Average Is Over

By THOMAS L. FRIEDMAN

In an essay, entitled “Making It in America,” in the latest issue of The Atlantic, the author Adam Davidson relates a joke from cotton country about just how much a modern textile mill has been automated: The average mill has only two employees today, “a man and a dog. The man is there to feed the dog, and the dog is there to keep the man away from the machines.”

Davidson’s article is one of a number of pieces that have recently appeared making the point that the reason we have such stubbornly high unemployment and sagging middle-class incomes today is largely because of the big drop in demand because of the Great Recession, but it is also because of the quantum advances in both globalization and the information technology revolution, which are more rapidly than ever replacing labor with machines or foreign workers.

In the past, workers with average skills, doing an average job, could earn an average lifestyle. But, today, average is officially over. Being average just won’t earn you what it used to. It can’t when so many more employers have so much more access to so much more above average cheap foreign labor, cheap robotics, cheap software, cheap automation and cheap genius. Therefore, everyone needs to find their extra — their unique value contribution that makes them stand out in whatever is their field of employment. Average is over.

Yes, new technology has been eating jobs forever, and always will. As they say, if horses could have voted, there never would have been cars. But there’s been an acceleration. As Davidson notes, “In the 10 years ending in 2009, [U.S.] factories shed workers so fast that they erased almost all the gains of the previous 70 years; roughly one out of every three manufacturing jobs — about 6 million in total — disappeared.”

And you ain’t seen nothin’ yet. Last April, Annie Lowrey of Slate wrote about a start-up called “E la Carte” that is out to shrink the need for waiters and waitresses: The company “has produced a kind of souped-up iPad that lets you order and pay right at your table. The brainchild of a bunch of M.I.T. engineers, the nifty invention, known as the Presto, might be found at a restaurant near you soon. ... You select what you want to eat and add items to a cart. Depending on the restaurant’s preferences, the console could show you nutritional information, ingredients lists and photographs. You can make special requests, like ‘dressing on the side’ or ‘quintuple bacon.’ When you’re done, the order zings over to the kitchen, and the Presto tells
you how long it will take for your items to come out. ... Bored with your companions? Play games on the machine. When you’re through with your meal, you pay on the console, splitting the bill item by item if you wish and paying however you want. And you can have your receipt e-mailed to you. ... Each console goes for $100 per month. If a restaurant serves meals eight hours a day, seven days a week, it works out to 42 cents per hour per table — making the Presto cheaper than even the very cheapest waiter.”

What the iPad won’t do in an above average way a Chinese worker will. Consider this paragraph from Sunday’s terrific article in The Times by Charles Duhigg and Keith Bradsher about why Apple does so much of its manufacturing in China: “Apple had redesigned the iPhone’s screen at the last minute, forcing an assembly-line overhaul. New screens began arriving at the [Chinese] plant near midnight. A foreman immediately roused 8,000 workers inside the company’s dormitories, according to the executive. Each employee was given a biscuit and a cup of tea, guided to a workstation and within half an hour started a 12-hour shift fitting glass screens into beveled frames. Within 96 hours, the plant was producing over 10,000 iPhones a day. ‘The speed and flexibility is breathtaking,’ the executive said. ‘There’s no American plant that can match that.’ ”

And automation is not just coming to manufacturing, explains Curtis Carlson, the chief executive of SRI International, a Silicon Valley idea lab that invented the Apple iPhone program known as Siri, the digital personal assistant. “Siri is the beginning of a huge transformation in how we interact with banks, insurance companies, retail stores, health care providers, information retrieval services and product services.”

There will always be change — new jobs, new products, new services. But the one thing we know for sure is that with each advance in globalization and the I.T. revolution, the best jobs will require workers to have more and better education to make themselves above average. Here are the latest unemployment rates from the Bureau of Labor Statistics for Americans over 25 years old: those with less than a high school degree, 13.8 percent; those with a high school degree and no college, 8.7 percent; those with some college or associate degree, 7.7 percent; and those with bachelor’s degree or higher, 4.1 percent.

In a world where average is officially over, there are many things we need to do to buttress employment, but nothing would be more important than passing some kind of G.I. Bill for the 21st century that ensures that every American has access to post-high school education.