

# New Approaches to Economic Challenges Seminar Programme

May-September 2018



# NEW APPROACHES TO ECONOMIC CHALLENGES (NAEC)

## SEMINAR PROGRAMME

**May-September 2018**

The NAEC seminar series invites some of the world's leading authorities to challenge existing or entrenched thinking at the OECD on the questions we face and the ways we answer them. Past seminars focused on complexity, resilience, financial markets, digitalisation and neuroeconomics. The seminar debates feed into NAEC's reports, strategic partnerships, the NAEC Innovation Lab as well as NAEC's work with OECD Directorates and Committees.

In addition to supporting the Going Digital project, this year's seminars will focus on corporate governance, macroeconomic policy, social media and the future of capitalism. Contributors will include the 2015 Nobel Prize winner in Economics Sir Angus Deaton, the Director of UCL's Institute for Innovation and Public Purpose Mariana Mazzucato, the Former IMF Chief Economist Olivier Blanchard and the author of "*The Second Machine Age*" and Director of the MIT Initiative on the Digital Economy Erik Brynjolfsson.

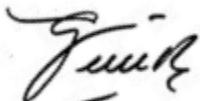
The programme will culminate in a meeting marking the 10<sup>th</sup> anniversary of the global financial crisis. Speakers will include Dani Rodrik and Yanis Varoufakis, who will discuss the lessons learned from the crisis, what has changed as well as what still needs to be done in the future to prevent another economic crash.

To help reinforce the OECD's analytical and modelling capacities, NAEC has set up strategic partnerships on Systems Thinking, Anticipation and Resilience with the International Institute for Applied Systems Analysis (IIASA) as well as with the European Commission's Joint Research Centre (JRC) and the Santa Fe Institute (SFI), the "World Headquarters for Complexity Science".

Key issues from the seminars and the policy thinking discussed in NAEC will be synthesised in the draft report New Approaches to Economic Challenges: Towards a New Narrative.

You can contribute to the debate by sending us your comments, criticisms and suggestions to naec@oecd.org, along with your proposals for future seminar themes and participants.

Gabriela Ramos, OECD Chief of Staff and Sherpa to the G20



# NEW APPROACHES TO ECONOMIC CHALLENGES (NAEC) SEMINAR PROGRAMME

May-September 2018

16 May 2018

WHY IS GLOBAL POVERTY SO HARD TO MEASURE AND TO ERADICATE?

Room C, OECD  
10.00 AM-11.30AM

## Sir Angus Deaton

Dwight D. Eisenhower Professor of Economics and International Affairs Emeritus at the Woodrow Wilson School at Princeton University

[Register](#)  
[Register \(OECD\)](#)

[Webcast](#)



The elimination of global poverty by 2030 is one of the Sustainable Development Goals (SDGs). Yet the measurement of global poverty poses many difficulties, especially now that the SDGs include poverty in rich countries as well as poor countries. Angus Deaton will discuss these issues, including whether there are people living in the US who are as poor as the poorest in Africa or in India. It also discusses the puzzle of why global poverty exists at all, given that cost of bringing every person in the world up to the global poverty line amounts to less than the cost of a cup of coffee for everyone in the rich world. Deaton argues that “finding out what works” in poverty relief is unlikely to help, and that the problems of global poverty are to do with politics and power, or at least the lack of it.

18 May 2018

MISSION-ORIENTED RESEARCH AND INNOVATION IN THE EUROPEAN UNION

Room CC5, OECD  
12.30 PM - 2.00 PM

## Mariana Mazzucato

Economics Professor at University College London (UCL), and Director of UCL's Institute for Innovation and Public Purpose

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[Register \(OECD\)](#)  
[Webcast](#)



Professor Mariana Mazzucato has been developing the mission-oriented concept in economics: Missions aim to inspire people by solving some of the biggest challenges society faces from climate change to inequality, driving collaboration across different industries and bodies in both private and public sectors. Missions are more concrete than broad challenges in that they have clear time bound targets—where the question ‘did we reach the mission?’ can be answered yes or no.

In a mission-oriented approach, the ambition would not be expressed as “to tackle climate change” for example, but to cut CO<sub>2</sub> emissions by a given amount, in a given place over a specified time period. Mission require what Mazzucato calls a ‘market shaping’ framework rather than the more traditional and passive ‘market fixing’ one that mainstream economists are wed to.

Professor Mazzucato will present her report, [Mission-Oriented Research & Innovation in the European Union](#), in which a plastic-free ocean, 100 carbon neutral cities by 2030 and cutting dementia by 50% are highlighted as examples of missions that could drive innovation and economic growth.

TBC

## IS MULTILATERALISM STILL THE ANSWER?

70 years after the creation of the OECD, is the multilateralism it was designed to promote still the best answer to global questions? Do we have the tools and the institutions to face the challenges created by growing interconnectedness across countries and people and more rapid change? Is intergovernmental cooperation the only or the best possible response?

