

Lliçó de graduació de la promoció 2017 “Treball en ‘Modern Times’”

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Abans de tot, felicitats! Segurament, us adoneu que avui és un moment molt significatiu. Fa quatre anys vàreu iniciar una nova etapa de la vostra vida, i avui l'heu completada amb èxit. Estic segur que ha estat un camí amb obstacles i reptes. Potser alguna nit abans d'un examen no vàreu dormir res per estudiar alguna matèria —o en una altra ocasió perquè era massa divertida alguna Pompeufarra—. Ara que heu arribat fins aquí: enhorabona! I benvinguts al club d'Alumni de la Pompeu, un club molt exclusiu.

Ja sabeu que UPF és una marca molt coneguda i valorada a Catalunya i a Espanya, però us sorprendrà com de coneguda és internacionalment. La setmana passada vaig escoltar de primera mà la història d'un noi que es va graduar en Economia fa dos anys i que ara treballa a Expedia, a Seattle. En el seu entorn de noves tecnologies i *startups* tots són graduats d'universitats com Stanford, Berkeley i MIT. Tots coneixen la UPF, i per la seva formació aquí l'han contractat.

Per a tots, encara que alguns de vosaltres continueu estudiant, tard o d'hora comença la cerca de feina. Parlaré aquesta tarda de l'estat del mercat laboral que vosaltres, ara preparats amb aquesta formació exquisida en Economia, Administració i Direcció d'Empreses, i International Business Economics, podreu apreciar. Espero que sigui útil, tot i que el meu objectiu no és tant que us serveixi per posicionar-vos millor en la cerca de feina. Com diu el meu sogre —que és de Balaguer, però suposo que m'ho diu en castellà perquè el seu gendre és guiri— “Consejo doy, pero para mi no tengo”. Més que donar-vos consell, sobretot tinc l'esperança que aquest coneixement científic del qual parlaré us serveix per conscienciar-vos de la responsabilitat que teniu com a professionals i experts. De la mateixa manera que la idea de “la selecció natural” en biologia és una eina, la idea de “l'interès propi” de l'*homo economicus* també ho és. En economia ens ajuda a entendre millor el comportament humà i en quines situacions la mà invisible d'Adam Smith genera el millor resultat per a tots. Però com a economistes també entenem quan la mà invisible falla. És un tòpic que l'economista o la dona de negocis només es mou per l'interès propi. Tampoc acusem Darwin i el biòleg d'homicidi per fer de la selecció natural la seva eina. Segons la meva opinió, la principal responsabilitat de l'economista és vigilar de manera crítica i amb dades el bon funcionament de l'economia. Us demano que sigueu vigilants, no de la platja, sinó de l'economia.

Com vosaltres, el meu discurs és bilingüe. Això em permet parlar amb més precisió de la ciència en “Temps Moderns”. Vinga, som-hi?

The labour market today has changed dramatically and has undergone a profound transformation. But in some ways, things are very similar to how they were 100 years ago. Jobs in our modern times have quite a bit in common with Charlie Chaplin's "Modern Times" then: these are not good times for work.

A typical worker now is a sales assistant for a clothing chain like Zara or Mango, in La Maquinista or Gran Via 2. More than ever in history, she — currently nearly half the work force is female — has some degree of higher education, is emotionally intelligent to deal with customers, is computer literate to process data, and if she has to deal with tourists she will speak several languages. Yet, her wages have stagnated for several decades despite economic growth. With such low wages, more and more working age people are staying at home. These are not unemployed workers — people who want to work but cannot find a job, of which there are many in Spain — but discouraged workers, workers who prefer to stay at home rather than earn a meagre wage.

Yet on some other dimensions, things appear to have improved, but this is somewhat of a myth. Jobs last longer now than a few decades ago, and people switch jobs less frequently. This does not square with most people's perceptions, as we tend to think that the generations of our parents and grandparents had a job for life. This is not what the data shows, though. Despite this perception, the fact that jobs are for longer now is good for job security, but it also comes at a significant price. Labour markets are less dynamic and as a result there is less social mobility. It is harder to find jobs, and movement up the job ladder towards better jobs with more responsibility has slowed down significantly. All this is actually bad for those looking for a job. If fewer people switch jobs, fewer jobs become vacant and it takes longer to find a better one, even within the same firm. A friend of mine returned from the banking sector in London — where he moved up through the ranks very quickly — to La Caixa in Barcelona where promotions are scarcer than rain in the desert. You only get promoted when someone retires or dies. The great Paul Samuelson, Nobel laureate in economics, said this about scientific progress around a table with economics professors, but I guess it can be paraphrased around the table of any human resource meeting in a Spanish company: promotions happen funeral, by funeral, by funeral.

