

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

*Today's discussion prompts synthesize student-provided questions.*

**The next recession.** Are we headed for another recession soon and are we ready for it? Thinking of past lessons and present trends, what signs should we look for? What countercyclical policy are available to fight a recession, and which are tapped out? If the next recession involves a financial crisis, will banks be too big to bail?

**Automation.** What policies should governments adopt to address automation? Is there a way to slow or reduce automation without stifling creativity and progress? Is automation likely to encounter significant resistance from modern-day Luddites? How will existing inequality, including inequality in “voice” through the media and democracy, affect the path towards automation?

**Industrial revolutions.** Did the transition from small scale industry to Fordism create as much conflict as the transition from an industrial to knowledge economy? What can we learn from past industrial revolutions about the present?

**Universal basic income.** A universal basic income change might have many political, social, and economic effects, especially if it were the main source of support for much of the population. How will political power be distributed if most people have similar incomes? What political cleavages do you expect? What items would dominate the agenda? What problems might emerge in such a society?

**Redistribution.** We've frequently discussed redistributive policies as a remedy to inequality, whether driven by technology or by economic change. Considering how redistributive policy affects the choices and behaviors of net recipients and net payers, does redistribution have a “right” level, and if so, what is it, or how could it be determined?

**Climate and the economy.** How will climate change affect the economy and politics? Will it overwhelm insurance markets? Local and regional governments? Generate new speculative bubbles? Will mass migration caused by climate change feed populism or nationalism? How can we incorporate the effects of climate change in our political economy models?

Populism and political coalitions. Many of our authors focus on the emerging demands of “populist” constituencies in the Rust Belt and other swing states. Can Democratic candidates incorporate these voters in their appeals and constituency without alienating other important voting blocs?

The housing market. What should we make of post-recession trends in the housing market? On a policy level, what steps should governments consider? On a personal level, what implications do current trends have for young adults?

A world currency? Drawing on the lessons of the euro, how might a single world currency work, and what benefits or problems would it create? You might consider comparisons between countries outside and inside the eurozone (such as the US, UK, Iceland, Ireland, and Greece) in your answer.

Gender and education. Claudia Goldin’s recent work highlights the role gender plays in the development of knowledge-based professional careers. Returning to the broader question of the race between education and technology, should we place a greater emphasis on the role of gender?

Effective policy for massive change. We’ve talked about big solutions (universal basic income, wealth taxes) to big problems (inequality, post-job economies). How do we get there? What are rational starting points for change?

Two halves. What do the two halves of the course – the Great Recession and the long-term economic challenges that followed – have to say to each other? What can we learn from the recession to address today’s problems?

Practical lessons. Many of us will soon be entering the workforce, seeking specialized training, and acquiring new assets and debts. What lessons can we take from the course to inform such personal decisions? How should we gather news and stay informed? What economic indicators should we watch and how should we react to them? How should we think about the tradeoffs between further education and further debt, and what kinds of specific skills should we develop?

CHRISTOPHER ADOLPH AND  
PARTICIPANTS OF POLS/ECON 409  
UNIVERSITY OF WASHINGTON  
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