

The Grand Imbalance

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Charles Dickens, the celebrated British author who told of the enormous dislocation and impoverishment that the Industrial Revolution represented, began *The Tale of Two Cities* with extraordinary perspicacity: “It was the best of times, it was the worst of times, it was the age of wisdom, it was the age of foolishness, it was the epoch of belief, it was the epoch of incredulity, it was the season of Light, it was the season of Darkness, it was the spring of hope, it was the winter of despair, we had everything before us, we had nothing before us, we were all going direct to heaven, we were all going direct the other way – in short, the period was so far like the present period, that some of its noisiest authorities insisted on being received, for good or for evil, in the superlative degree of comparison only”. History repeats itself.

The pervasive world issue in recent decades is, again, the grand imbalance: reality advances much more rapidly than the capacity of governments and institutions to adjust. Technology gives rise to inordinate changes in the economy and in families, dislocating companies, sources of work and modes of production, consumption and lifestyles. As the Industrial Revolution destroyed millions of agricultural jobs, the digital revolution is altering the status quo on all fronts. If whoever visited a factory three or four decades ago were to go back now they would note one striking obviousness: production increases exponentially but jobs do not. A half century ago two workers were required per loom; today a sole employee, managing a computer, is responsible for up to ten thousand looms. The social impact is evident.

But the digital dislocation is infinitely more complex than that undergone two centuries ago because, although it displaced many agricultural jobs with the incorporation of machinery in the field, the type of activity did not change radically: in both cases, in the field and in industry, jobs would require manual skills to work on production lines. In contrast, the average worker on an industrial production line does not possess the characteristics that the digital age demands, where intellectual abilities are sought that are the product, in good measure, of the educative process.

Two things are conspicuous on observing the evolution of the automotive industry in the country – perhaps the most advanced of the industrial sector. On the one hand, the skill that workers have had in surmounting the deficiencies of the educative system with which they came on the scene: training programs and the huge capacity to adapt that is typical of the Mexican worker have permitted the rise of productivity and successful competition with the world. On the other hand, the industrial processes found in the country continue being, in the light of international comparisons, relatively simple. That is, the educative system constitutes a huge impediment with regard to incorporation into the world’s most advanced productive systems, the latter accompanied by the best jobs, those that pay most.

The dysfunctionality of the educative system is just one very widespread symptom from which the world suffers: there is no country, however well developed, that does not experience the same type of maladjustment. The political manifestation of this phenomenon is apparent in the growing fortification of the French Extreme Right, the ascent of U.S. populism in the person of Trump and, even, in the

electoral appeal that, at its time, was represented by figures like Hugo Chávez in Venezuela and the Kirchners in Argentina. Those who feel pressed by the rhythm of change, the many who have lost jobs or who live on miserable salaries, are auspicious cannon fodder for these movements. The same phenomenon arose at the beginning of the Industrial Revolution and did not desist until decades later, when society and its institutions became acclimatized to the new realities and joined forces with the new economic era. There is no reason to think that this time will be different, but that implies decades of dislocation, with the consequences that this presupposes.

There are at present mechanisms of adjustment (social security, retirement funds such as the *Afores*, pensions, programs like *Prospera*) that permit the attenuation of the most obvious costs of these imbalances, but the political phenomenon is not distinct. That is, perhaps the havoc wreaked on humans would be less extreme, but the political impacts without doubt will be. People who lose their jobs, who cannot find employment or who have unproductive jobs inevitably swell the ranks of the frustrated who revive populist solutions. If we add to this what will inexorably come, the restructuring of monsters such as Pemex, the political dislocation will be colossal because not only will jobs be lost, but also these will be lost by social groups and unions that for decades have been untouchable and that have developed a militant and aggressive culture. The reverberations of the bankruptcy of the Mexican national electricity company Luz y Fuerza in the figure of the Mexican Electrical Workers Union (SME) will have been but child's play compared with what could emerge from Pemex.

Mexico is particularly ill equipped to confront the imbalance that is ahead. We have weak institutions, a system of government that has already proven itself incapable of dealing with the challenges of the industrial era, and an absent government. At the same time, it would be an imposing opportunity to transform the system of government and to compress two stages into one. The Chinese symbol for crisis incorporates danger as well as opportunity. The question is what our choice will be.

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