

FIRST ISSUE // OCTOBER 2020

ECONOMICS NEWSLETTER

BROUGHT TO YOU BY:
THE ECONOMICS, EQUALITY & ENVIRONMENT CLUB

UPCOMING EVENTS

Virtual Event on October 21, 2020 at 6pm

Featuring

2008 Nobel Laureate in Economic Sciences
CUNY Distinguished Professor and Scholar

—PAUL KRUGMAN—

WHAT'S IN THIS
MONTH'S ISSUE:

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INTERNATIONAL TRADE

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Source: Fred R. Conrad/The New York Times

In preparation for the upcoming Paul Krugman event, the EEE club discussed Chapter 11 of *Arguing with Zombies*, titled Trade Wars. This chapter talks extensively about the transformation of the world trading system.

We exchanged our views on the potential dangers of trade wars and extreme tariff rates by reviewing the Smoot-Hawley Tariff Act and famous trade agreements such as the North American Free Trade Agreement (NAFTA) which allows for free trade between Mexico, Canada, and the United States.

International trade has had a massive impact in the creation of employment opportunities throughout several developing countries, but it has also inadvertently accounted for the exploitation of workers. In a 2007 U.S. senate hearing regarding overseas sweatshop abuses, it was stated that if workers fell behind in their production goal or if they used the bathroom without permission, they would be beaten.

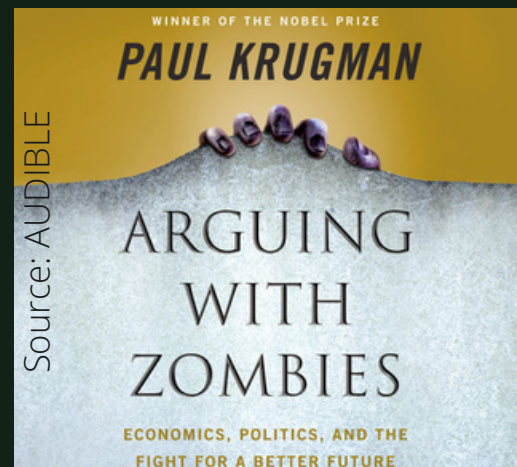
Workers were only allowed two visits a day to the bathroom, which were filthy and had no toilet paper, soap or towels. Children who worked were only paid six cents an hour, 53 cents a day and \$3.20 a week. Although there are numerous non-profit organizations trying to change this reality, high corruption and extreme poverty has prevented such changes from occurring.

This meeting led us to discuss the practicality of providing better working conditions and higher wages to laborers within developing countries.

If paying fair wages were mandatory in low-productivity countries, wouldn't this cause jobs to be transferred to high-productivity countries? If wages were to rise, would international manufacturers continue producing goods within that country?

“THE CURRENT WORLD TRADING SYSTEM IS ONE OF THE TRIUMPHS OF INTERNATIONAL DIPLOMACY.”

EXCERPT FROM: PAUL KRUGMAN. “ARGUING WITH ZOMBIES.”
APPLE BOOKS.



Source: AUDIBLE



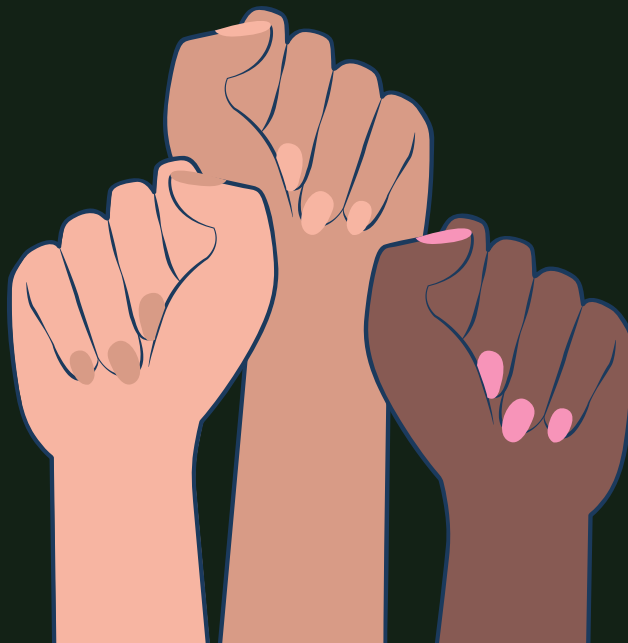
GENDER INEQUALITY

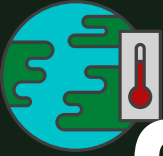
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COVID-19 has had a major impact on everyone's lives, but it has disproportionately affected the lives of women.

According to CNBC with data from the National Women's Law Center (NWLC), Black and Latina women saw unemployment rates jump to double digits in September, reaching 11.1% and 11%, respectively. By comparison, white men had an unemployment rate of 6.5% while white women's unemployment rate reached 6.9%. The WHO reported that "perpetrators of abuse may use restrictions due to COVID-19 to exercise power and control over their partners to further reduce access to services, help, and psychosocial support from both formal and informal networks." Research from Harvard Business Review found that women do an average of 75% of the world's total unpaid-care work including childcare, elderly care, cooking, and cleaning.

The disproportionate job losses, increased violence against women, and the increased number of unpaid work hours have highlighted the ingrained gender inequality in our society. Even though a lot more women are financially independent than before, the systemic discrimination leads them to be paid less than their male counterparts.





