

## Fast Food Automation, an Old Idea, Gets New Life to Bash Fight for 15

Adam Johnson

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Putatively liberal outlet Vox spends a great many column inches trying to stop the national labor movement known as "Fight for 15" from increasing the minimum wage to \$15 an hour. Its most frequent writer on the subject, Timothy Lee, is a <u>former adjunct scholar</u> at the libertarian Cato Institute, and is on the record <u>opposing *any*</u> minimum wage (when debating between \$12 and \$15, he doesn't mention that he prefers \$0), so it's entirely predictable he would consistently argue against Fight for 15:

- "What Bernie Sanders Misses About a \$15 Minimum Wage" (<u>11/15/15</u>)
- "Hillary Clinton Knows a National \$15 Minimum Wage Is a Bad Idea. She Endorsed It Anyway" (<u>4/15/16</u>)
- "California Just Passed a \$15 Minimum Wage. Even Left-Leaning Economists Say It's a Gamble" (5/31/16)

Lee's posts on the topic consist of hand-wringing over theoretical loss of employment and an increased incentive for automation technology. He's written a variation of the same article several times before; his latest, "'I Told You So': Former McDonald's Exec Blames Fight for 15 for New Touchscreen Ordering" (<u>11/30/16</u>), is the same as all the previous ones, only with the topical hook of a McDonald's <u>PR campaign</u> and a Forbes op-ed (<u>11/29/16</u>) by former McDonald's CEO Ed Rensi:

"I told you so," he writes. "In 2013, when the Fight for 15 was still in its growth stage, I and others warned that union demands for a much higher minimum wage would force businesses with small profit margins to replace full-service employees with costly investments in self-service alternatives."

But McDonald's, the fast food industry's lobbyists and right-wing media outlets have been making this threat for years, long before Fight for 15 gained mainstream acceptance and any political victories:

- "McDonald's Fries Only a Click Away" (Reuters, <u>6/13/03</u>)
- "McDonald's Hires 7,000 Touch-Screen Cashiers" (CNET, <u>5/17/11</u>)

• "The Fast-Food Restaurants That Require Few Human Workers" (NPR,<u>8/26/13)</u>

The idea that McDonald's would expand its use of kiosk technology is neither novel nor certain, but Lee presents it as a direct response to Fight for 15, rather than a long-planned technological adaptation that remains up in the air:

Now, Rensi says, his prediction is coming true. McDonald's is just one of several restaurants around the country that are experimenting with automated restaurant technologies. If jurisdictions continue to push up the minimum wage, more and more businesses will look for ways to automate their operations in order to avoid having to pay higher wages.

The economic logic of Rensi's argument is impeccable.

"Impeccable," you say? Please tell us how.

If you make the minimum wage high enough, businesses will look for more opportunities for automation and hire fewer workers. The question is whether a \$15 minimum wage is high enough to induce a lot of employers to switch to more automated systems.

And earlier this month, McDonald's announced that it was going to begin installing touchscreen ordering kiosks in its restaurants, which should allow restaurants to serve more customers with fewer workers.

But there's no reason to think these experiments wouldn't have happened without Fight for 15. Indeed, as mentioned above, these announcements predate Fight for 15, and have been "announced" in some form or another several times.

Does this mean McDonald's isn't rolling out kiosk technology in earnest? Of course not; corporations are always looking for new technologies to reduce labor costs. But would this rollout somehow not occur if workers struggling to stay above the poverty line hadn't taken to the streets to demand a living wage? Predictably, this is not a question Lee feels a need to explore, much less answer.

In patented Vox "explainer" fashion, Lee ends the piece with lazy condescension:

It's easy to get people fired up about an alliterative slogan like "Fight for 15." But alliteration isn't necessarily a good way to choose a policy goal. The implicit idea here—that people everywhere should get the same minimum wage whether they live in a booming, expensive metropolis or a struggling town with a low cost of living—doesn't make a lot of sense.

"It doesn't make a lot of sense, you economically literate rubes" isn't the most compelling argument, but Lee only has 500 or so words to play with, so his denouement being a self-reinforcing insult is understandable. Blaming automation, in general, is a great get-of-jail-free PR card for corporations who plan to or may plan on cutting jobs, and want to turn the public sentiment away from supporting pro-labor measures.

*"If you get too greedy, we'll fire all of you"* is an anti-worker threat as old as organized labor. Only now, the Pinkertons have been replaced by a sophisticated public relations machine that relies, in part, on credulous write-ups from outlets like Vox.