

THE POLITICAL ECONOMY OF KNOWLEDGE AUTOMATION

(The economic role of the political state as social innovator)

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The exponentiation of the production function via knowledge automation is being viewed from the canonized knowledge body of political economy. A possible economic role for the political state as social innovator is envisaged, concerning new models of education, employment and taxation. A radical overview of the essence of political economy is overdue to manage the coming tech-know-logical informatization of production.

The exponentiation of the production function by knowledge automation will have deep effects on human labor and natural ecology which are not been captured or reflected by the cognitive tools of political economy.

The raising of a power in quantity, like the coming exponentiality of manufacturing, finance and medicine, should not be confused with singularity;

the acceleration of the physical input-output processes, the shortening of the hitherto known production functions is our methodical and scientific focus.

In the next 20 years, we can expect that at least 50% of human (repetitive) labor will fall out exponentially of the production process; the driving out of living human labor from the production process is a historically and empirically well observed fact of capitalist economic development as a human made system. It must be added here that capitalist industrialization followed a geometric curve which corresponds naturally better with the human learning curve.

The red line for human labor and the natural ecology will surely be touched and cold markets are not sensitive to such hot social events. The economic role of the political state will be surely to step in as a social innovator, concerning appropriate education, employment and taxation.

Since Jv. Thuenen (1783-1850) elaborated the first model of production functions, the knowledge-intensity of all production factors increased eminently. If we consider the many emerging alternative roads to serfdom (rentiersism as neo-feudalism on a global scale; history repeating as Sisyphean economics), an informed state can most probably serve as a socio-economic innovator because many great leaps forward have either been done by the economic prudence of the political state or big industrial firms.

However, the very fundamentals of methodical thought in political economy must be solidified by a rigorous review. The current exponential tendency in knowledge automation can be a blessing or a curse for the human economy, but the body of economic knowledge should be made fit for the coming transition period. Meaningful work and fulfilling labor to make a living are much more than just earning money, this very sensitive issue of human dignity is being touched heavily.

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