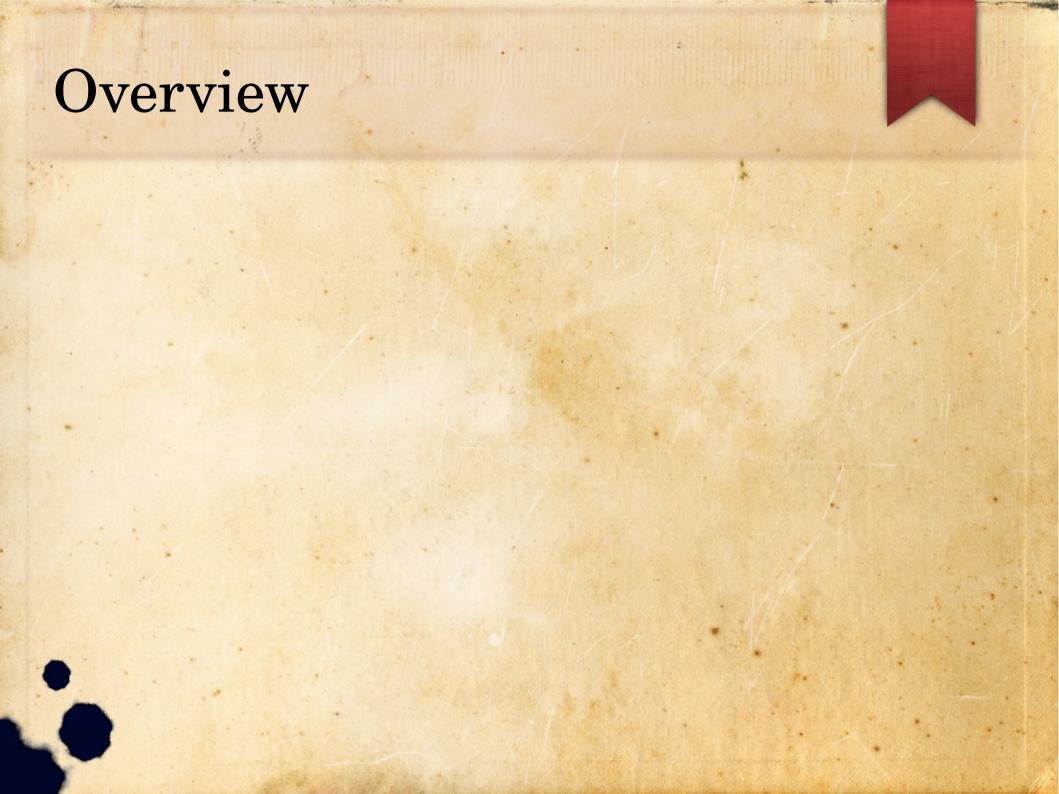
Automation and the Legal Profession

HAL-PC Legal SIG
Ronald L. Chichester, Esq.
March 19, 2014

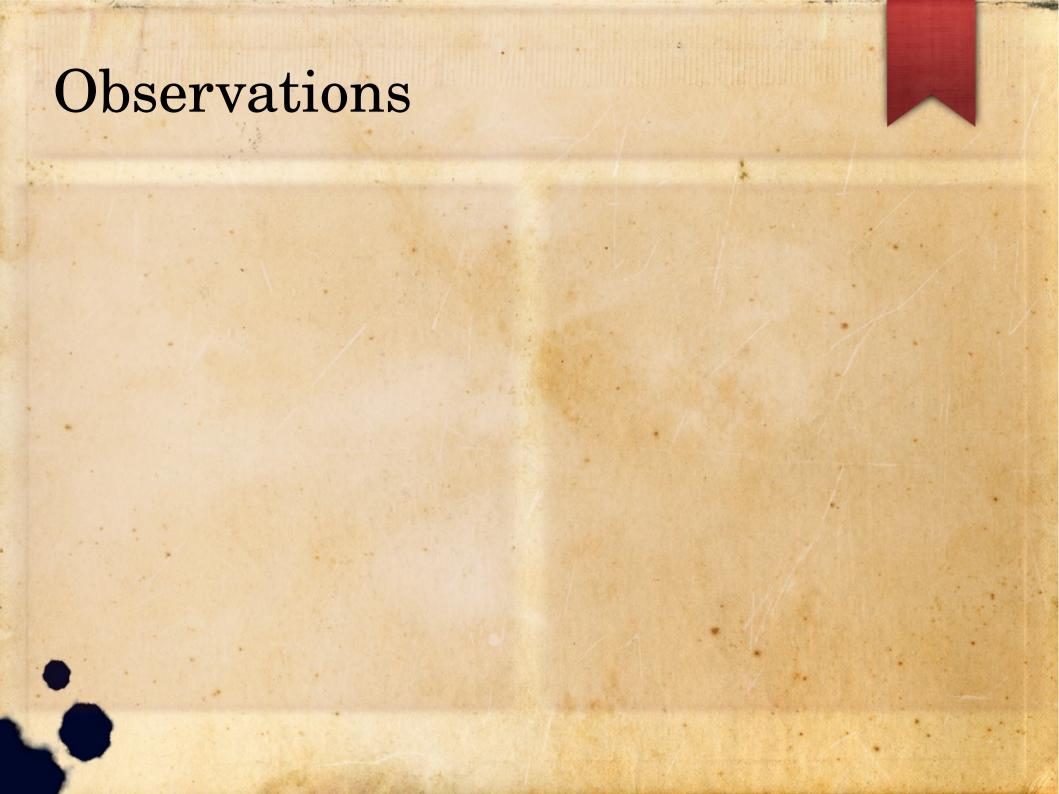


Some Observations

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- The Automation Process

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- Examples

- Some Observations
- The Automation Process
- Examples
- Prognosis



- 1870 United States
 - 70-80% of the workforce was involved in agriculture



- 2008 United States
 - 2% of the workforce
 was involved in
 agriculture





- This Time Is Different
 - In the Past: It was brawn being automated
 - Now: Brains are being automated

 So that percentage has started to drop (again).









- Kodak
 - 140,000 employees
 - Worth \$28 Billion

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 - 13 employees
