

<http://www.uilteexas.org/academics/student-activities/houston-2017>

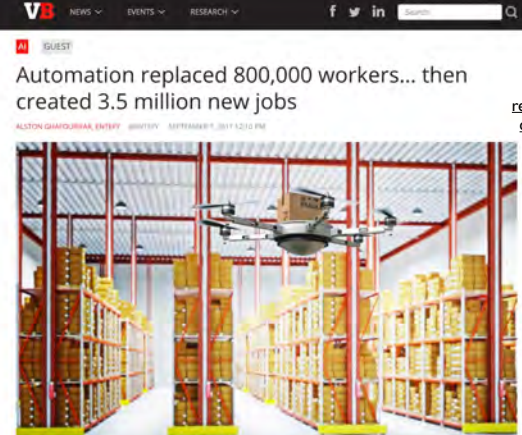
Economics for Extemporaneous Speaking

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www.EconomicThinking.org
EconomicThinking.org



Economics for Debate Youth Educational Forum
Thursday, Sept. 14, 2017 • 12:00-17:00 • Skopje, Macedonia
Workshop on the economics of debate topics and international issues.

Gregory Rehmke, directs Economic Thinking, lectures widely in the U.S., and at Institute for Economic Studies-Europe seminars. He is co-author of *The Complete Idiot's Guide to Global Economics.*



<https://venturebeat.com/2017/09/07/automation-replaced-800000-workers-then-created-3-5-million-new-jobs/>

Automation replaced 800,000 workers... then created 3.5 million new jobs

Here's an example. A Deloitte study of automation in the U.K. found that 800,000 low-skilled jobs were eliminated as the result of AI and other automation technologies. But get this: 3.5 million new jobs were created as well, and those jobs paid on average nearly \$13,000 more per year than the ones that were lost.

New Jobs from New Tech

- Panera Bread announced in April that it would **create 10,000 delivery driver and in-café jobs** in response to the popularity of its delivery service.
- High customer demand for ordering soups and sandwiches through the chain's AI-powered digital platform led the company to decide to expand the service to 40% of its stores...
- Panera Bread's decision to hire its own drivers rather than outsource deliveries to a third-party service could hint at another automation-driven trend.
- If all companies have access to the same cost-saving, service-expediting technologies, competitive advantage may come from differentiated customer experience — the sort of unique customer experience that comes from human creativity.

<https://venturebeat.com/2017/09/07/automation-replaced-800000-workers-then-created-3-5-million-new-jobs/>

Inequality, Populism, and Nationalism

- [After] Brexit, ascendant European nationalism, and the US elections, much has been written about populism's threat to global trade growth and the international economic institutions established after the Second World War.
- ...Many have blamed growing economic inequality within developed economies—some blame outsourcing or [technology]
- Others posit that a decline in inequality may be a motivating factor...blame populism's rise on improved income equality across all nations.

Inequality, Populism, and Nationalism

Global Wealth Inequality - What you never knew you never knew

U.S. vs. China: Whose income inequality is worse?

- Widening inequality ... negatives associated with a growing gap between rich and poor: weaker social networks, rising crime and weaker democracies...
- Both [countries had] extreme rise in income inequality since... 1970s
- top 1% of earners in America now take home about 20% of... pretax national income, compared with less than 12% in 1978 ...
- Over the same time in China, the top 1% doubled their share of income, rising from about 6% to 12% ...
- [However] the poorest half of Chinese workers saw their average income grow more than 400% from 1978 to 2015...

<https://www.cbsnews.com/news/usa-china-income-inequality-economic-research/>

Research Questions

- 🤖 Is U.S. declining? (or Asia rising?)
- 🤖 Did U.S. decline because of unfair China trade policy?
- 🤖 Did China trade somehow contribute to U.S. income inequality?

