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## Jeremy Rifkin slings barbs while pushing for more workers, fewer hours

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Social activist and economist Jeremy Rifkin is promoting an idea that runs counter to every notion of classical economics and even common sense: The economy will work better if we all work less.

Rifkin was in Seattle recently, throwing his well-aimed barbs at the welfare bill just signed by President Clinton. The new law throws the task of creating jobs for millions of former welfare recipients to the states, Rifkin said.

"The dirty little secret is — there aren't any jobs," says Rifkin. "No one has thought this out."

Rifkin's apprehension derives from the research he did for a book he authored last year, "The End of Work," (Jeremy P. Tarcher/Putman). Over the years, Rifkin, a well-known radical theoretician, has taken on genetic engineering and the beef industry as targets for his anti-technological skepticism.

Now his message is employment-based. High technology, Rifkin warns, is going to throw most of us out of a job.

In "The End of Work," Rifkin sounds a warning that many workers are already feeling in their gut, if not yet in their paychecks: Sooner or later, most jobs will be automated. The world will be increasingly populated by a small segment of the highly paid, technical elite — and great masses of the unemployed.

Rifkin's message is old news to laid-off bank tellers and meter readers. But he says that policy-makers haven't a clue as to what dimensions joblessness will eventually assume.

Fewer than 20 percent of the world's population will ever be employed in the "knowledge sector," the workers who theorize, design and manufacture products

for the increasingly high-tech world. Unless policy-makers begin to grapple with the reality that high tech is not the jobs program of the future, Rifkin contends that a wave of mass unemployment will devastate the middle class and destroy markets for goods of all kinds.

Rifkin, a Wharton Business School graduate whose elegant suits belie his fire-

breathing orientation, is no stranger to attacking the foundations of the modern technological world.

Founder of a think tank, the Foundation on Economic Trends, Rifkin has taken on a variety of technology-related issues. He has filed lawsuits against genetic-engineering projects, including one at the University of Washington. In a book he authored in the early 1990s, "Beyond Beef: The Rise and Fall of the Cattle Culture," he targeted the *E. coli* bacteria as one likely to cause big trouble, years before an outbreak in Washington state sickened hundreds and killed three.

He's also been branded a neo-Luddite for his anti-technology stance, after the 19th-century English radicals who destroyed textile machinery in a futile effort to stop industrialization.

Critics of "The End of Work" say Rifkin doesn't distinguish between layoffs because of automation and layoffs for other reasons, such as international competition.

His book also predates the April report by President Clinton's Council on Economic Advisers, which found that more high-paying jobs are being created than eliminated by corporate downsizing. That report found that the economy has produced 8.5 million more nonfarm jobs than it has lost since 1993.

Rifkin says those figures are distorted by the fact that the federal government consistently underestimates the unemployment rate by failing to count people who have given up looking for work.

### Focus on 'elite' sector

In the "End of Work," Rifkin compares his projected future decline of the job base to the changes technology has already wrought on employment in agriculture and manufacturing.

In the beginning of the 19th century, most Americans worked on farms. By the 1870s, the proportion of the national labor force in agriculture had decreased to half; by 1900, to a third; by 1940, to a fifth; and today, to about 3 percent.

"In the past," writes Rifkin, "when new technologies have replaced workers in a given sector, new sectors have always emerged to absorb the displaced laborers. ... today, all three sectors of the economy — agricultural, manufacturing and service, are experiencing technological displacement, forcing millions onto unemployment rolls.

"The only sector emerging is the knowledge sector, made up of a small elite of entrepreneurs, scientists, technicians, computer programmers, professionals, educators and



Jeremy Rifkin

consultants."

Eventually, even companies that specialize in high technology will need only the elite of the elite. Rifkin points to escalating unemployment in the fields of mathematics, physics and engineering. Unemployment for recent doctorates in math and physics has reached 12 percent. A recent study sponsored by the Alfred P. Sloan Foundation found that the U.S. is producing 25 percent too many doctorates in science and engineering.

This transition to a technical elite has been aided by massive corporate investments in computers, robots and other automated equipment in the 1980s. Those investments have paid off, with an increase in U.S. worker productivity.

But that productivity increase came at a cost — although worker productivity increased by 35 percent in the manufacturing sector from 1979 to 1992, the manufacturing work force shrank by 15 percent.

### ***Spreading the hours around***

One of Rifkin's proposals — to get companies to employ workers at 30 hours a week and create more jobs — sounds somewhat out of left field.

But in fact, the government of France has done just that.

In August, France, battling a 12.5 percent unemployment rate, passed legislation that would offer a 50 percent reduction in the French version of employer Social Security payments to companies that cut working hours by 15 percent and hire the same proportion of new staff.

Some European-based companies, such as Volkswagen, have already shortened workweeks to save jobs. Rifkin argues that companies can sweeten the prospect of reduced wages by offering employees profit-sharing programs, and that governments can help by reducing selected taxes on employees and companies.

Workers will have the advantage of more time with their families,

cutting child-care and other work-related costs.

Other companies have shortened workweeks and continued to pay employees the equivalent of a 40-hour week, getting in exchange a promise from unions that workers will work more flexible hours and cut "down time" on expensive production equipment.

Rifkin believes it will take a major recession to convince U.S. companies that such a drastic step is necessary. A major "carrot," such as the elimination of payroll taxes, will be necessary to get businesses to consider such a notion.

Privately, he says, businesses are already worried that job insecurity is destroying the market for their products.

"Everyone wants to cut the bottom line. But privately, many retailers are hurting," he says, as the retail industry continues its shakeout and faces the possibility of another dismal Christmas season like last year's.

"In the next recession," says Rifkin, "it will become very clear that we have a long-term structural problem that won't go away."