CLIMATE CHANGE

In honor of Indigenous Peoples Day, our club discussed the impacts of climate change on indigenous communities.

According to Harvard Political Review, “Only 100 investor and state-owned fuel companies are responsible for around 70 percent of the world’s historical Greenhouse Gas emissions.” Though consumers have contributed by supporting these businesses, responsible and sustainable alternatives are not always available or are too expensive to access, so for many, they have no choice. Businesses have increased Greenhouse Gas emissions through coal mining, fracking, tar sands, factories, and landfill sites. Such practices have caused adverse effects to the planet, leading to ocean pollution, contamination of groundwater and soil, and creating an excess of carbon emissions. This has led to what we know as climate change.

The world is seeing an alarming increase in temperature, causing abnormally dangerous and high intensity weather patterns. Indigenous communities are some of the first to face the impacts of climate change due to their close relationship with the environment. Climate change has also exacerbated difficulties that are already being faced by these communities.

According to the United Nations, “Indigenous peoples are vital to, and active in, the many ecosystems that inhabit their lands and territories and may therefore help enhance the resilience of these ecosystems.” For such groups to contribute so little to greenhouse emissions yet face the most dangers to survival, it’s important for us to acknowledge that our lifestyle changes have contributed negatively to the environments they depend so highly on and protect.

It is about time we reconnect with indigenous groups, and learn a way of life that is more sustainable and beneficial for us all.

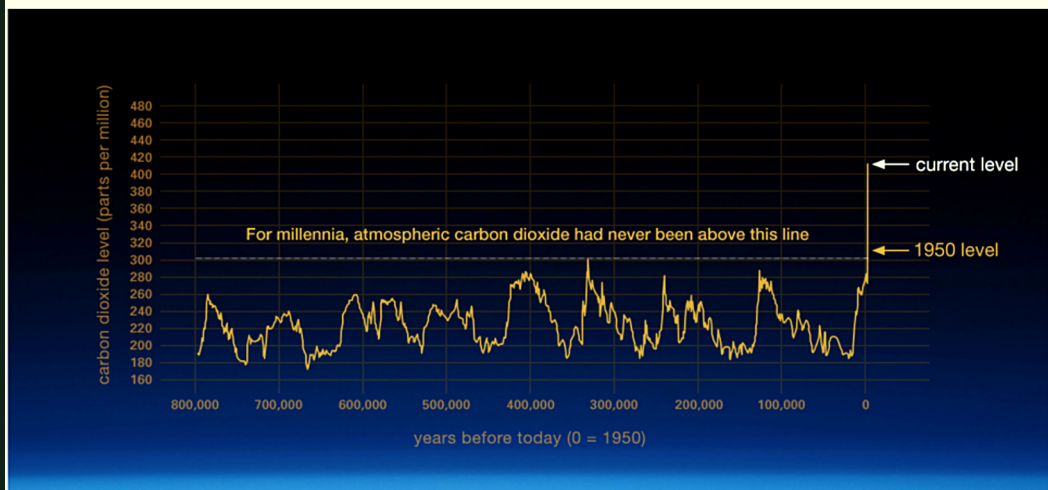
HOW DOES THIS RELATE TO ECONOMICS?

Goal 13 of the United Nations Sustainable Development Goals urges us to take action to combat climate change and its impacts. Climate change has spillover effects on our resources. Since Economics deals with optimizing the use of these resources to combat scarcity, our environment must be protected.

More on this subject will be published in next month's issue.

Climate Change: How Do We Know?

Source: NASA



WOMEN IN ECONOMICS

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IN CONVERSATION WITH
DR. SANGEETA BISHOP
ECONOMIST AND CHAIRPERSON OF DEPARTMENT OF
SOCIAL SCIENCES, HUMAN SERVICES & CRIMINAL
JUSTICE AT BMCC/CUNY

Economics is widely known to be male-dominated. According to the Chicago Booth Review's 2019 study, economics is "a field where women are one-third of undergraduate students yet only 14 percent of full professors in PhD-granting departments." We were fortunate to have gotten the opportunity to interview Dr. Sangeeta Bishop who helped us learn more about the 14% of female professors.

Dr. Sangeeta Bishop was the first woman to be appointed as an Economics Professor at BMCC. After becoming the department's chair, she was determined to take on a pro-active approach and provide opportunities for women, which offers students a perspective that's beyond the neoclassical model which focuses on the male point of view.

Dr. Bishop revealed that male dominance in the field is the most prominent in positions of academia.

There were only two female professors in her graduate school, of which one was denied tenure. Unbeknownst to this unfair sex-ratio, she pursued an undergraduate degree in economics in India, where she was introduced to the vast field and gained insights on economic development, welfare, transportation, and unorthodox schools of thought that incorporated ideas from other sociological subjects. All of which was lacking in the graduate program she undertook in America, where she was taught neoclassical economics. Later on, while pursuing her PhD., she noticed people being discouraged from diverging from the conventional school of thought. She observes a slow change in this ideology. Books like *Beyond Economic Man* (1993) created awareness of feminist economics. Female economist panels hosted by the American Economic Association created a special place for women.

Her advice for students starting out is, to learn and understand the basics of economics, straying away from ideas that preach economics to be only about finance and investing. At times, it might involve unlearning these wrong concepts learned in high school, even from college, and starting afresh.