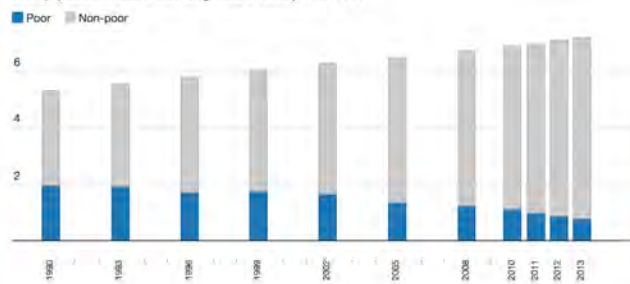
Chart: Fewer People Live in Extreme Poverty Than Ever Before

SUBMITTED BY YARID KHODJARI @YARID_KHODJARI

<https://blogs.worldbank.org/opendata/chart-fewer-people-live-extreme-poverty-ever>

Fewer People Live in Extreme Poverty Than Ever Before

World population in billions. Poor living below \$1.90/day in 2011 PPP



September 24, 2015

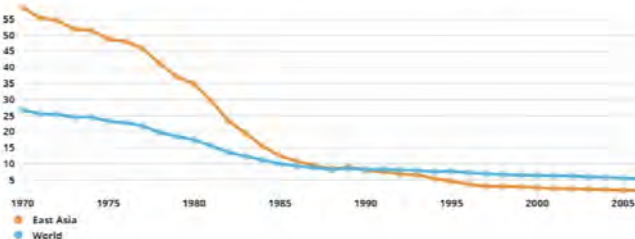
Extreme Poverty's End in Sight

By Christa German

HumanProgress
Positive the state of humanity with data, charts & maps

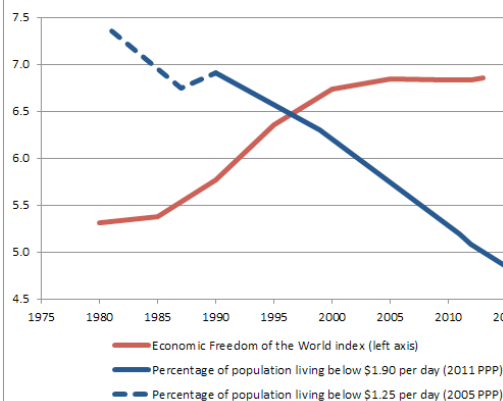
Absolute poverty rates in East Asia and the world, percent of population

HumanProgress.org



<http://humanprogress.org/blog/extreme-povertys-end-sight>

Global Poverty and Economic Freedom



<http://www.cato.org/blog/dramatic-decline-world-poverty>

Inequality, Populism, and Nationalism

- 🤖 [After] Brexit, ascendant European nationalism, and the US elections, much has been written about populism's threat to global trade growth and the international economic institutions established after the Second World War.
- 🤖 ...Many have blamed growing economic inequality within developed economies—some blame outsourcing or [technology]
- 🤖 Others posit that a decline in inequality may be a motivating factor...blame populism's rise on improved income equality across all nations.
- 🤖 During the 1990s, a 70% income gap stood between emerging economies and the G7. That gap shrank to under 14% in 2016 and will disappear by 2020.

