

## AUTOMATION IS GOOD

Automation does not kill jobs; it increases efficiency and growth, which in turn creates jobs. Despite this, many continue to fight technology advancements in the workplace, seeing them as a permanent barrier to job growth (or as a catalyst to job loss). A prime example was the implementation of ATMs several decades ago. Many believed that ATMs would permanently eliminate teller jobs at banks. In reality, however, ATMs allowed banks to cut operating costs and become more efficient, and today commercial banks have larger workforces and provide wider and less expensive services than they did before ATMs were introduced.

Automation increases supply, and supply generally creates demand. In addition, automation decreases prices of goods and services, which leaves consumers with more disposable income. Looking back, if the tractor, telephone, or automobile were not invented, we would not have supermarkets, smartphones, or mass transportation. While no one can predict the future, there are two predictable ways in which people will approach it: either they will fear it or embrace it. Those that fear the future tend to want to control and regulate it, usually by means of government regulation. Those that embrace the future tend to trust the inventors and entrepreneurs, thus showing more faith in the free market system.

**Automation should be embraced, not feared.**

Automation does create winners and losers, but they may not be who most suspect. Future automation could easily replace some of the tasks performed by high-income individuals such as lawyers, medical professionals, and educators. This could in turn increase the amount of services supplied by these professionals, which in turn would drive down prices for them. In other words, automation will do more to increase relative earnings and disposable income for the middle class compared to high earners rather than to make the high earners “poorer”. This is not a new phenomenon; automation and innovation do change the landscape, but always for the better. Those who are “losers” in the process adapt and later enjoy the benefits of advances. Technological advancement has always boosted the standard of living, and this time is no different. Automation should be embraced, not feared.

