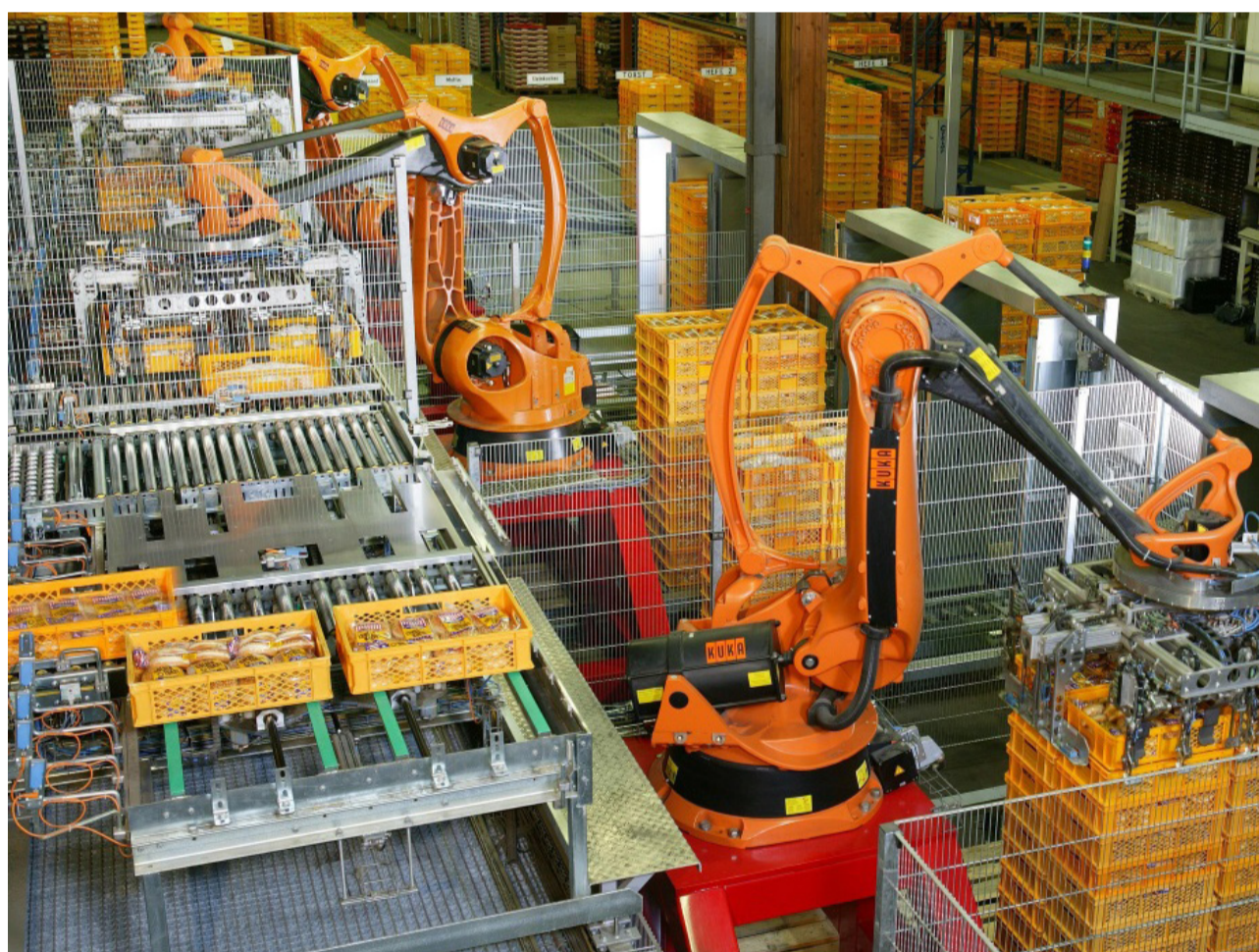


## The economic impact of automation in the workplace

by Oskar Birol (University of Edinburgh)

*In 2017, Oskar Birol, a 4th year Economics Undergraduate, took first prize in the inaugural Royal Economics Society video competition with his three minute presentation on automation*

This year the Royal Economics Society (with support of the Economic Network) ran their inaugural RES Video Competition. The competition was designed to develop and test students' ability to work in groups and communicate economics to a non-specialist audience. There is an interest in these skills amongst employers, as reported in the Economics Network's biennial employers survey, but also within the sector as a whole: the RES is using videos more frequently to communicate their work, lecturers are using videos in flipped classroom settings and the Economics Network ran a symposium to discuss effective communication of our discipline.



Increasing automation will have lasting economic impacts, as Oskar investigated in his prize winning video.

Students were tasked with producing a film up to 3 minutes in length that used economics to shed light on the real world. The topic choice was up to the students and could tackle a major issue (such as the fallout from Brexit, rising inequality or climate change) or focus on the

economics of everyday life (such as whether Uber is a good thing or why people sign up for gym memberships that they don't use).

Each institution submitted a single completed video to the competition with each entry being judged on the underlying economic content,



the application to the topic, and the clarity of exposition. The technical quality of the films was not explicitly taken into account, although the judges did look at the overall structure of the film and how the material was presented to generate and sustain interest.

Most entries were made in teams of 2 or more, but Oskar Birol, a 4th year Undergraduate, decided to take it on by himself and was selected to represent the School of Economics. His film focused on the economic impact of automation in the workplace.

Oskar's entry deservedly won first prize in the competition, sharing the honour and prize money with a 2 person team from the London School of Economics.

