

POLS/ECON 409 · *Solutions to 21st Century Problems*

Today's discussion prompts synthesize student-provided questions.

Fiscal policy: digging out of the pandemic recession. Biden has broken with past Democratic administrations in pushing for large-scale public spending, especially on pandemic relief and infrastructure. Is there sufficient public support to see this through? Or will populism see a resurgence in response? Will the cost of these programs – or the debt they incur – limit their adoption, and if so, at what point? Is inflation a genuine concern with respect to today's fiscal or monetary policies?

The pandemic generations. As those who grew up during the Great Recession and pandemic replace older generations, how will politics change, in terms of both enduring public opinion divides between generations and differences in wealth and opportunities across them? Will there be more support for redistribution? Less populism? New conflicts? Or what?

Automation after the pandemic. Will the experience of the pandemic speed up automation or renew support for protecting human labor? Does the answer vary by sector? How will these trends affect the economic recovery in the US and the rest of the world?

The developing world. What long-run impacts will the pandemic have on the developing world? How will it affect global interdependence and supply chains?

Big tech. The pandemic accelerated the trend towards corporate concentration, especially in the tech sector. Will this continue, and if so, at what cost in terms of inequality, innovation, and long-term growth? Is it time to break up big tech?

Fiscal policy: long-term strategies. What effect will economic fallout from the pandemic have on public support for major changes in the role of the state? Will rising inequality lead to a universal basic income (UBI)? Will the experience of pandemic relief spending make this easier to adopt, or will the cost hold back welfare state expansion? Are there other major policies that could address pandemic inequality besides UBI?

Saving Youngstown. What should be done to save the towns of the Rustbelt? Can anything be done? Are there broader lessons from the decline of places like Youngstown for today's growing cities?

Housing crisis. Home prices are on the rise in many cities, perhaps fueled by migration from the highest cost metros. In the long-run, will there be a worsening affordability crisis, or perhaps another housing price crash? What can we learn from the Great Recession, and what can policy makers do?

Reforming finance. Is the financial sector inevitably crisis-prone, or is there a regulatory or political solution to ensure stability? Insurance and financial derivatives were originally devised to reduce personal risk, but their misuse seems to produce systemic risk. What can we learn from the financial crisis to make insurance safer for everyone?

Misinformation. The pandemic underlined the difficulty of solving public policy problems when large segments of society operate under different assumptions about what is true and what sources can be trusted. Is there any broadly acceptable way for governments or society to establish common ground on the integrity of information or reduce the spread of misinformation? Is misinformation simply the price of free inquiry? How far should the state or powerful societal actors go to stop its flow? The campaign to vaccinate everyone against the coronavirus highlights misinformation's collective costs: is there any way, short of mandates, to achieve broad public understanding of the benefits of vaccines?

Complex problems and democracy. Complex problems – like the financial crisis, the pandemic, or climate change – pose major challenges for modern democracies. On one hand, populist leaders thrive by offering too-simple answers to these problems. On the other, to the extent our institutions are “post-democratic,” they do little but look after the interest of economic elites. Can democracy rise to the challenge? Are there reforms or alternative systems that would help address these complex problems?

Digital infrastructure. Securing infrastructure against cyber-attacks is a new issue on the public agenda raising questions of international cooperation, surveillance, and economic growth. What can be done, and what consequences do you foresee?

Capitalism. Does capitalism have more to offer than mass inequality? Are there ways to reform or manage capitalism to achieve better outcomes?

CHRISTOPHER ADOLPH AND
PARTICIPANTS OF POLS/ECON 409
UNIVERSITY OF WASHINGTON
3 JUNE 2021