lead to substantial changes in employment law more akin to the US. Such changes, that would in effect serve to dilute the platform of employment rights built up over the past 20 years under the aegis of various EU Directives related to work and employment. The growth of the Gig Economy and its potential for eroding the employment terms and conditions of work in other sectors, poses a direct challenge to the agendas of international organisations such as the ILO, who seek to promote the growth of "decent work" (ILO, 2016). In this context, the ILO (2016: 247) define Decent Work as:

"*work that is productive and delivers a fair income, with a safe workplace and social protection, better prospects for social development and integration, freedom for people to express their concerns, organise and participate in the decisions that affect their lives and equality of opportunity and fair treatment for all women and men*" (ibid.).

The Decent Work Agenda, as formalised in the ILO's *2008 Declaration on Social Justice for a Fair Globalisation* (see Ewing, 2014, for a discussion) has had four key aspects; job creation; developing sustainable measures of social protection (including labour protection and *enforcement* thereof); promotion of social dialogue and tripartism in national systems of labour relations (e.g., as with the EU's Social Partners industrial relations approach), and; "respect, promotion and realisation of the fundamental principles and rights at work" (ibid. 3-4). As inferred earlier, it is highly problematic to see how such principles could be applied to a group of workers who have been consistently referred by their user companies as non-employees, in their attempts to avoid being subject to labour regulation.

In this sense, for Ewing (2014: 20), “commodification is a direct result of labour law’s *ineffectiveness*, a consequence of the failure to *ensure* the robust application of the first principle that labour law should be universal in its scope [our emphasis]” (ibid.). Indeed, it could be said that the basic structural premises of gig work are antithetical to the very premise of “decent work” (that is, de-commodified), as defined by the ILO. Suffice to say, it is unlikely that any post-Brexit trade “deals” will contain measures to uphold worker rights. Rather, as the turmoil around NAFTA, CETA and the aborted Trans-Atlantic Trade and Investment Partnership (TTIP) have demonstrated, such agreements, with their emphasis on Private Dispute settlement between companies and governments that can override the decisions of sovereign parliaments, have been seen to undermine labour rights.

More fundamentally, automation and Artificial Intelligence (AI) – key drivers of the Gig Economy – are having a transformative effect on production and work organisation, and Gig Economy companies such as Uber are at the vanguard of developments here; for example, testing prototypes of driverless taxi cabs (Goodall et al., 2017). Whilst this technology is still in its infancy, it is developing, and Deloitte estimate that by 2040, “up to 80% of passenger miles travelled in urban areas could be in shared autonomous vehicles” (ibid. 122). As such, AI has the potential to render many of today’s jobs redundant, with some predicting that in 10 to 20 years, half of current jobs will be “threatened by algorithms” and that “40% of today’s top 500 companies will have vanished in a decade” (Helbing et al., 2017: 3). Similarly, Frey and Osborne (2013), basing their article on John Maynard Keynes’ (1933) famous prediction of “widespread technological unemployment” (ibid. 2), and citing MGI 2013, suggested that algorithms “could substitute for approximately 140 million full-time knowledge workers world-wide” (ibid. 19).

Of course, such predictions should be treated with a modicum of caution, as technology can create new jobs as well as destroy current ones (Nübler, 2016), so estimating the size of any job displacement is problematic. Wondering where new jobs would come from, though, to replace jobs lost to automation is somewhat equally problematic, as we cannot fathom that everyone will be – or want to be – a “symbolic analyst” or a “creative type”[1] (assuming these skills are not possible for AI algorithms to replicate..). Guessing future new job roles would

be problematic even at the best of times, though, as the technological changes driving them could depend upon the coming together of as yet unrelated complementary technologies (as has so often been the case with recent transformative innovations; e.g., biotechnology, ICT). However, we are left with the uncomfortable notion that the Gig Economy represents a transition from a “wage” economy to a future where the human element is desired to be taken out of production altogether by firms seeking to cut costs and increase control, with all the attendant implications (“no economy?”) of mass unemployment and a lumpen precariat class for widespread civil unrest and the growth of right-wing extremism (Standing, 2012; 2017).

This leads us to consider the highly commodified nature of work carried out in the Gig Economy, and what the implications will be for individuals, organisations and the wider society going forward will be, as the technology underpinning gig work continues to evolve. Above all is a need to urgently reconsider our relationship towards “the market” and to what extent untrammelled market forces should dictate economic and social well-being in an increasingly polarised, segmented workforce. As Ewing (2014: 9) argues, “[s]egmentation reinforces commodification, and indeed helps to create extreme forms of commodification.” For countries such as the UK, struggling to emerge from the 2008 financial crisis, and subsequent “austerity” macroeconomic policies, now followed by the political turmoil brought about by Brexit, these issues are all the more acute. In this sense, we may note that the changes wrought by technology, globalisation and deregulation – as encapsulated in the Gig Economy – and subsequent populist backlash entailed in Brexit, “Trumpism” (Piketty, 2016) and a general resurgence of the far right in politics across the globe, are not unrelated.

It raises the rather disturbing question of what other forms of “disruption” lie in wait just around the corner for societies caught between the challenges wrought by automation, inequality and the prospect of severe environmental degradation brought about by climate change. Can capitalism survive these challenges? In this context, Brexit seems a mere footnote.

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[1] Here we ponder the irony of a sector containing jobs such as musicians spawning the modern use of the term "gig", that we introduced this book with, as a potential labour-intensive growth sector in an automated world.