RESOLUTION FOR A 21ST CENTURY WORKFORCE ECONOMY AN ECONOMY THAT WORKS

WORKING PAPER

The DRAFT is a reassessment of workforce participation in a formative 21st century socio-economic civil society. The list of emerging technologies for industry application expands steadily and transforms how workers earn their livelihood.

The **Resolution** implores the political economy to embrace new economic tenets, rules measures, for a new era labor market and social contract to cope with individual pursuit of purposeful, gainful, socially beneficial work.

VISION STATEMENT

1. Human at Work

This **Resolution** is a declaration for the future presence of working-age individuals within Europe's civil societies. Fundamental to that presence is a conviction that the human being at work is a natural/intrinsic exercise of each individual's endowed diverse talent/mastery. That in each era this aspect of one's individual's nature has been expressed/applied for the collective purposes and exigencies meant essential to: the preservation of the human genre, the private satisfaction of the individual, and the means for a social order.

At-hand is a future era for reimagining/realizing human abilities in work settings. Civilization in highly developed industrial and commercial economies climax another cycle in manifesting working person's span of abilities. Set for new era context, human capacities are amassed/poised destined for new work roles. The age of mass machinery. 1900s, shifted males into factories. Most recent 1970s, had been the shift of mass female workers into the new services sector job economyⁱ.

In commencement is man's prowess contending with the Digital Revolution and its imposing aspects of intelligence (i.e., memory, processing, retrieval, communication of data) empowering inanimate forms of work presence. The existential threat for man is not deprivation of vital work but mistaking what is vital work.

A shift in the role of wage workers anticipates re-writing economic rules framed for an earlier century productive model. State imposition of refitted vintage economic precepts and measures, casts doubts on a genuine effort to codify protected/secure means for man to apply work abilities within different dynamics.

2. NEED FOR A NEW CONSENSUS

Post virus pandemic media scripts for an off-track economy abound. Federal response remaining ambiguous to the economic disruption betrays an apt insight into the crux of the shift in organized work and a vision for cognizant workforce policy.

What is manifest *human* work for purposeful, gainful, and accomplished endeavor within a new era economic composition and civil society? What are potent economic

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tenets and policy measures that apply to forms of essential *communal work* but now not within the sphere of the *pro forma* job economy

Three characteristics mark a radical aspect for human future work: ready data, decentralization of activity, and an autonomous presence. Introduction of descriptive, predictive, and prescriptive analytics adds a new dimension to human decision-making reliance on experience, expertise, intuition and merge human and machine learning capabilities for optimal decision-making. In employment (jobs) it removes the divide between doer and thinker. In private life it augments the household and enables its setting with 3-D printer to become the alternative productive unit. Expert systems will augment human cognition and robots will replace or directly interact with humans. It empowers self-management over an expanses range of undertakings.

The mode will assume a new paradigms for work (e.g., custom made vs. mass produced). Blockchain and G-5 data transmission will make productive processes more efficient, transparent, and secure.

The long-run personal effect of the transition will appear 2-fold. First, the prospect of sparing humans further from involuntary/demanding task patterns imposed by urban conditions (e.g., electronic transfer of medical prescription sparing doctor visits.) And it will render less necessary for individuals to structure lives around the routines of vendors. Second, displacement of wage labor (jobs) from the market-base enterprise sector will provide a workforce for expanded social services sector operators (e.g., social enterprises). As a century earlier a rural labor force had enabled urban industrial sectors. It will allow individuals to choose work lifestyles with less limitations on their talents and abilities.

3. <u>PROPOSALS FOR ACTION</u> - Restoring the dynamics of labor markets

Initiating workers into a mixed economic order of 'proxy workers' (in their diverse inanimate forms) of unprecedented potency is complex and demands a novel conceptual framework for the labor force as component in the process of production. In an era of autonomous productive means to what extent does labor remain to be reckoned a principal factor of production? Primary driver of economic value?

The **Resolution** calls for (a) reforms from economic tenets/orthodoxy and (b) devising apt auxiliary economic and social institutions.

1. Reform of Economic Ideology and Tenets

The **Resolution** calls for a formative socio-economic order with *terms* that frame more aptly the context for labor's status/eligibility in a period of new era productive processes and industry organization; and means for individuals to perform purposeful, gainful, and beneficial work within civil society amidst omnipresent expert systems.