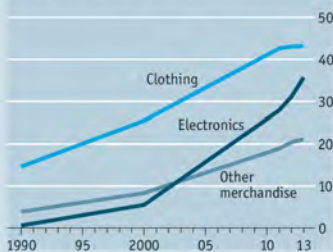
Asian Economic Expansion since 2000

The Future of Factory Asia
A tightening grip

The Economist

New-wage manufacturing

China's share of global exports, %



Average monthly wages, 2010 prices, \$



Sources: Thomson Reuters; Economist Intelligence Unit

*Forecast

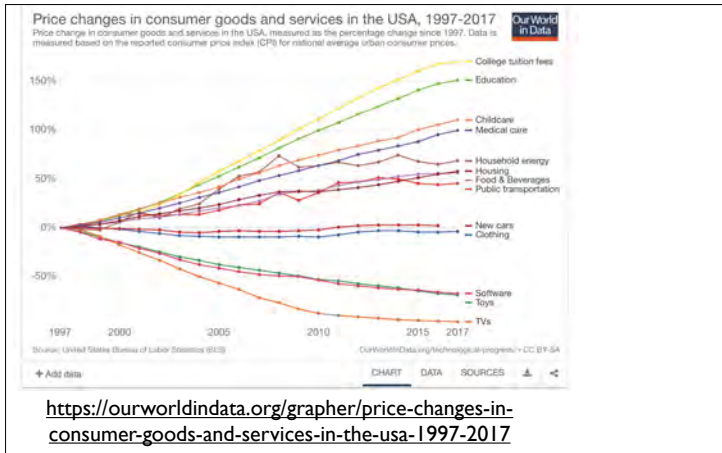
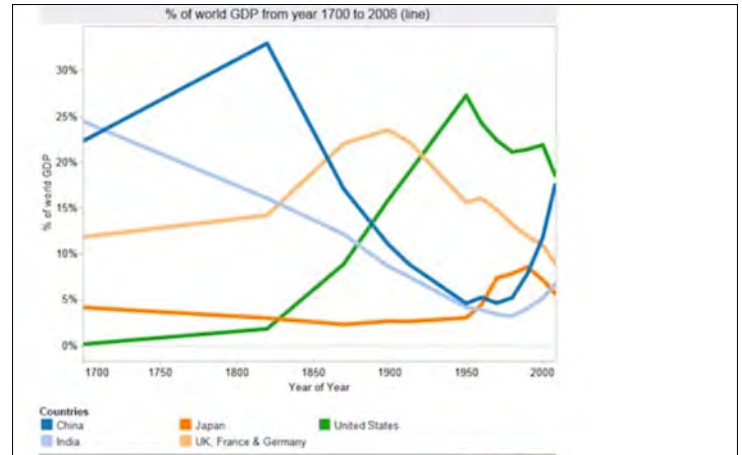
Asia will soon be the world's economic center—if it isn't already

The Pacific Trade Future: China and South America

BY GREGORY REHME | PUBLISHED FEBRUARY 15, 2017 | UPDATED AUGUST 8, 2017

A sponsored Quartz post from the Lee Kuan Yew School of Public Policy: "Asia will soon be the world's economic center—if it isn't already," looks at the rise of nationalism: "In the wake of Brexit, ascendant European nationalism, and the US elections, much has been written about populism's threat to global..."

<http://economicthinking.org/2017/02/15/the-pacific-trade-future-china-and-south-america/>



Shenzhen: China's Silicon Valley

<https://www.youtube.com/watch?v=SGJ5cZnoody>

Economic Regulations, Crime

- *Minimum wage law debate. Who loses jobs first?*
- *Civil Asset Forfeiture*, collateral damage from the war on drugs.
- Criminal justice reform, over-criminalization, over-incarceration (5%/25%). More than China.
- Economic Inequality debates (and tax policy)
- Professional licensing regulation (and reform proposals). (*Braiding Freedom* video.)

Economics, Innovation, & Public Policy

- Rise of the sharing economy: Uber, Lyft, Airbnb, UberAir?
- Push back from regulators, taxi, hotel interests, airlines.
- Urban violence (Chicago...) and police violence. Too much power for police unions?
- Militarization of police...
- To many regulatory "crimes." Selling lemonade? individual cigarettes? water bottles?

- Over the past several decades, the share of U.S. workers holding an occupational license has grown sharply.
- ... the current licensing regime in the United States also creates substantial costs, and often the requirements for obtaining a license are not in sync with the skills needed for the job.
- There is evidence that licensing requirements raise the price of goods and services, restrict employment opportunities, and make it more difficult for workers to take their skills across State lines.