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 - \$200,000/employee

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 - 13 employees
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 - \$76.9 Mil./employee

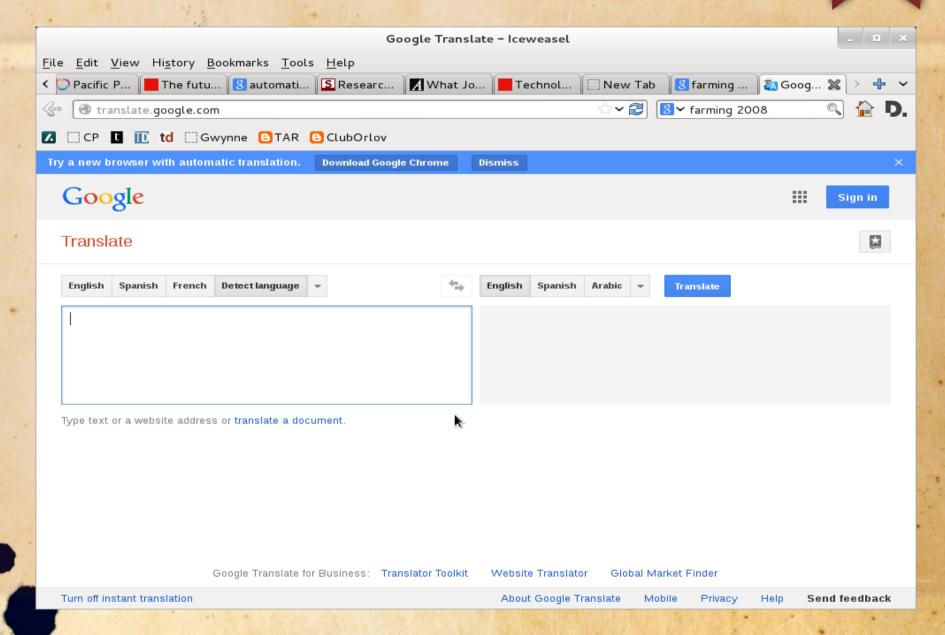
Kodak

- 140,000 employees
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Instagram

- 13 employees
- Worth \$1 Billion
- \$76.9 Mil./employee
- Completly de-values the 1.5 Million users who contribute the content that makes up Instragram's value.





"An amazing number of people offer an amazing amount of value over networks. But the lion's share of weath now flows to those who aggregate and route those offerings, rather than those who provide the *raw materials*."

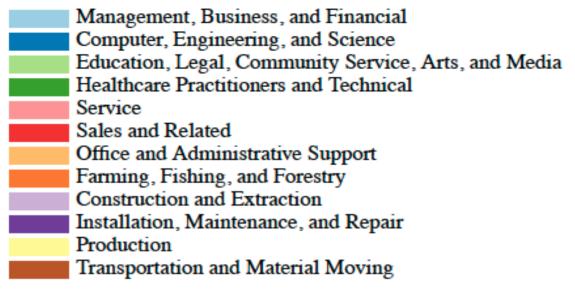
The Internet has destroyed many more jobs than it has created.

