First Session -- Long term Unemployment in Industrial countries: Causes, Consequences and Policy Responses

Opening Comments, Questions and Introductions of Speakers

Tim Smeeding, Lafollette and IRP

Moderator
Opening Panel (2 hours total time: four 15 minute presentations, back and forth, floor questions)

Distinguished Panelists

Prakash Loungani, Advisor, Research Dept., IMF

Kenneth Scheve, Professor of Political Science, Yale

Phillip Swagel, Professor of Public Policy, Maryland, and former Asst. Secretary Treasury, Economic Policy

Rob Valletta, Research Advisor, Federal Reserve Bank of San Francisco
6 Organizational Questions for the Morning Panel

1. How much of the current level of unemployment is cyclical in nature, versus structural (and does the latter differ today compared to “long run unemployment” in earlier recessions), in US, Europe, Japan?
2. What is the nature of the structural unemployment: is it mostly housing “lock-in”, skill mismatch and under-match, technological change, failure of wages to fall in declining industries, or ?
3. What can be done to mitigate long term unemployment, and its effects on economic and social well being ?
4. What are the domestic distributional consequences of long term unemployment: a polarization and hollowing out of the middle of the income distribution? Which groups or sectors have been and will be hardest hit by employment problems?

5. What will be the longer-term political consequences of the rise in long term unemployment and also inequality (e.g., effects on unions, parties, social policies etc.)?

6. How have government’s policy responses to the problem of long term unemployment been shaped by differences in political, labor and/or regulatory institutions?
At the end we will see if these questions are answered!

Let’s go!!