With growing criticism of globalisation and multilateral economic cooperation, it is important to discuss multilateral modes of cooperation for the 21st century. This panel discussion forms part of a broader reflection of the OECD on the topic, including the 2018 Ministerial Council Meeting under the chairmanship of France.

This seminar, co-organised by the OECD and the Société Française de Droit International will bring international lawyers, practitioners and academics.

**24 May 2018**

## DOING CAPITALISM IN THE INNOVATION ECONOMY: RECONFIGURING THE THREE-PLAYER GAME BETWEEN MARKETS, SPECULATORS AND THE STATE

Room C, OECD  
12.30 PM - 2.00 PM



### William H. Janeway

Senior Advisor and Managing Director of Warburg Pincus and Visiting Lecturer in Economics at Cambridge University and Princeton University

Hyman Minsky identified William H. Janeway as a “theorist-practitioner” of financial economics. In this seminar, Janeway will analyse the dynamics of the Innovation Economy from the standpoint of a seasoned practitioner of venture capital, operating on the frontier where innovative technology transforms the market economy. Janeway argues that state investment in national goals enables the innovation process, and financial bubbles accelerate and amplify its impact. Now, the digital revolution, sponsored by the state and funded by speculation, has matured to attack the authority, and even the legitimacy, of governments. The populist response in the west, opens the door for China to seize leadership of the Innovation Economy.

[Register](#)

[Register \(OECD\)](#)

[Webcast](#)

**19 June 2018**

## DO GOVERNMENT TRANSFERS REDUCE POVERTY AND INEQUALITY?

Room CC10,OEC  
12.30 PM - 2.00 PM



### Nora Lustig

Samuel Z. Stone Professor of Latin American Economics and Director of the [Commitment to Equity Institute \(CEQ\)](#) at Tulane University

Professor Lustig will discuss what the fiscal incidence methodology reveals about the impact of fiscal policy on inequality and poverty in twenty-nine low and middle income countries. Fiscal incidence analysis answers the question of who benefits from government transfers and who ultimately bears the burden of taxes in the economy. She argues that while fiscal policy unambiguously reduces income inequality, that is not always true for poverty. In some countries, the extreme poverty headcount ratio is higher after taxes and transfers than before. In addition, to varying degrees, in all countries a portion of the poor are net payers into the fiscal system and are thus impoverished by this system.

[Register](#)

[Register \(OECD\)](#)

[Webcast](#)

**22 June 2018**

## A DARPA FOR EUROPE? THE JOINT EUROPEAN DISRUPTIVE INITIATIVE



### André Loesekrug-Pietri

Lead, Joint European Disruptive Initiative (J.E.D.I.) and Former Special Advisor to the French Minister of Defense

The Joint European Disruptive Initiative ([JEDI](#)) is a Franco-German project bringing together companies and institutions with the aim of financing disruptive innovations in Europe. Project leader André Loesekrug-Pietri will outline JEDI's strategy to develop dozens of operational prototypes every year within timeframes of months rather than years. JEDI is inspired by DARPA, the US Defense Advanced Research Projects Agency whose work has contributed to a range of disruptive technologies from the internet to GPS, but will target developing civilian technologies, with four main areas of research: reducing carbon emissions, health, digitalisation and space.

Room C, OECD  
12.30 PM - 2.00 PM

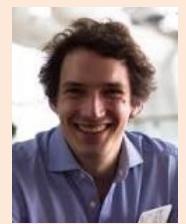
[Register](#)

[Register \(OECD\)](#)

[Webcast](#)

**29 June 2018**

## HUMANS AS SERVICE: THE PROMISE AND PERILS OF WORK IN THE GIG ECONOMY



### Jeremias Prassl

Associate Professor of Law at the University of Oxford

Jeremias Prassl will present the findings of his recent book "[Humans as service: The promise and perils of work in the gig economy](#)" which examines work in the gig economy across the world: its opportunities, its problems, and its wider implications. He considers the variety of approaches and business models, and how these constantly evolve to meet new market demands and regulatory challenges. He will examine the competing narratives surrounding 'gigs', sharing, and collaboration and the reality of platforms reliant on on-demand workforces.

Room CC12, OECD  
12.30 PM - 2.00 PM

[Register](#)

[Register \(OECD\)](#)

[Webcast](#)

**3 July 2018**

## THE FISSURED WORKPLACE



### David Weil

Dean and Professor at the Heller School of Social Policy and Management at Brandeis University

For much of the twentieth century, large companies employing many workers formed the bedrock of the U.S. economy. Today, on the list of big business's priorities, sustaining the employer-worker relationship ranks far below building a devoted customer base and delivering value to investors. As David Weil's groundbreaking analysis shows, large corporations have shed their role as direct employers of the people responsible for their products, in favor of outsourcing work to small companies that compete fiercely with one another. The result has been declining wages, eroding benefits, inadequate health and safety conditions, and ever-widening income inequality.