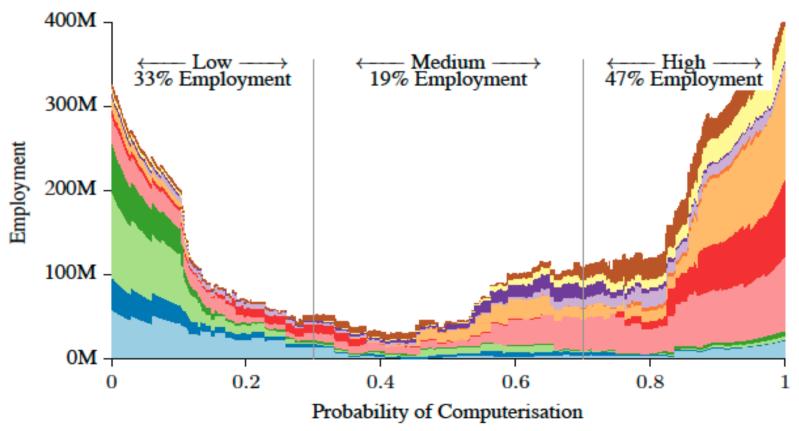
Unlike past generations, productivity gains do not benefit workers. They benefit only those who control the capital or the networks.

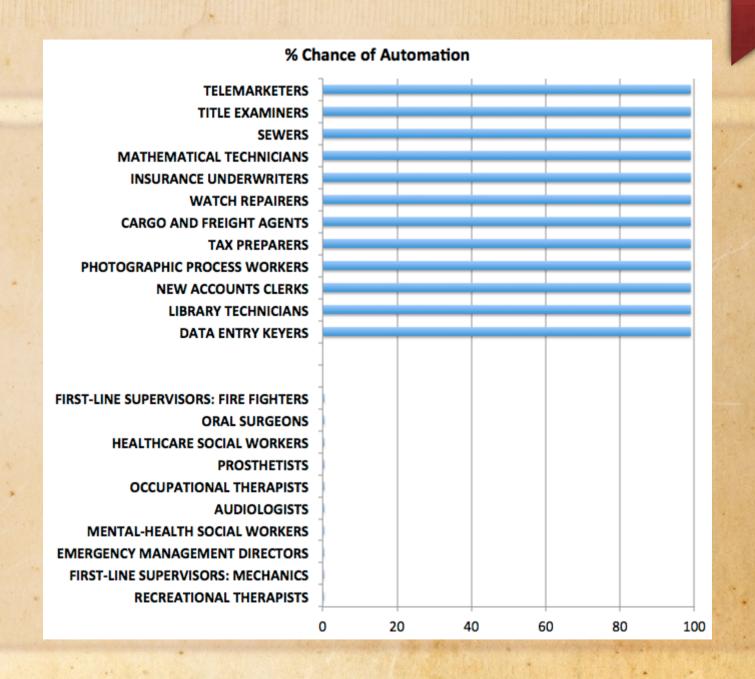
47% of all jobs are automatable within the next 10-20 years.

Unemployment will only get worse for the foreseeable future.

By 2030, 50% unemployment will seem low.







The System is Unsustainable

But in the meantime...



This will be more prevalent...







And so will this...





• There will be (more) pressure to:

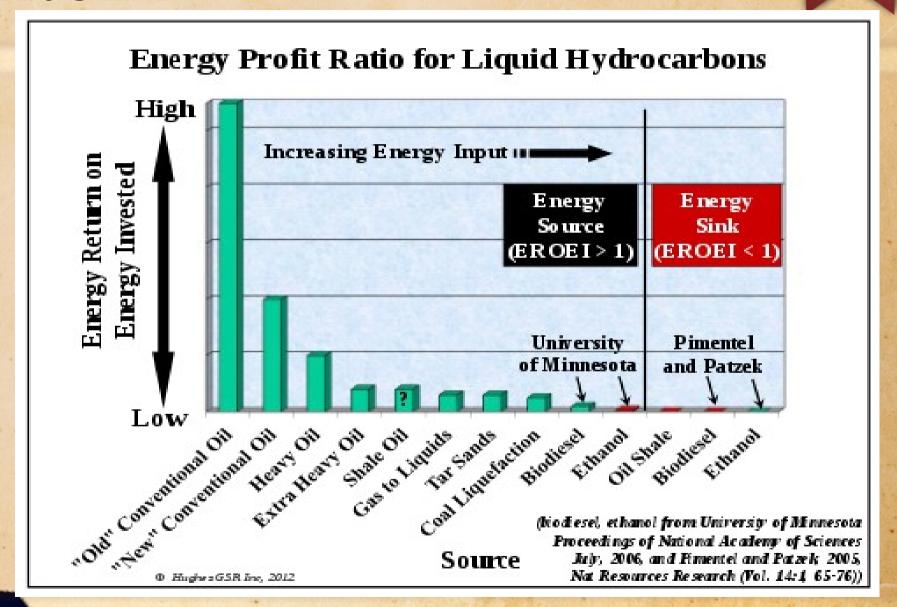
- There will be (more) pressure to:
 - Cut Costs
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- There will be (more) pressure to:
 - Cut Costs
 - Fewer clients with money
 - Automate
 - To compete with attorneys who grasp automation
 - Which will drive you to the Cloud
 - And into the waiting arms of the network controllers