Work is universal and inevitable. The mix of work for economic and social well-being of individuals is diverse. Jobs are a subset of one order of work i.e., wage work. Volunteerism (Formal and informal) is a subset on an order of work i.e., unpaid work. Household chores are another subset of work i.e., communal work. Each is merited and compensatedⁱⁱ subjectively/arbitrarily. The machine era of the industrial revolution has had wage labor the central component for man's expression of purpose and gain from work. It found a basis in economic theory (i.e., efficient use of resources) and was embodied in labor law. The autonomous, resource efficiency improvement, period for organizing society work will have its own economic justification and expression of purpose for individual endeavor. The **Resolution** is an alert that this reformulation lags direction and its accelerating adverse potential for labor resources assumes a volatile crisis for the political economy. Awaited is a vision and construct for individual work amidst a wave of intelligent and crafted inanimate alternativesⁱⁱⁱ.

The scope and means for individuals to perform purposeful, gainful, and beneficial work within civil society should be expanded. The array of work now termed social work in its diverse settings (e.g., NGO, Cooperatives, Associations, Social Enterprises,

Eco-Industries^{iv}, Credit Unions, Micro-financing, etc.) relies on uniquely human attributes for furnishing its goods and services. Two million social economy ventures exist in Europe (10% of all businesses in the **EU**) with 11 million individuals in this "third sector economy" (6% of the **EU's** employed). It affords a large diversity of vocations for individual abilities. Its sector's activities remain goods and services for meeting human *needs* whereas market sector industries steadily trade in discretionary (i.e., comfort and pleasure) goods and services^v. A reserve workforce for meeting distinctly human *needs* will enable the bloc to cope with future civic disruptions arising from environmental harms.

The **Resolution** calls for expanding social goods and services sectors to realize "profits" for the Commons from a creative environment and prospects for investments in social innovation. Each year, poor health costs the European economy on average about 15 percent of GDP from reduced quality of life, premature deaths, and lost productivity^{vi}. Requisite are auxiliary economic and social institutions equivalent to the potent private market financial sector. Within the market economy recycling by firms of industrial/commercial competitive technology for realizing and reporting profits for owners is well-patterned and institutionalized^{vii}. A formative socio-economic order should emulate for public sector social enterprises the well patterned institutions for integrating innovation into private sector social enterprises. Social enterprise derived work expands public choices for a spirited EU workforce.

The underdeveloped capability of the public sector to respond summarily to civil society distress has been exposed in the course of the pandemic. Unattended in future crises (e.g., environment hazards) public distress will become more acute. Mid-century as deaths start to exceed births resounding changes will appear that are yet dim. in underserved civil society sectors social enterprises with uniquely human talented work should be developed as a reserve/standby resource.

2. Reset of Economic Scales

A number of indices number of indices serve to direct economic wellbeing. Each is deemed to have some connection to 'full employment' and sustaining 'economic growth (e.g., GDP/BIP). Several 'laws' are deemed to link the two. The scale GDP/BIP is also loosely linked to standard of living, prosperity, wellbeing, or fair times. New era 'expert systems' will cease to justify/excuse such ambiguous/specious measures for sturdy, socially merited, economic reality.

The correlation growth to employment has in past decades deviated. More apt measures exist for these states^{viii}. Nor does GDP/BIP account for negative impacts from climate, disaster, or adverse social disruptions. Information technology could provide a more actual value measure such as GPI (Genuine Progress Indicator) for a transformative economic period. In the era marked by novel 'expert systems' these ought no less rationalize novel scales assessing aptly the gains for society and working man in civil society. And the change in employment assume a net value (i.e., actual hours of human work performed in a period.)

For assessing derived achievements for civil society from the formative expert systembased economy expanded qualitative indicators remain an important basis for:

- Public policy formation and allocation of revenues for workforce development (e.g., reforms in education making it more responsive to enterprise requirements for uniquely human capabilities.)
- Evidencing the populous' work is permuting, and in ways that for individuals broaden choices for work derived satisfaction.

4. EU GOVERNANCE FOR WORKFORCE IMPACT

EU Horizon 2020 orientation for support of an innovative social goods and services sector remains in the realm of the EU goals for "growth", industry competitiveness, full employment, and jobs^{ix}. There is no affirmation that social innovation, social enterprise (for profit, cooperatives, and NGOs) or Volunteer activities^x assume an *integral component* for socio-economic goods and services within a transformed civil society. There is now no equivalent to GDP/BIP documenting expansion in the social goods and services sectors.

