

CRITICAL ISSUES FACING A CHANGING AMERICAN ECONOMY

Coordinators: Dick Kossoff and Ken Witty

The study group explores a series of critical issues facing the American economy in 2015 and beyond that affect IRP members and all Americans. These include the stagnant income and falling standard of living facing America's middle class; how to create well-paying new jobs for the unemployed and underemployed; the inter-relationship of interest rates and inflation and deflation, the impact of digitization on jobs and whole industries; women in the workplace; the impact of troubled economies abroad on the U.S. economy; the impact of lower energy prices on the economy; how gridlock in Washington affects the economy; Can we predict the time and depth of another recession?

Readings and other Required Materials:

Readings consist of articles on the economy in newspapers, magazines and Internet. Internet access is required.

Coursepack with estimated cost between \$10 and \$12.

Dick Kossoff was President of an international economic management consulting company; he has coordinated study courses on the "Crash of 2008" and "The Changing American Economy".

Ken Witty was a television writer, producer and executive producer for public television, Wall Street Journal Television and CBS News, specializing in economic and financial subjects.

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A coursepack will be available at the beginning of the semester at Advanced Copy Center, 522 Laguardia Place (between Bleeker and West 3rd St.)

Articles are assigned either by Internet or by handouts a week prior to the session.

Reports are assigned to individuals and/or to groups on particular aspects of the outlined issues.

Week 1: An overview of the issues and a short introduction to the structure of the U.S. economy

Readings:

The Economy of the United States, Wikipedia. This a long article, so read only the introduction, the panel on the right side of page, the sections on 2000s, business culture, demographic shift, GDP growth, employment, unemployment, research etc., income and wealth.

Week 2: The Financial System. Have the banks and financial markets been reformed enough to prevent another crisis? A look at the new regulations and the current activities of Wall Street.

Readings:

“Financial reform report card”, USA Today, 8/11/14

“Does Dodd-Frank work?”, Washington Post 7/20/2013

“Dodd-Frank Financial Reform is Working”, Paul Krugman, NY Times 8/3/14
(More to come)

Week 3: Interest Rates. Rates are going up after years of historically low interest rates. What will be the impact on the economy, financial markets, inflation?

Readings:

“Brisk Jobs Growth Puts Focus on Fed”, WSJ 3/6/15

“Fed’s Journey Into the Wild Blue Yonder”, 2/20/15

“The New Jobs Report Shows Janet Yellen’s Quandary in a Nutshell”, NYT 3/6/15 (More to come)

Week 4: Income and jobs. Stagnant income of the middle class. Why has this happened and what can be done? What are the real unemployment figures? The changing workplace and employment trends.

Readings:

A packet of NY Times, Wall St. Journal and other articles on lagging wage growth over past 20 years, low productivity growth, shrinking labor unions, Walmart and other companies raise wages. “The Future of Work”, the Economist 1/3/15

Week 5: Disruptive technologies have altered many industries over the past decades. How the Internet, robotics and other new technologies have transformed the economy and will continue to change the way we work.

Week 6: Energy. The impact of rising U.S. energy production and lower prices on the economy. Fossil fuels vs. environmental damage and climate change.

Readings:

“A Simple Guide to the Sudden Collapse in Oil Prices”, Chris Mooney,
The Washington Post
“Who Will Rule the Oil Market”, Daniel Yergin, NY Times
Current newspaper and magazine articles.

Week 7: Gridlock in Washington D.C. and its impact on economic growth. A look at how paralysis in Washington has affected U.S. fiscal policy with impact on infrastructure, telecommunications, worker training and immigration reform.

Week 8: The global economy and its impact on the American economy. How will the European recession and slowdown in China affect the U.S. economy? How does the rise in value of the dollar affect U.S. economic growth?

Week 9: Social Changes – growing income inequality – the 1% and the rest; women’s increasing role in the economy at all levels has raised issues of income parity, the glass ceiling, maternity and child care benefits and support.

Readings:

“Ten findings about Women in the Workplace” Pew Research Center

“Is the U.S. Falling Behind on Women in the Workplace?” Jordan Weissmann, The Atlantic

Week 10: The Next Recession: when will it occur and how bad will it be? What have we learned from the Great Recession?

Week 11: How does the changing American economy affect retirement income? What can we expect from income sources such as stocks, bonds, savings, real estate, Social Security and annuities?

Week 12: A review of the critical issues – putting it all together with a class panel.