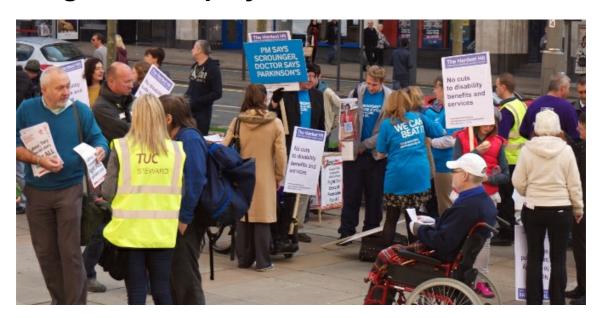# How will the UK tackle its welfare challenge in light of technological unemployment?

To say that the world is changing rapidly is an understatement. Climate catastrophe and that little thing called Brexit have been dominating the 2019 election.

These issues are important, but it might be a useful time to draw attention to another issue on the horizon that will play a fundamental role in our collective future – a fourth industrial revolution. This next industrial revolution is characterised by the rapid development of machine learning, mobile robotics, big data and automation.

Skills training at various levels is a common theme throughout the manifestos for the three major political parties as they seek to build out a coherent industrial strategy and mitigate sluggish growth. Whichever party forms the next Government needs to have a policy toolkit that is attentive to the human experience of automation and what it will mean for the unemployed and those who will become unemployed.

There is disagreement about how much technological unemployment there will be. We could argue that technological advancements in the past have only led to short term job losses because new roles, and indeed industries, are often created. At present, we just cannot predict exactly how widespread automation will affect jobs.

Still, we can already see some changes. A trip to your local supermarket today may not involve any social interaction at all. Ten years ago that would have been impossible and Amazon Go

gives us a glimpse into a future where even the people that look after the automated tills are no longer needed. In the UK, will our welfare system be fit for purpose in a future where many more people are either unemployed, underemployed or casually employed? Some of these kinds of issues are the remit of sociologists and policymakers. But social psychology has a part to play as well.

In my research, I study the social-psychological effects of unemployment. Specifically, I look at how politicians and media talk about, and define, unemployed people. I'm trying to answer questions about how this rhetoric affects identity and ultimately quantify how it affects unemployed people's ability to find work.

It's no secret that unemployed people are [highly stigmatised in Britain](#) and in my research I find a significant correlation between negative rhetoric (e.g. 'scrounger' narratives) in newspapers and political speeches and attitudes towards the unemployed over 20 years. This stigmatisation has direct effects on how unemployed people see themselves and how they think others perceive them. Unemployed people that participated in my study thought that others saw them as less moral, social and competent than they see themselves. If the welfare system doesn't change then technological unemployment will put many more people into a highly- stigmatised category, reducing their self-esteem and ultimately their ability to compete for whatever gainful employment is still available.

Conservatives

In general, the Tories are doubling down on a narrative we've heard before. The manifesto promotes their record on job creation based on tax cuts. They argue "A Labour Government … that allows people to sink into dependency rather than encouraging them to work and earn – could undo all of this progress."

Universal credit is to continue, though the freeze on benefits will be lifted. There's a direct reference to one of the most damaging pillars of stigmatisation of the unemployed – the 'benefit cheat'. "…We will make sure those who cheat the system by committing benefit fraud are punished." The most recent figures suggest that fraud accounts for [1.2 per cent](#) of total benefit expenditure.

That's it for welfare, unfortunately. But the manifesto does talk directly to the issues of automation mainly around new and improved skills training, apprenticeships etc. This is certainly important and key to adapting to a world where much of the labour is done by machines. But it doesn't recognise that there may be fewer jobs in total and therefore, more people will need state support or slip into destitution.

Labour

Labour take a similar tack on skills, linking it directly with the rise of automation. The focus is slightly different, aiming themselves more directly at possible losers from automation — those that need to retrain/reskill. One could also argue Labour push for more/faster automation through their 'free broadband' policy.

On welfare specifically, Labour promise to immediately suspend the sanctions regime and look to create an alternative to universal credit once in government. Interestingly, they directly reference the Tories' rhetoric of 'scroungers' and 'skivers' promising a different approach. Additionally, Labour have committed to pilot universal basic income.

In theory, Labour seem to have the building blocks to make sure that people who do become unemployed have dignity and a way back into the workforce if technological unemployment comes knocking. Lifelong and free education would allow people to retrain at any age and a non-punitive welfare state would keep people going when they lose their income.

Liberal Democrats

The Lib Dems say by far the most about new technology and suggest some checks and balances will be brought in if they pull off a miracle and become the government. It's especially interesting to see a whole section on the 'The Future of Work'. Again, the focus is mainly on upskilling, reskilling and lifelong learning but with a £10k limitation. There is also a focus on employment rights especially for those in the gig economy. This is important because one of the early issues of these new technologies is the status of workers, so new laws in this space are welcome.

For all the good in the Lib Dem manifesto, there is hardly anything on welfare other than a proposal to "reform universal credit to be more supportive of the self-employed" and replacing the sanctions regime with an "incentive-based scheme". I'm not sure what this means but replacing a stick with a carrot doesn't fundamentally update the system for an automated future.

Towards the future

Solving this issue is difficult and wound up with our cultural beliefs about how we support people during unemployment. But the solution should focus on at least three different areas. First, skills and training, though many jobs will disappear there will be some jobs that become much more important. People generally think that we need more people who can code and understand computers. That's somewhat true, but it will probably be human interaction that we pay for in the future. Think back to Amazon Go — a supermarket that has no staff. Shops that do have staff in the future will probably be advertising it as a USP — "customer service from actual humans!". So, although now customer service is seen as low-skilled, that may not be true in the future.

Second, and importantly for my work, the welfare system must fundamentally change and be linked with what will become a rising tide of technological unemployment. In simple terms, I would be advocating a universal basic income above subsistence level (something the Greens have committed to). This would essentially eradicate stigmatisation associated with receiving state benefits – because everyone gets it. Coupled with access to skills and training, people who lose their job would be able to move into other careers or take a break from work without being marginalised.

Third, we probably need to rethink what counts as work and workers' rights. If automation and new technology are going to continue to make wage earners' lives more precarious — the 'gig economy', we will need to build some new protections for workers. There's plenty online about the status of gig workers so I won't rehash it, but the notion of 'independent contractors' is problematic, especially if this kind of gig work becomes more the rule than the exception.

Whoever wins the election, I'm sure these issues won't be the priority, but they are worth thinking about. If things don't change though, one has to wonder — how will we cope if 47 per cent of jobs disappear and many of those people need to claim universal credit?

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