



## **GREEN PAPER ON THE FUTURE OF WORK**

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The digital revolution, automation and artificial intelligence have the potential to profoundly change the labor market.

Not only will the Taylorist model of work is dead, but the contractual type on which the employment relationship is based tends to be distorted.

The increase in information and communication technologies, along with the use of algorithms in the selection of workers, data processing on a scale never seen before and the massification of remote work, will bring new ways of providing work, new (un)balances, new challenges in reconciling work and family life, as well as new issues in the right to privacy, the limitation of working time and the right to disconnection. On the other hand, the increase of informal workers, the work provided on collaborative platforms and the distortion of the traditional employment contract, can jeopardize social protection and the sustainability of social security.

To face this challenges, there are two possible paths: the first, is to do nothing, to believe in the market and its "invisible hand" and to follow a Hayekian line, according to which freedom of business management and economic agents will find, alone, the best way for these new questions, without the interference of the State. The second, more Keynesian, is based on regulation – since it is a theme that can break with the social model we know, enhance unemployment, bring social conflict and threatens the pillars of liberal democracies, it is important to regulate, prevent and act, in order to avoid unpleasant surprises.

The famous conflict of two great economic schools, which pitted Hayeck and Keynes in the aftermath of World War II, sublimely described in the work of Nicholas Wapshott, seems to be in force again, this time regarding the future of work.

It is true that the theme is recurrent. The idea that machines are going to steal our jobs is old. Since industrialization and the end of the 18th century, countless economists have warned about the threat of massive machine use, which can make human labor superfluous. The truth, however, is that since then societies have always fostered, reaching a level of satisfaction and sophistication that have altered our standard of living. In general, at least in Western countries, innovation and technology have increased our standard of living; life expectancy has increased; public health systems have become universal; and social security has created an equally universal system of protection in old age, sickness and unemployment. The machines destroyed some jobs, it is undeniable, but the balance was positive: technology increased labor productivity, brought competitiveness, extended consumers' freedom of choice and opened doors to new opportunities, which once existed only in the field of science fiction

This time, however, the disruption may be more intense.

It is not just a question of introducing technology and automation into existing models. What's at stake right now is more than that. It is a change in the model of social contract that has brought us a long period of peace and prosperity since the end of World War II. What is at stake this time is the increase of inequalities, the implosion of permanent employment contracts and their replacement with a new working



model, based on flexibility, intermittency, and the absence of working relationships between those who work and those who hire.

For this reason, several international organizations, including the European Union, the International Labor Organization and the OECD, have warned of the need for society to jointly prepare the future of work, promoting social dialogue between governments, employers and workers.

It is in this context, therefore, that several countries have studied the theme and promoted the publication of a Green Paper on the Future of Work, as is the case of [Green Paper Work 4.0](#), prepared by the German Ministry of Labor.

On the eve of assuming the Presidency of the European Union, and in order to be at the forefront of this movement, the Portuguese Government also started preparing its own Green Paper, and I have the privilege of being one of the scientific coordinators of it, along with my colleague, Prof. Teresa Coelho Moreira.

The making decision process will be based on listening sessions with all: academics, thinkers, civil society, NGOs, employers' associations and trade unions.

The goal is clear: by the end of 2020, guidelines should be set up to prepare the country for the challenges of the future in the labor market.

Above all, we'll try to reach a fair balance be struck between modernity, technology and flexibility, on the one hand, and the existence of decent, secure and healthy works, on the other.