



A World Without Work

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The economic argument running through these lectures is that new technologies have two very different effects on the labour market. On the one hand, machines ‘substitute’ for human beings when they displace them from particular tasks, reducing the demand for their work. On the other hand, machines ‘complement’ human beings when they raise the demand for their work at other tasks that have not been automated – increasing the demand for them to do that work instead. The balance between these two competing forces determines whether new technologies increase or decrease the demand for the work that we do.

Distinguishing clearly between the harmful substituting and helpful complementing effects of new technologies helps to explain why past anxieties about the impact of technology on work – and in particular, the idea that there would not be enough work for people to do -- were repeatedly misplaced. In the clash between these two fundamental forces, our worried ancestors time and again tended to pick the wrong winner. They tended to focus on the harmful substituting force and underestimate the strength of the helpful complementing force -- or neglect it altogether.

In the last lecture, I set out two types of technological unemployment, two different ways that people might find themselves without work because of the remarkable technological changes that are now unfolding. There, the focus was ‘frictional’ technological unemployment – where there are enough jobs for people to do but for various significant reasons, people might not be able to do those jobs. The helpful complementing effect continues to overpower the harmful substituting effect, as it has done up until now. And I explored the various mismatches – of skills, place, and identity – that might get in the way of people taking up the available work.

In this lecture, I want to look further into the future. As technological progress continues its gradual, but relentless advance, taking on more and more tasks that once fell to human beings alone, is it possible that the threat of technological unemployment might shift – to one where there is simply not enough work to be done, full-stop, from ‘frictional’ to ‘structural’ technological unemployment? After all, we live at a time when the leaders of the large technology companies are all making roughly the same sort of claim: that within five to ten years, we will build an AI that can outperform human beings at every economically useful task that we do. Is that scenario inevitable? No, of course not. But is it possible – I argue that it is.

In what follows, I explore this second, structural type of technological unemployment. I explain how technological progress strengthens the harmful substituting force, displacing human beings from an ever-widening set of tasks and activities. But I also describe how that same technological progress might also weaken the helpful complementing force, the one that has been critical in making sure there has always been enough demand for the work of displaced human beings in the past. In this account, the world of work comes to an end not with a bang, but a withering – a withering in the demand for the work of human beings, as the substituting force gradually over-runs the complementing force and the balance between the two no longer tips in favour of human beings.

If structural technological unemployment were to unfold, it would present a set of distinct and significant problems. There is the problem of distribution – how to share prosperity in society when our traditional way of doing so, paying people for the work that they do, is less effective than in the past. There is the problem of contribution – how to provide people with a way to contribute to the collective pot if the work that they do,

and the taxes that they pay, is no a longer feasible mechanism. There is the problem of meaning – if work is not only a source of income but also of meaning and purpose, then automation not only threatens to hollow out the labour market, leaving some without an income, but also hollow out that sense of direction and fulfilment in life as well. And finally, there is the problem of power – and in particular, what to do about the growing political power of the large technology companies who are responsible for developing these technologies in the first place.

Yet, in spite of these challenges, I nevertheless remain optimistic about the future of AI and work – and in closing, I want to explain why.

Further Reading

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