Stagnating wages and limited upward mobility are already part of the current labour market. What does the future have in store? According to the experts, during your careers, in the next 40 years or so, there will be superhuman computers,

machines that can perform all mental tasks as well as or better than humans. I am not talking here about a computer capable of winning a game of chess against Garry Kasparov. I am talking about a computer performing creative, difficult and time consuming tasks, like writing a PhD. thesis... in ten minutes. For most of you Artificial Intelligence is science fiction, but it is already very much science fact. Jobs that require a significant level of thinking such as travel agents, secretaries and librarians are already disappearing and are being replaced by computers and robots. This process will affect more and more jobs, including low qualified jobs, such as truck and taxi drivers, but also highly qualified jobs ranging from lawyers through architects, to yes!, economists. This means that work will increasingly become even more polarized. A winner-takes-all labour market with extremely lucrative jobs for the successful few, and repetitive, less gratifying, and low paid work for the majority. I am confident that with your UPF degree and your abilities you will find your way into one of those winners' jobs. Unfortunately though, for those with lesser qualifications, it will take longer, it will be highly uncertain, and having a university degree will not guarantee access to those coveted few jobs. That does not mean that there will be no work. One of the biggest misconceptions about automatization is that work will disappear. There will be plenty of work, but it will not necessarily be the most attractive jobs. Machines cannot substitute a tourist guide, a health worker in a retirement home, or a guard at the entrance to a shop. In our modern times, rather than a factory worker tightening bolts on the assembly line, our Charlie Chaplin character is a security steward at a Barça game.

To understand these low wages, the lack of mobility and the polarization of work, we need to be vigilant about the role of the firm in this economy. While work in modern times suffers, Big Business thrives. This is where society needs your critical thinking and your participation in the debate most. A recent well publicized case in the international press is that of the company Mylan that sells EpiPen, a medical device to inject adrenaline against severe allergic reactions. It is a life saver for numerous children and adults with allergies. Its total product cost is estimated at \$35, and it is currently being sold for \$609. The company has 90% of the market share and is reporting \$4.2 billion in profits. This has certainly been a controversial case and allergy sufferers are outraged. Unfortunately however, EpiPen is not an isolated instance. On average, firms now sell their goods at higher prices and corporate profits as a share of GDP have gone up fourfold over the last three decades. This is not the case for all firms, but there is a general trend towards firms' increased monopoly power. This has detrimental

consequences for consumers and for workers. For consumers because they pay higher prices, and for workers because they get paid lower wages. Granted, some of the current inequality and polarization of work is due to technological change and globalization. But what is often ignored in the public debate is that much of it is due to the rise in firms' market power. Never since the 1940s have firms had so much monopoly power. This monopoly power was precisely the reason for the economic inequality a century ago. Nowhere more than here in Barcelona do we fondly reminisce about Modernism as an expression of art and architecture that came together with economic progress through the introduction of new technologies such as electrical power and telephones. But we tend to forget how abruptly modernism came to an end with economic inequality, severe social tension and yes, ultimately war.

The fact that people feel disengaged and left out can to a large extent be remedied. In 1944 in a review of Hayek's "The Road to Serfdom," George Orwell wrote: "The trouble with competitions is that somebody wins them. Professor Hayek denies that free capitalism necessarily leads to monopoly." More than seventy years later, as economists we know that monopoly power is damaging, and that anti-trust regulation can keep monopolies under control. What we seem to have forgotten is that we need to work hard to reign in firms' natural tendency to create monopoly power. This tendency is most acute in times of rapid technological change. In the last few decades, firms like Apple, Alphabet and Amazon have been doing exactly that, using new technologies to build and entrench market power. This brings huge benefits for the very few, and has harmful consequences for most of the working population.

I want to invite you, as an excellently trained economist, to assume your responsibility and take the lead in the public debate. We hear too few solid arguments and too many populist appeals by politicians, bloggers and journalists alike that are not based on facts and science. I really hope you will join in the debate and make a solid case for those who have most to lose or who have lost already. They are the ones who cast a vote that is often mostly against their own self-interest, such as the Brexit vote in the UK, the votes for Trump in the US, and yes, here in our own elections in Catalonia and Spain. In a way they are not to blame, because they are inundated with misleading or even erroneous information about their economic interests. Given your knowledge and training, it is your responsibility to uncover and spread the truth, to make decisions based on facts, not on fake news.

In addition to my appeal for your social involvement, I invite you to follow your passion whenever you make decisions about your personal future. Yes, money matters, but I hope that the choices you make reflect what you are passionate about. I guarantee you, and your parents, that following your passion is in your own interest, whether that is working for an NGO or taking a year off. While I was a student, I had a housemate who was an Egyptologist. He knew everything about pyramids and mummies. At that time, a job in consumer marketing was the most sought after by recent graduates, and he was the first recruit at Proctor & Gamble, just because he was passionate. He ended up applying the same passion he had for cursive hieroglyphs on the Papyrus of Ani to designing the marketing campaigns for Head and Shoulders. Passion is the single best way to sell yourself. You might have been able to fake one or two answers in an exam in the past 4 years. The president of the United States has been accused of spreading fake news. Survey evidence suggests that 48% of women — and yes 11% of men — have faked an orgasm. But you cannot fake being passionate about what you do.

In the Netflix series of your life you have just finished a beautiful episode, but you have an entire season ahead of you. I wish you the best of luck with whatever you do. I am totally convinced that you will build a rewarding professional career. But I also hope you will follow my appeal and apply your expertise as a professional economist or manager to be vigilant and vocal about the smooth running of the economy. We need facts and scientific arguments, as well as your involvement as an expert in the public debate. Whichever decision you take next, be passionate about what you do. And above all, ladies... and gentlemen: please don't fake it!

