

# What do you humans want?

... AND WHAT CAN MACHINES DO FOR THEM?

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# ANXIETY ABOUT TECHNOLOGY

*“What worries many job experts more is that automation may prevent the economy from creating enough new jobs...”*

The Automation Jobless. TIME magazine story dated February 24, 1961.

*“The basic fact is that technology eliminates jobs, not work.”*

Bowen, 1966. Report of the National Commission on Technology, Automation, and Economic Progress.

# QUESTION ABOUT FOOD FROM 1950s PERSPECTIVE.



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A consumer can perceive goods to be substitutes or complement

Choosing between goods:

*Substitutes:* very sensitive to price

*Complements:* less sensitive to price change

# SUBSTITUTES AND COMPLEMENTS

Choosing between goods:

*Substitutes*: very sensitive to price

*Complements*: less sensitive to price change

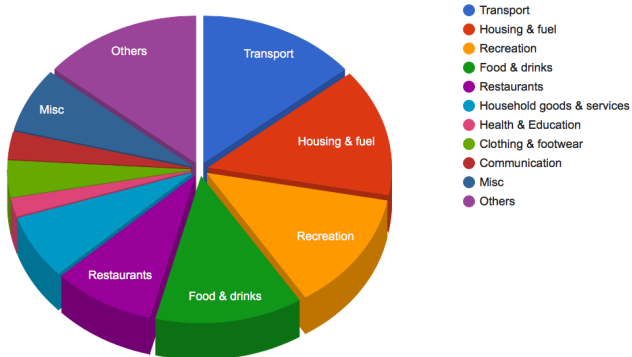
Can bundle *substitutes* into a category, but not *complements*.

*Do consumers perceive automated goods to be substitutes or complements?*

Does price and market power matter?

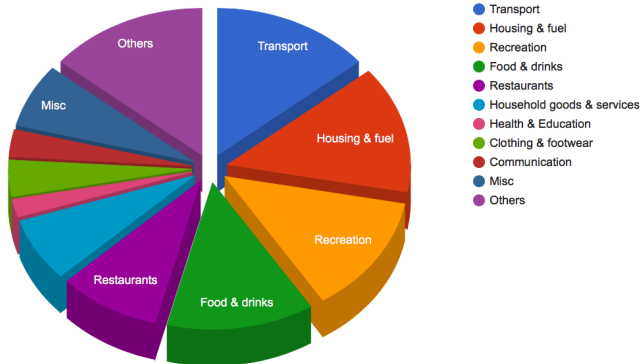
# UK EXPENDITURE DATA 2016

Average UK household expenditure, 2016



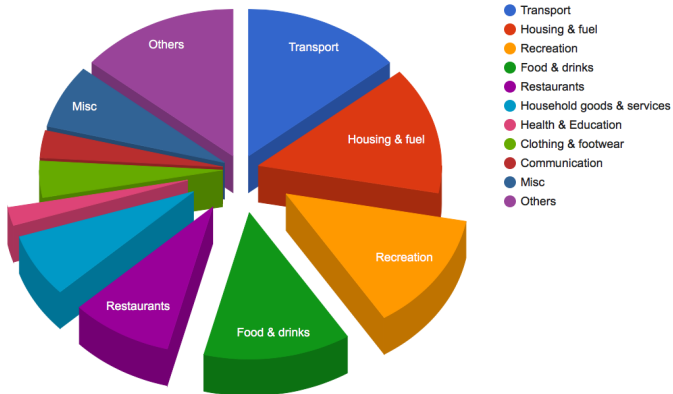
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# PRODUCTION

<i>Machines</i>	<i>Humans</i>
<i>Repetitive tasks</i>	<i>Copycats</i>
<i>Require explicit pathways</i>	<i>Contrarians</i>
<i>Problem interfacing humans</i>	

substitutes or complements

does skill-adjusted wage play a role

# KASPAROV VERSUS IBM'S DEEP BLUE



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