Title: Economic Risks Associated with Deep Change in Technology, and their Mitigation

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Economic Risks Associated with Deep Change in Technology, and their Mitigation[1]

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1. Introduction

There appears to be an accelerating concern with the risk that advancing technology will replace jobs, or, that, even if jobs are not lost, many of them will be less remunerative, so that the inequality of income will be worsened by the new technology. This is both a popular concern and an academic one. Recent papers raise questions about the outlook for inequality, and do not give definitive answers (Acemoglu and Restrepo 2017, Frey and Osborne 2017, Nordhaus 2017). Clearly, future advances in technology could either diminish demand for a specific type of labor and experience (by programming tasks that labor once had) or increase it (by creating new tasks that can be completed only with this kind of human input). But the conclusion should not be that we just wait and see how this technology comes out. It behooves us to consider whether there is anything that ought to be done *in advance*, before there are serious problems. The popular concern is triggered by observations of new technology, technology that is new in the last decade or less, and which shows unprecedented progress in replacing familiar jobs. A number of examples illustrate the types of innovations that are eliminating jobs. Much media attention has

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