

POLS/ECON 409 · Solutions to 21st Century Problems, Part 3

Today's discussion prompts synthesize student-provided questions.

Bail, nationalize, or... Should the US have paid off mortgages instead of bailing out banks? Should the US have nationalized the banks – or did the bailout or quantitative easing constitute a form of nationalization? What would the world look like today if no one bailed during the crisis?

Austerity. If austerity has failed, why has Europe stuck with it?

Full employment. Will the US ever reach full employment again? What happens if we don't? Are we there now?

Policy solutions. Is there a policy that could prevent automation from eliminating jobs? Is there a policy that could help places like Youngstown reinvent themselves?

Paths out of postdemocracy. How can ordinary citizens be empowered to effect real political change in the era of postdemocracy? Can American political institutions be reformed to become more robust and more aligned with democratic ideals?

A house divided... Has the end of the Golden Age of Capitalism contributed to rising partisan polarization in the United States?

... and a wall raised. Is the rising tide of nationalism and xenophobia in the US and Europe a result of globalization, technological innovation, or something else?

Beyond the US and Europe. How has the financial crisis and Great Recession played out in Latin America? Which countries were hardest hit, which were least affected, and which countries had the most robust financial institutions? Or what about China today: how likely is it that China is experience a financial bubble? If so, what are the potential consequences for China and the world?

Slow growth. Is slow growth good or bad? Is slow growth a solution to financial crises and is fast growth a cause of them? Can consumers usher in slow growth by changing their behavior?

Climate change. Mitigating and adapting to climate change is a major endeavor that will involve massive capital investment and produce winners and losers. How do the issues raised in this course inform and/or intersect with this major issue for the 21st century? Your answer might draw on Piketty's warnings about capital accumulation, Gilens & Page's discussion of the policy process, or McCarty, Pool & Rosenthal's "3 I's" (ideology, interests, and institutions), *inter alia*.

Psychology & political economy. Perception arguably plays a large role in how political and economic actors respond to each another. Should psychology play a larger role in political economy analysis? What might a psychological perspective reveal about the political economy issues raised in this course?

Big data. Will "big data" – in this case, the ability of firms to target specific consumers with prices and offers customized to their personal tastes, resources, and behavior – change the way the economy works?

Technology and higher education. How will technological innovation change higher education in the long run? *The demand side*: Will more people go to college, or will declining labor demand reduce college enrollment? Will more students pursue technical degrees to meet labor market demands, or will more people become "professional students"? *The supply side*: how will information technology change higher education?

The fall of the meritocracy. If Piketty is right, and the rentier class is rising, will the economies of the US and Europe become less "meritocratic"? Is meritocracy a worthy goal? How would an ideal meritocracy deal with varied genetic endowments or the human desire to provide advantages to one's children?

Economic theory in a changing world. Should macroeconomic theory be universal, or must it change with the times? Do current academic institutions incentivize scholarly adaptation or stagnation?

Agenda for the future. Which solution proposed in this course is the most compelling? The most adoptable?

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