To be realized is a basis for rationalizing compensatory practice for present nonmarket-based work to improve living conditions within civil society of equivalence to compensated market work. For example, what it would take to improve the health of the European population and how to rate meaningfully the benefits for individuals, economy, and society.

Proposed is a counterpart for the **Austrian Ministry for Digital and Economic Affairs** with mandate "to pursue prospects from digitalization for furthering entrepreneurship"^{xi} with a **Ministry for National and Community Development** to pursue prospects from expert systems for social enterprise development of social goods and services^{xii}.

It would administer its own grants aimed at covering venture start-up expenses^{xiii}. It would organize underutilized human resources for a "social progress market". For instance, initiatives enlisting unemployed workers from the private economy to serve in a reserve component for public community-based, service work (e.g., cadre of prepared workers for future crises.)

EU Horizon scope should encompass start-up funding for a series of EU member state **Social Innovation Institutes.** Similarly, venture financing for NGO operators (e.g., ASHOKA, ZSI, etc.) that act as facilitators for stimulating alternative social enterprises for beneficial human development activities within civil society while originating work that affords individuals the sense of engagement in the social component of civic life.

For independent assessment of the impact from social enterprises the EU may authorize member state Academy of Sciences to analyze and prepare periodically a <u>Social Impact Assessment (e.g., social impact scale of GDP/BIPxiv</u>). Such Report would include intended and unintended consequences of interventions (policies, plans, programs, projects) and any social change processes invoked by those interventions.

Authorize EU member state Academy of Sciences to analyze and prepare a <u>National</u> <u>Workforce Assessment</u> evaluating communities most vulnerable to risk/crises from economic transition disfunction^{xv}, changing climate environment and prioritizing readiness support for workforce competences.

Called for is a vision that engages in the service of civil society uniquely human capabilities. In an era of autonomous presence in nearly all components of daily activity it cannot be left solely to the market to specify the remnant work for man's abilities. Man's superior abilities deserve new environs for purposeful, gainful, merited work.

The undersigned hope this Resolution will assist public policy Authorities in designing and implementing a relevant socio-economic perception for the future of work within the European missions into the 21st century.

FOOTNOTE

ⁱ Emerging economies skip the developmental work cycle. African mobile banking developed with mobile phone technology. Mobile offers fast cheap money transfers and facilitates transactions.

ⁱⁱ Compensation is a generic term for all-manner *eligible* award of valued gain (i.e., excludes gifts, and chance conveyance).

ⁱⁱⁱ Industrial robotics market in Europe is poised to grow by \$ 2.23 bn during 2020-2024, in 2018 there were 422,000 units expanding at 12 percent annually, International Federation of Robotics (IFR),

 $^{^{}m iv}$ 2,7 million people worked in the EU-27 eco-industry in 2008 which represented 0,81% of the total workforce.

^v Pre-COVID-19, 1 billion people worldwide had a mental or substance use disorder; that number has likely grown as a result of the pandemic. This is an opportune moment to consider what lies ahead.

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vi Prioritizing health: A prescription for prosperity, McKinsey Report, 2021

vii The EU Employment Package (2012) is a set of policy documents to further private sector commercial interests.
 viii Civil Society Index

ix These goals are at the core of the Europe 2020 strategy for generating smart, sustainable and inclusive growth in the EU.

 "Employee Volunteering and Employee volunteering in humanitarian Aid in Europe." The European Innovation Council (EIC) affords support for research and innovation programs yielding technologies for improving the quality of conditions within civil society.

^{xi} Semiconductors in America Coalition (SIAC) seeks Congressional leaders appropriate \$50 billion for domestic U.S. chip manufacturing incentives and research initiatives.

xii ZSI support for young migrant entrepreneurship through education & training, mentoring and access to finance is notable.

^{xiii} To complement expansion of public sector enterprises the EU protocol mentions social entrepreneurship in its access to finance for industry ventures. EFSI Equity Instrument supports innovations in the fields of artificial intelligence, blockchain, space technology, impact investing and blue economy. With these initiatives, the EC and the EIF are stepping up their efforts in areas of strategic relevance for the EU.

xiv <u>EU Social Impact Measurement</u> sets out the proposed approaches to measurement used for assessment and followup.

^{xv} Digital and Bio-technology. A new generation of biomachine interfaces being developed rely on connections between humans and computers. Impact that is said to amount from \$2 trillion to \$4 trillion within a couple of decades.