Why is this Happening?

EROEI



EROEI

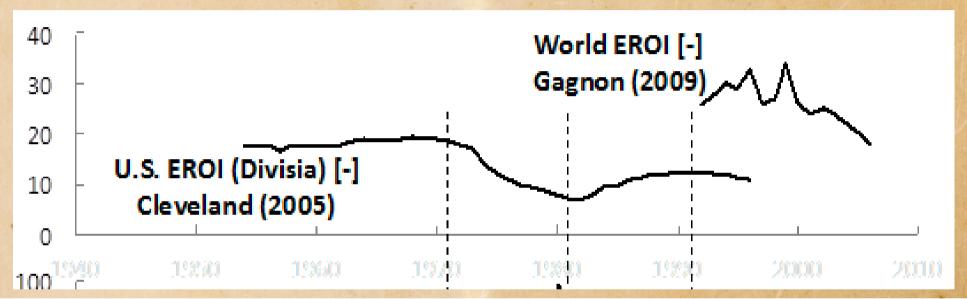


Figure 1 presents data on EROI, oil price, production cost and mark-up in an easily comparable way. Divisia-corrected EROI for the U.S. remained approximately constant from the mid-1950s to early 1970s, declined rapidly in the 1970s and increased again in the mid-1990s. The available data indicates that EROI for the world (Gagnon et al., 2009) and the U.S. (Cleveland, 2005) are falling at the present time. The present rate of technology improvement appears to be insufficient to put oil production EROI on a positive slope with respect to time. Time series data for oil prices are available from many sources. We used inflation-adjusted data for the average U.S. oil price (\$/barrel) for the period 1946–2010 as based on historical free market (stripper) prices of Illinois Crude. Producer prices for U.S. domestic oil are available from the U.S. Energy Information Agency (EIA, 2010) and show a peak in the early 1980s and a continuous rise from the early 2000s onwards.



Source: http://www.theoildrum.com/node/9249



• Credit-Based JIT Economic System

- Credit-Based JIT Economic System
 - Brittle Distribution Network: Points of Failure

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 - Brittle Distribution Network: Points of Failure
 - Growth Required to Pay Back Debt

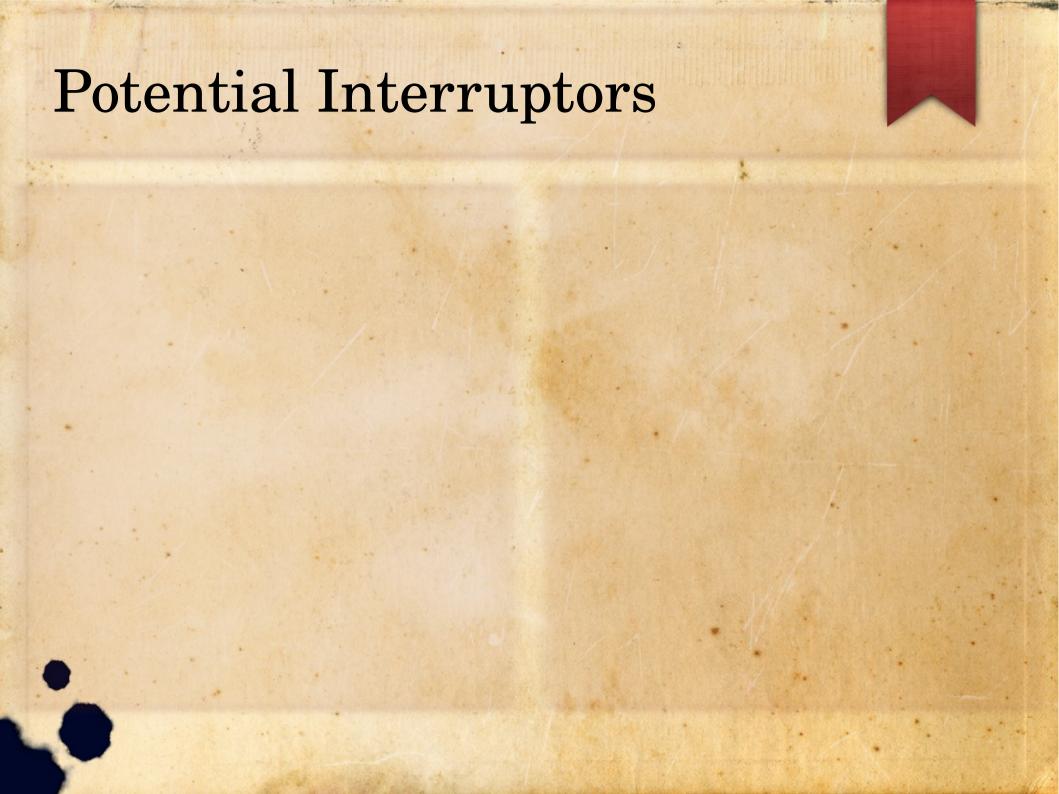
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 - Restructuring and Austerity Required
 - Cannot Service Debt Under These Conditions
- Another financial crisis is unavoidable