OCCUPATIONAL LICENSING:
A FRAMEWORK FOR POLICYMAKERS



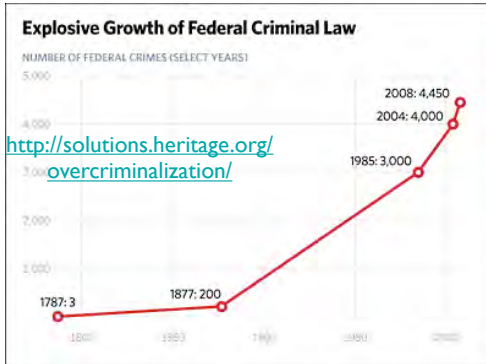
July 2015



<http://braidingfreedom.com/>



The Criminalization of Everyday Life



Overcriminalization

Overcriminalization

Way too many imprisoned.
Often the “wrong people”
Unjust and expensive.



- **Reduce/reform pre-trial detention.**
- **Jury trials rather than plea-bargaining.**
- **End mandatory minimum sentences.**
- **Reform prisons.**
- **Too many economic and regulatory crimes.**

<https://www.youtube.com/watch?v=Adp8PgQ0bZ0>



<https://www.charleskochinstitute.org/issues/criminal-justice-policing-reform/>

Immigration & Innovation

- “Greek” yogurt from Turkish student.
- Peet’s Coffee & Starbucks (Holland & Italy)
- Top tech firms: Google, Paypal, eBay, (50% of tech founders/key tech immigrants)
- Hong Kong was partly a refugee camp in 1950s.
- Syrian and North African refugees, and immigrants from Eastern Europe revitalizing (or disrupting) UK, France, Germany, Italy, Sweden.
- Israel’s immigration experience (15% of entire population in one year)

intelligence² DEBATES

GIVE UNDOCUMENTED IMMIGRANTS A PATH TO CITIZENSHIP

<http://www.intelligencesquaredus.org>

The Wall That Keeps Illegal Workers In The New York Times

By ROSEGLA'S MAREY AUG 4, 2009

The number of Border Patrol officers increased from around **2,500 in the early 1980's to around 12,000 today**, and the agency's annual budget rose to **\$1.6 billion from \$200 million**. The boundary between Mexico and the United States has become perhaps the most militarized frontier between two nations at peace anywhere in the world.

Although border militarization **had little effect on the probability of Mexicans migrating illegally, it did reduce the likelihood that they would return to their homeland**. America's tougher line roughly tripled the average cost of getting across the border illegally; thus Mexicans who had run the gantlet at the border were more likely to hunker down and stay in the United States. My study has shown that in the early 1980's, about half of all undocumented Mexicans returned home within 12 months of entry, but by 2000 the rate of return migration stood at just 25 percent.

The New York Times

Fewer Immigrants Mean More Jobs? Not So, Economists Say

By BINYAMIN APPELBAUM AUG 3, 2017

... the prevailing view among economists is that immigration increases economic growth, improving the lives of the immigrants and the lives of the people who are already here.

Regulation and Public Choice Economics

- Adam Smith, *The Wealth of Nations* (pro free trade and enterprise, but not pro-business).
- Market economies are unstable. Profits attract new competition. Existing businesses and industry associations (special interests) lobby to suppress competition with new trade barriers and regulations.
- Legislatures and regulatory agencies are often "captured" by the industries they try to regulate.
- Court system can (and used to) protect citizens and firms from economic regulations lacking some public health or security justification.

Health & Medical Care Reform

- Professional licensing for medical
- Restrictions on new medical schools and hospitals
- State and federal regulations can add bureaucracy and can double, triple medical costs.
- Key problem is third party payments (health insurance plus state and federal pay bills consumers don't)

Principles for Reform

Sessions/Cassidy Health Plan

- Abolishes the ObamaCare mandates.
- Repeals all of the anti-job provisions of ObamaCare
- Repeals thousands of pages of additional regulations.
- Deregulates and deunionizes the health insurance marketplace in every state.
- Offers all Americans a universal tax credit (similar to the child tax credit) for health insurance premiums and deposits to Health Savings Accounts.
- Lets employees earn higher wages by eliminating waste in their health plans.

