From: Larry Horowitz

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Subject: FR VV

Comments:

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First name:Larry
Middle initial:I
Last name:Horowitz
Affiliation (if any):retired from MIT
Affiliation Type:
Address line 1:
Address line 2:
City:
State:
Zip:
Country:UNITED STATES
Postal (if outside the U.S.):
Your comment:I just want to be sure that the FOMC is accounting for the deflationary impact of robotics and automation when deciding on rate setting and QT policy going forward. When jobs are taken by robots, they do not ask for yearly raises, as human workers do, and the cost of technology to perform a fixed task only declines with time..This is deflationary. In addition, the number of jobs projected to be removed by the advent of automation far outnumbers the number of jobs expected to be created by the automation. Those workers left unemployed will tend to consume less, reducing aggregate demand and causing further deflation. So, even if overall productivity increases as automation increases, and the wages of those employed to run the automation may in fact be good, the overall impact of the increase in automation is likely to be very deflationary, just as ecommerce is deflationary due to the immediate ability to find best prices for products online. Some quantification of these trends should likely be factored into your policy setting for interest rates and QT going forward, to avoid causing a deflationary impact. Please forward this comment to the appropriate branch at the Federal Reserve. Thanks a lot. Larry