

**Industry 4.0: challenges for productivity, employment and
inclusion**

Bonn, 28–29 May 2018

Session 2: Impact on employment, skills and inequality

**Industry 4.0: impact on industrialization
as a development strategy**

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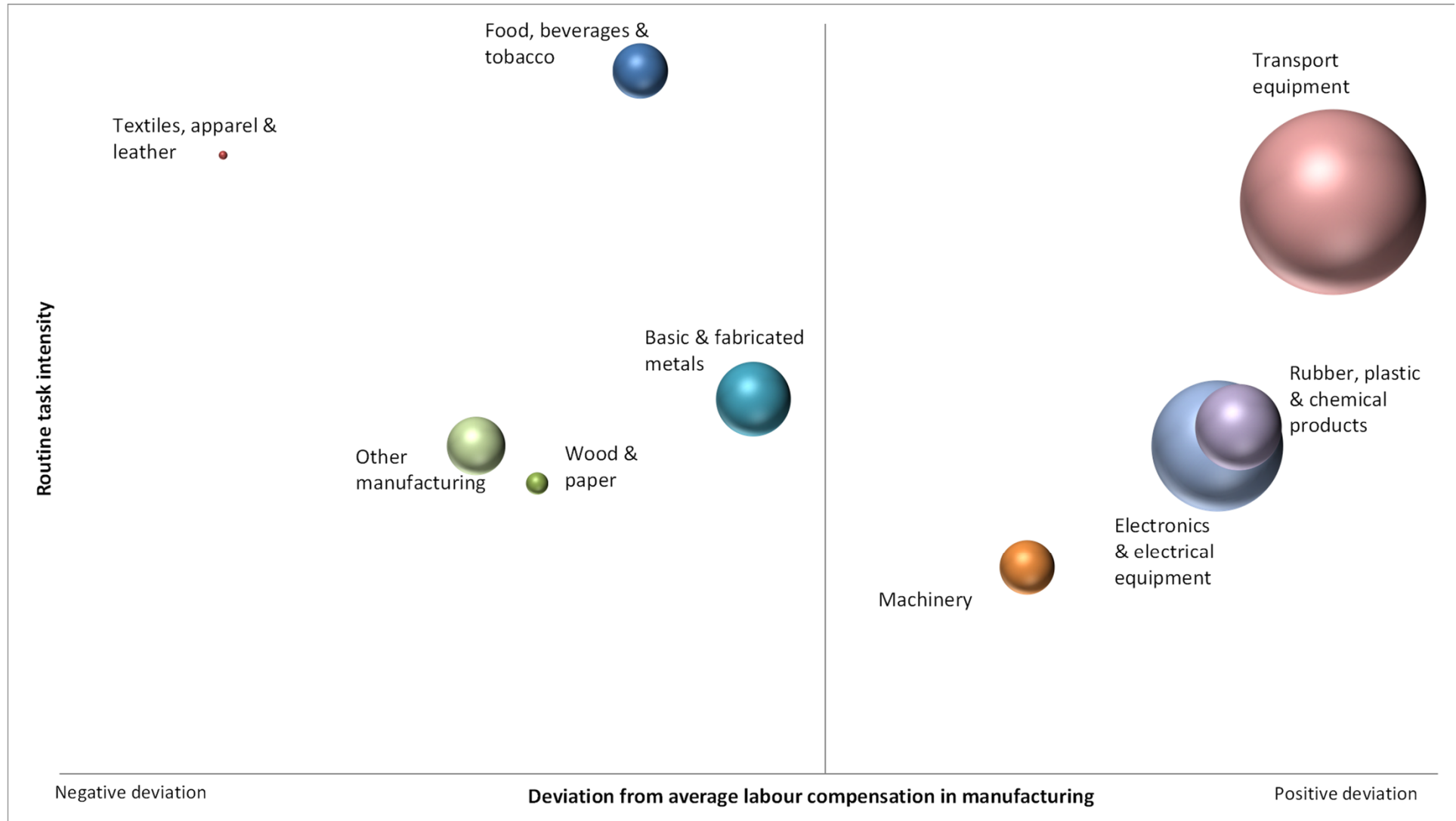
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Main differences between techno optimists and techno pessimists