From the perspectives of CEOs and investors, fissuring—splitting off functions that were once managed internally—has been a phenomenally successful business strategy, allowing companies to become more streamlined and drive down costs. Despite giving up direct control to subcontractors, vendors, and franchises, these large companies have figured out how to maintain quality standards and protect the reputation of the brand. They produce brand-name products and services without the cost of maintaining an expensive workforce. But from the perspective of workers, this lucrative strategy has meant stagnation in wages and benefits and a lower standard of living—if they are fortunate enough to have a job at all.

Room CC13, OECD  
12.30 PM - 2.00 PM

[Register](#)

[Register \(OECD\)](#)

[Webcast](#)

Weil proposes ways to modernize regulatory policies and laws so that employers can meet their obligations to workers while allowing companies to keep the beneficial aspects of this innovative business strategy.

## 5 July 2018

### RETHINKING MACROECONOMIC POLICY



#### Olivier Blanchard

Professor and Senior Fellow at the [Peterson Institute for International Economics](#) and Robert M. Solow Professor of Economics emeritus at [MIT](#)

The great moderation lulled macroeconomists and policymakers alike in the belief that we knew how to conduct macroeconomic policy. The crisis clearly forces us to question that assessment. In this talk, Olivier Blanchard will review the main elements of the precrisis consensus, identify where we were wrong and what tenets of the precrisis framework still hold, and sketch out the contours of a new macroeconomic policy framework.

Room CC2, OECD  
2.00 PM - 4.00 PM

[Register](#)

[Register \(OECD\)](#)

[Webcast](#)

## 26 July 2018

### THE SECOND MACHINE AGE – WORK, PROGRESS, AND PROSPERITY IN A TIME OF BRILLIANT TECHNOLOGIES



#### Erik Brynjolfsson

Director of the [MIT Initiative on the Digital Economy](#), Professor at [MIT Sloan School](#), and Research Associate at [NBER](#).

Erik Brynjolfsson, co-author of [\*The Second Machine Age\*](#), will reveal the forces driving the reinvention of our lives and our economy at time when the automation of a lot of cognitive tasks makes humans and software-driven machines substitutes, unlike the Industrial Revolution (the “first machine age”) when they were complements. In contrast to many of the pessimistic scenarios being developed, Brynjolfsson argues that as the full impact of digital technologies is felt, we will realise immense benefits in the form of personal technology, advanced infrastructure, and near-boundless access to the cultural items that enrich our lives. Drawing on years of research and up-to-the-minute trends, Erik Brynjolfsson will identify the best strategies for survival and offer a new path to prosperity.

Room C  
12.30 PM - 2.00 PM

[Register](#)

[Register \(OECD\)](#)

[Webcast](#)

## 13-14 September 2018

### NAEC GROUP AND SPECIAL EVENT MARKING 10 YEARS AFTER THE FAILURE OF LEHMAN BROTHERS

The crisis that started 10 years ago illustrated the inability of the economic system to guarantee inclusive, sustainable growth. It exposed the failure of orthodox economics to understand profound changes in the global economy. It revealed policymakers' incapacity to prevent the financial crisis from mutating into a recession and giving rise to a political and social crisis. Ten years later, what have we learned? This conference challenges leading thinkers from various backgrounds to debate what went wrong in 2008 and in what ways if any it was unique. They will confront their views on what has changed for better and worse since in the economics profession as such and in the analyses and advice it offers.

CC13, OECD  
9.30 AM - 6.00 PM

[Register](#)

[Register \(OECD\)](#)

[Webcast](#)

**21 September 2018**

**GLOBAL INEQUALITY: A NEW APPROACH FOR THE AGE OF GLOBALIZATION**



**Branko Milanović**

Visiting Presidential Professor at City University of New York Graduate Center and Affiliated Senior Scholar at the Luxembourg Income Study

Branko Milanović will present a bold new account of the dynamics that drive inequality on a global scale. Drawing on vast data sets and cutting-edge research, he will explain the benign and malign forces that make inequality rise and fall within and among nations. He will reveal who has been helped the most by globalization, who has been held back, and what policies might tilt the balance toward economic justice.

**Room CC13, OECD  
12.30 PM - 2.00 PM**

[\*\*Register\*\*](#)

[\*\*Register \(OECD\)\*\*](#)

[\*\*Webcast\*\*](#)

**September 2018 - date TBC**

**THE LAUNCH OF THE NAEC INNOVATION LAB**

**Room TBC, OECD**



**Andy Haldane**

Chief economist and Executive Director of Monetary Analysis and Statistics at the Bank of England

# NEW APPROACHES TO ECONOMIC CHALLENGES

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