Climate Change

• Climate Change (important but unlikely)

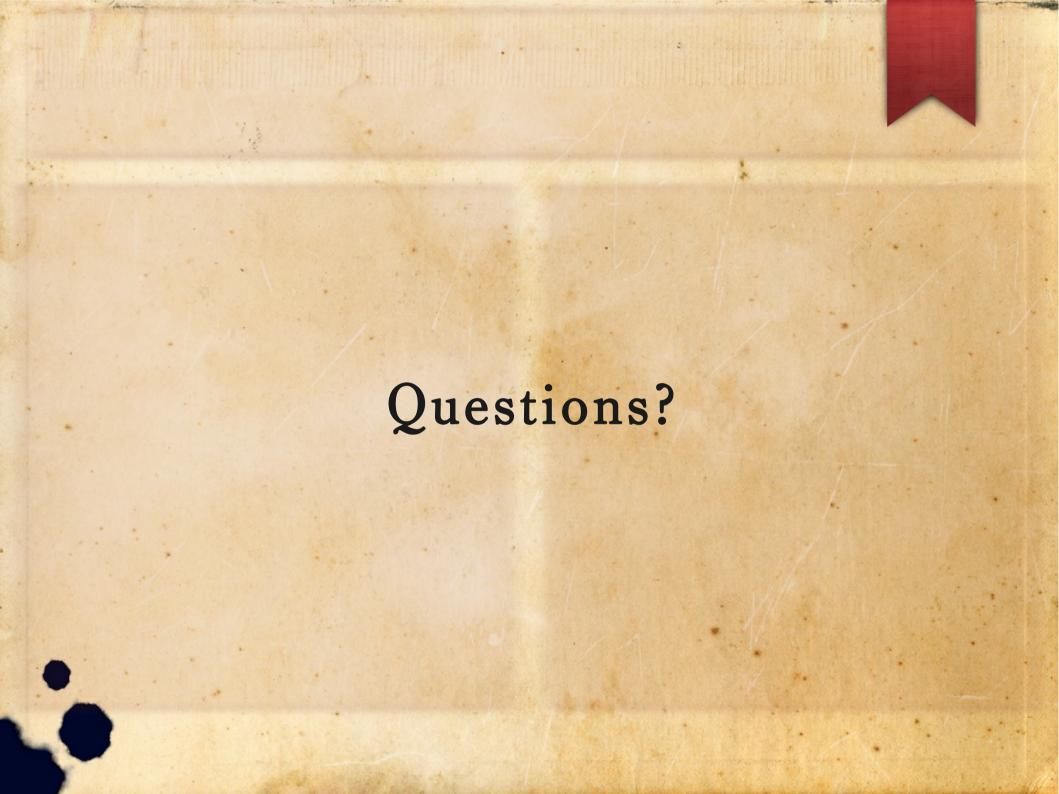
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- Catabolic Collapse
 - Financial (Black Tuesday)
 - Commercial (The Great Depression)
 - Governmental (Collapse of the Soviet Empire)
 - Cultural (Fall of the Roman Empire)
 - Tribal (Easter Island)

Interruptors Are All Unpleasant



Additional References

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