

# THE INTERNET DIDN'T KILL THE MIDDLE CLASS; LAXITY AND APATHY DID

In tandem with the release of his book, *Who Owns the Future?*, Jaron Lanier's interview with Salon generated a



lot of hand-wringing across social media. It seems Lanier, one of our so-called intellectual visionaries, believes that the collapse of Kodak and its 140,000 jobs, and the rise of Instagram and its 13 jobs, exemplifies the killing field of the internet. Lanier theorizes good paying jobs that once supported a thriving middle class have disappeared as internet-enabled firms replaced them. As these jobs vaporized, so did necessary benefits. Here's a key excerpt from the interview:

"Here's a current example of the challenge we face," he writes in the book's prelude: "At the height of its power, the photography company Kodak employed more than 140,000 people and was worth \$28 billion. They even invented the first digital camera. But today Kodak is bankrupt, and the new face of digital photography has become Instagram. When Instagram was sold to Facebook for a billion dollars in 2012, it employed only 13 people. Where did all those jobs disappear? And what happened to the wealth that all those middle-class jobs created?"

What a crock of decade-late shit.

Where the hell was Lanier in the late 1990s and early 2000s, when the U.S. manufacturing sector nose-dived due to government policies created by corporate-acquired elected officials and appointees?

It wasn't the internet that killed the middle class. The apathy of intellectuals and the technology elite did; too few bothered to point out the potential repercussions of NAFTA and other domestic job-depleting policies. In the absence of thought leaders, corporatists sold the public and their electeds on job creation anticipated from globalizing policies; they just didn't tell us the jobs created wouldn't be ours.

It wasn't the rise of digitization that killed the middle class. It was the insufficiency of protests among U.S. brain power, including publicly-funded academics, failing to advocate for labor and home-grown innovation; their ignorance about the nature of blue collar jobs and the creative output they help realize compounded the problem.

Manufacturing has increasingly reduced man hours in tandem with productivity-increasing technological improvements. It wasn't the internet that killed these jobs, though technology reduced some of them. The inability to plan for the necessary shift of jobs to other fields revealed the lack of comprehensive, forward-thinking manufacturing and labor policies.

It all smells of Not-My-Problem, i.e., "I'm educated, technology-enabled, white collar; those stupid low-tech blue collar folks' jobs aren't my problem."

Until suddenly it is.

I remember having an argument with an academic in 2006 about the oncoming paradigm shift in education where intellectual property and its transference became the core product and key competency in the business model. Universities, for example, would be at risk; if information

was digitized and commodified, what would happen to the brick-and-mortar campuses? Eventually they would have to rationalize their existence and differentiate themselves if everybody and anybody could obtain the same education online, no matter where students were located. The cost of education could collapse in a commodified environment.

At the time I was told that wasn't realistic, it would never happen – the academic's approach to telling me I was full of shit.

Hello, MOOCs (massive open online classes).

Now academics can finally see the threat to their careers. They couldn't give a rat's butt when blue collar workers at dirty, dangerous jobs were threatened. They're worried now, though, when the jobs of white collar folks supporting cultural creatives like themselves are threatened.

A decade-plus later, an intellectual with a background in technology, suddenly realizes that the paradigm shift is rolling onto and over his world – oh, and there's a gaping maw where government policy should be to prevent the destruction of the world as he knows it. Nice latency you've got there, bub, the very definition of lax.

Another industry suffering from collapse is construction – see this active timeline and note the location of job growth up to 2008 and the corresponding collapse after the fact. This was another opportunity for visionaries a decade ago to discuss the repercussions of cheap money and inadequate protections against predatory banking. While the construction industry itself didn't suffer from a shift in technology, it was the increasing use of technology combined with lax regulation and oversight in mortgages, financing, and related derivatives that caused the collapse.

Again, intellectuals and technology folks were mute as middle class jobs bound up in real estate, construction, finance industries were

dramatically impacted by the economic meltdown. Safety nets were attacked when they weren't squashed altogether.

Lanier's mourning for Kodak is pathetic not only for its narrow comprehension, but its blindness. Kodak's film business model is non-competitive and obsolete, given current policies combined with globalization. The present is digital; Kodak should have seen this and been looking for an Instagram future of its own years ago. It should have envisioned a new economic ecosystem developed around digital images. Or it should have lobbied harder for policies that would have encouraged on-shoring versus offshoring of manufacturing facilities, jobs, and profits, in order to save its film-based business.

I suggest rapid development of time travel technology so that reactive eulogists like Lanier can beam themselves back to the end of the Clinton and early Bush administrations to fix the roots of these problems.

In the meantime, we should be encouraging proactive visionaries – true intellectuals who can see the big picture and imagine establishment of government policies preserving pay and benefits while encouraging innovation.

Otherwise we would do well to imagine and plan for a near-term future in which all manufacturing and most construction around the world is replaced by 3D printers. Our kids and grandkids may be reduced to futures in direct competition with a global employment pool of poorly compensated printer designers, printer operators, and printer repairmen, where lowest cost energy as a factor in production reigns supreme.

Perhaps Lanier will write about the horror of such a future a decade later.