<http://www.goodmaninstitute.org/principles-for-reform/>

Economics: The Basics

- Scarcity: Not enough of everything for everyone.
- So... people make choices about what to consume, and about education, training, & what to produce.
- Scarcity → Choice → Opportunity cost
- When we buy something, the true cost is the "opportunity cost": our next choice on our list.
- In work or leisure we make similar choices
- Producers are consumers and their choices create: the Supply and Demand of goods and services.

FREE TO CHOOSE.TV The Power of Ideas.

<http://www.freetochoose.tv/program.php?id=globalization>

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GLOBALIZATION AT THE CROSSROADS

WITH HERNANDO DE SOTO



The Economics Debate

- *Presentation One: Dueling Narratives for Economic Malaise: Deregulation and Financialization or Overregulation and Declining Economic Freedom?*
- *Presentation Two: Economic Freedom Indexes and Constitutional Restraints: Innovation vs. The Dead Hand?*
- *Presentation Three: Arrival City & Economics of Immigration*

Campaign ad in favor of higher tariffs on steel from China

U.S. Steel's campaign to exclude Chinese steel imports would make U.S. companies that manufacture products from steel less competitive, steel users told a federal agency.

They also said domestic steelmakers either don't want to make some of the steel they need or can't make it as reliably as Chinese suppliers do.

And: The Limits of 'Made in America' Economics, *The Atlantic*
<https://www.theatlantic.com/business/archive/2017/07/made-in-america/534339/>

<http://astoundingideaschinatrade.blogspot.com/2015/06/arrival-cities-in-china-and.html>

Astounding Ideas for Trade Policy: China, Japan, South Korea, Taiwan

Friday, June 26, 2015

Arrival Cities in China, and Globalization at the Crossroads

Around the world, people are on the move. Across the United States and Japan, through the 1950s and 1960s, millions moved from farms and rural villages to the edges of fast-growing cities. China's economic transformation turns on the hundreds of millions who have and are still migrating to China's dozens of megacities and hundreds of large and mid-size cities and adjacent manufacturing regions.

<http://astoundingideaschinatrade.blogspot.com>

Astounding Ideas for Trade Policy: China, Japan, South Korea, Taiwan

Friday, June 26, 2015

Arrival Cities in China, and Globalization at the Crossroads

Development came later for Taiwan and South Korea, as foreign direct investment through the 1950s and 1970s in and around cities added to domestic savings to fund vibrant export-based economies. A glimpse of this history is given in the first minutes of Hernando de Soto's Globalization at the Crossroads, which streams online.

A central economic reality in China, India, Africa, and Latin America, are the millions migrating to cities to join the exchange economy of world cities where they produce and consume goods and services exported to and imported from around the world. The U.S. and Japan had their migration a century ago. South Korea and Taiwan a few decades ago, and China's migration over the last two decades and still a work in process.

Liu Gong Li: Inside a Chinese Arrival City



<http://arrivalcity.net/video>






www.izzit.org/streaming/



<http://astoundingideasmiddleeast.blogspot.mk/2014/07/refugee-economics-success-of-self.html>



www.rsc.ox.ac.uk/refugeeeconomies





- Economic Freedom: choice, entrepreneurship, innovation, invention, enterprises...
- Free countries become prosperous.
- Economic Way of Thinking: incentives and information.