His entry was chosen for the simplicity and clarity with which the economic content was presented and explained, that the video maintained the interest of the video through an effective structure and a variation of pace, and how much focus on was placed on presenting to a non-specialist audience.

One of the judges, Bob Denham, had this to say about Oskar's work: "The graphics were very well done here, but more importantly as we saw it the video was entirely non-specialist friendly. Not a single term was brought up that wasn't explained alongside it or immediately afterwards."

On November 24th in front of a full Topics of Microeconomics class, Oskar was presented his award certificate by Professor John

Moore, following a short speech and a viewing of his winning entry.

We'd like to congratulate Oskar on his fantastic work and for bringing national recognition to the talented students we have here at the School of Economics.

*Below is a transcribed version of Oskar's video, which can be viewed here: <https://www.youtube.com/watch?v=wce011SUD3k>*

So... what will you do when there are no jobs? This is our video on automation and its economic impacts. 47% of jobs risk automation.

### **But... will my job disappear?**

Historically, better automation led to more jobs. This is about to change. While industrialisation hit manual workers the worst, this new wave of automation will affect white-collar jobs. This is due to machine learning. Computers are starting to learn without being explicitly programmed. AI (Artificial

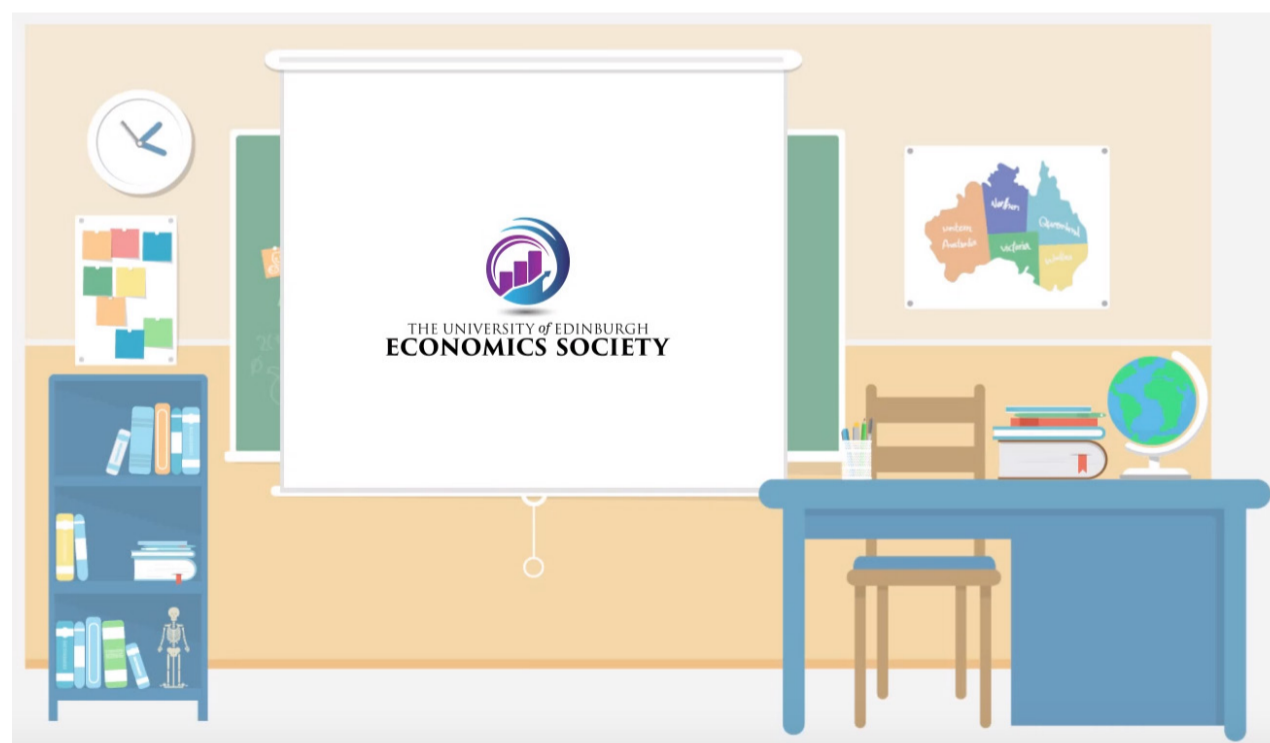
Intelligence) has grown better than humans at correctly identifying matching faces. Jobs in transport and office support are most likely to disappear.

### **So what are the economists worried about?**

The next wave of automation will likely polarise society and cause more inequality. Some are even more pessimistic; "we will have a job-less future," according to Martin Ford [an author who writes about AI's impact on the economy]. And while that isn't necessarily awful, we need to figure out how to distribute money to people:

- 1: Basic Income – providing each citizen with a basic income.
- 2: Robot Tax.

Ultimately, automation will generate a lot of money, and some will enjoy not working. And those of us that do want to work will have to get good at always learning.



Oskar's video impressed the RES judges with its visual flair and how accessible the information was for non-specialists.

#### **About the Royal Economics Society**

With more than 4,000 members across the world, the Royal Economics Society (RES) was founded in 1890 as the British Economic Association, meaning that it is one of the oldest economic associations in the world. The society publishes two respected, peer reviewed journals that feature contributors from across the globe - *The Economics Journal* and *The Econometrics Journal*. The RES also hosts a conference each year that provides an opportunity to share research and network with colleagues from other universities. They are increasingly focused on engaging with schools and the wider public in order to improve common understandings of economics, and have prioritised key targets such as credibility and diversity. You can find out more about the RES on their website: <https://www.res.org.uk/>