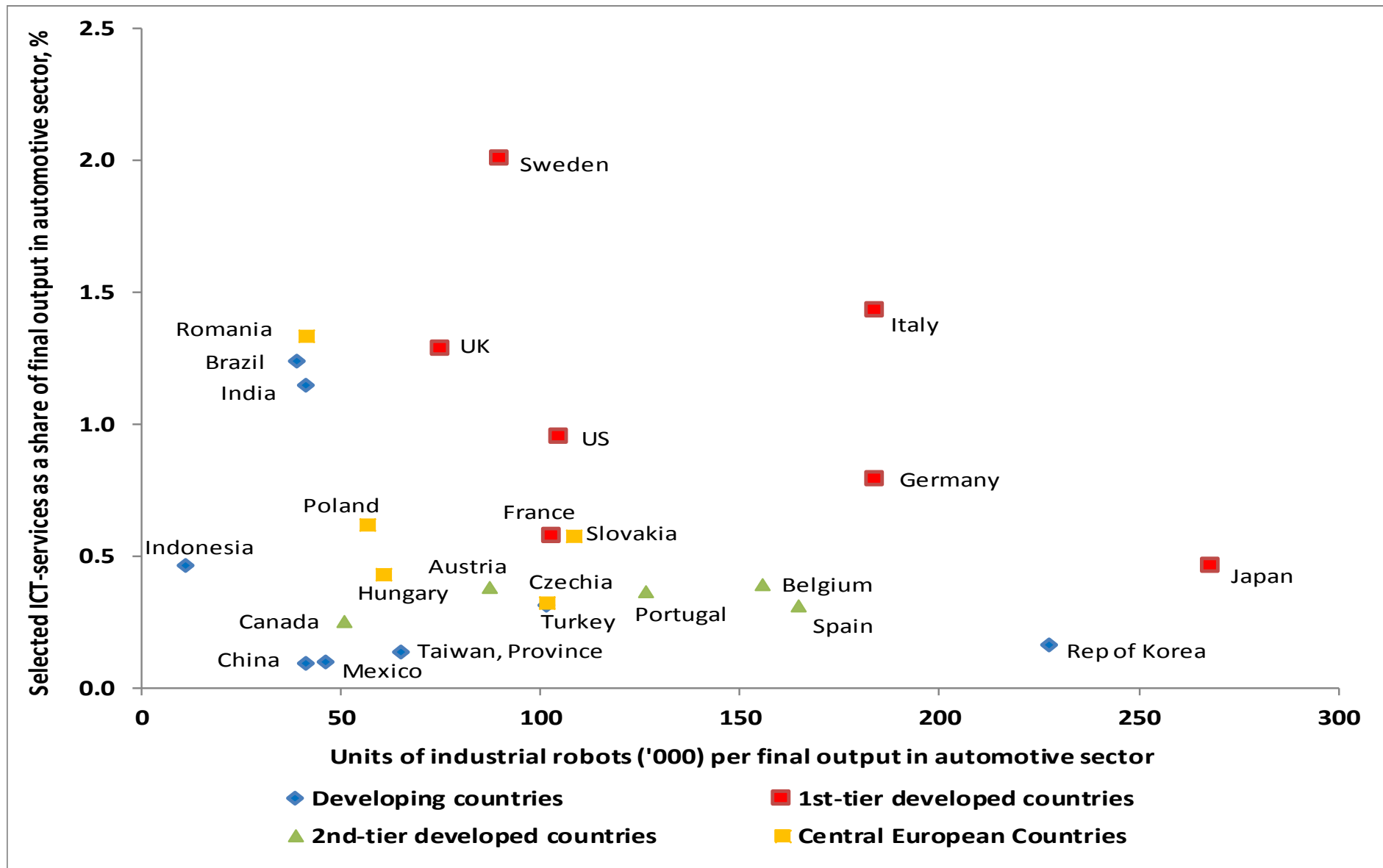
- Techno pessimists argue that robots compete against all workers in all jobs - move towards world without work
- Techno optimists argue that robots compete
 - Only for tasks, not for jobs
 - Only for some tasks, i.e. routine tasks that can be codified
 - Only in some sectors, while other sectors continue to produce with traditional capital and labour – routine tasks mainly in manufacturing
 - Only against unskilled labour, while they complement skilled labour, so that skills development is the standard policy solution (technology-education race)
 - Only temporary problem, but net overall job creation in the long run
- Even "optimistic" view implies – at least temporary – large-scale job displacement in manufacturing and reduced effectiveness of industrialization as development strategy: is this outcome likely and what policies in addition to bridging digital divides are needed?

Alarmist account of world without work overdone: what is technically feasible to automate through robots is not necessarily also economically profitable

Size of bullets reflects global use of robots



Is labour-based production sustainable if complemented by use of ICT-services ?



Thank you !

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