2. Legal System and Property Rights

A. Judicial independence	F. Legal enforcement of contracts
B. Impartial courts	G. Regulatory restrictions on the sale of real property
C. Protection of property rights	H. Reliability of police
D. Military interference in rule of law and politics	I. Business costs of crime
E. Integrity of the legal system	

Next: Episode One: Economic Freedom & Quality of Life (YouTube)

YouTube search: Episode One: Economic Freedom & Quality of Life by EconFree



CATO INSTITUTE

POLICY ANALYSIS #10, 751

The Dead Hand of Socialism: State Ownership in the Arab World

By *André Rofes*
Download PDF (1014)

Extensive government ownership in the economy is a source of inefficiency and a barrier to economic development. Although precise measures of government ownership across the Middle East and North Africa (MENA) are hard to come by, the

<http://www.cato.org/publications/policy-analysis/dead-hand-socialism-state-ownership-arab-world>

- The governments of Algeria, Egypt, Libya, Syria, and Yemen all operate sizeable segments of their economies—in some cases accounting for more than two-thirds of the GDP.
- International experience suggests that private ownership tends to outperform public ownership.

www.izzit.org/streaming/

Locked Out! Roots of the Arab Spring

Summary | Teacher Reviews | Teaching Resources

Cost of Regulations

The new estimate from NAM/ Crain and Crain turns out to be **\$2.028 trillion** annually. They break costs up into four main categories (in billions of dollars):

- Economic: \$1,448 billion
- Environmental: \$330 billion
- Occupational Safety/Health & Homeland Security: \$92 b.
- Tax Compliance: \$159 b.

Ten Thousand Commandments 2015
 An Annual Snapshot of the Federal Regulatory State
Download PDF (1014)

<https://cei.org/10kc2015>

Number of Pages of Regulations Added to the Federal Register Each Year, 1939-2011

Federal regulations have reduced economic growth by about 2 percent per year between 1980 and 2005... If federal regulations were still at levels seen in the year 1980, current GDP would be \$3.8 trillion higher.

The Federal Court System

- **Federal Courts: Criminal Justice cases**

The Heritage Foundation

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LEGAL ISSUES

Overcriminalization

See the Map of Americans' Liberties Threatened

Download all Overcriminalization

The Government vs. YOU

What Criminal Law Returns Has Congress Proposed?

Proposals for Revising the Criminal Code

See the Map of Americans' Liberties Threatened

Heritage has documented dozens of overcriminalization stories, now compiled in one easy-to-use map. **Bald Marks**.

RIGHT ON CRIME

INSTITUTE for JUSTICE

Dont Talk to Police - YouTube

www.youtube.com/watch?v=6wXkl4l7nuc
 Jun 21, 2008 - Uploaded by russr

... tells you why you should never agree to be interviewed by the police. ... If anyone that I ever cared for was arrested, I wish that they would ...

- Video is a debate, with policeman speaking after law professor.
- Video is not critical of police behavior, but of prosecutors and over-criminalization

SATURDAY, JUNE 27, 2015

Jury Trials: A Radical Reform for the Federal Court System?

What if... what if... students ran a radical affirmative case insisting that when charged with a crime, the accused ought to have a right to a trial by a jury of peers? Wild? Impractical? Radical?

Okay, maybe that's too much sarcasm... But it used to be that state and federal criminal court systems did require juries in criminal cases. There are very good legal, political, and historical arguments to require jury trials again in the federal court system. One website explains, in a post titled "How Plea Bargains Are Making Jury Trials Obsolete":

In today's criminal justice system, convictions come by agreement. The tradition of being tried by one's peers, established centuries ago and affirmed by the Sixth Amendment to the U.S. Constitution has all but disappeared.

The plea bargain has made jury trials obsolete.

Ninety-seven percent of federal criminal prosecutions are resolved by plea bargain. In state courts the numbers are comparable. The plea bargain may be the grease that keeps the criminal justice system churning, but it may also be a sign of a system in need of repair.

IN REAL LIFE THE JURY DECIDES THE ENDING

Why Innocent People Plead Guilty

Jed S. Rubloff

The criminal justice system in the United States today bears little relationship to what the Founding Fathers contemplated, what the movies and television portray, or what the average American believes.

<http://astoundingideasfederalcourts.blogspot.com/2015/06/jury-trials-radical-reform-for-federal.html>