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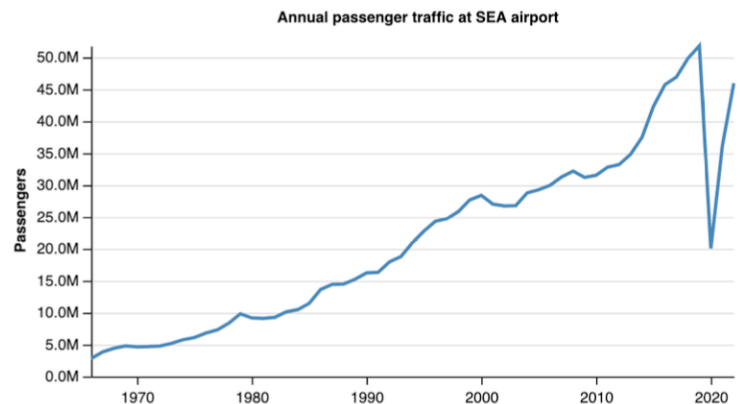
We Need a New Airport for the Port of Seattle

SHIV KUMAR KAPOOR

Every UW student knows and loves Seattle for the constant influx of new people, whether brought in by companies or immigrating to study. The University itself is home to over 8000 international students representing over 100 countries. This multicultural amalgamation of residents has earned Seattle its reputation as a global gateway. Serving as an integral international pathway, the Seattle-Tacoma Airport (SEA) handles over 50 million passengers a year. With the city's growth showing no signs of slowing and SEA already displaying difficulty in handling the demand, the Seattle metropolitan area needs a new airport as soon as possible.

The international community is not the only cause of the rising passenger demand on SEA. With the continued expansion of Seattle's MNCs through the pandemic (Amazon and Microsoft both set new employment records in 2022), the city's business travel is demonstrating clear signs of recovery since the COVID-19 lockdown. Both tech companies have recalled all workers to the office, which will likely lead to further increases in corporate travel. Furthermore, US airlines have labeled SEA as a prime port for trans-Pacific flights

due to its proximity to East Asia. Both Delta Airlines and American Airlines have ramped up flights from SEA, with up to three new routes to China and India slated to commence in 2023. Equidistant from London and Tokyo, Seattle offers these transcontinental west-coast flights up to 2 hours shorter than those to/from San Francisco or Los Angeles. While unrelated to Seattle's population, the increased use of SEA as a domestic-international transit hub will cause future congestion.



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How to Not Become an Unemployment Statistic 101: Student's Thoughts on the UW ECON Mentorship Program

ANASTASIA ARGAT & NANDINI DAGA

Through the UW Economics department, students get an opportunity to connect with a professional in their field of interest through the UW Economics Mentorship program. As stated on the department website, "The undergraduate mentorship program links undergraduate economics students with volunteer mentors in order to enable students to develop life and career skills through the guidance of seasoned professionals." Students submit an application in the Fall quarter and are matched with a mentor that shares their interests. As current students in the program, we have found this opportunity incredibly helpful in career planning and skill development. We wanted to share our experiences with students who are interested in joining next academic year.

Nandini Daga:

I received a lot of help from my mentor in looking for potential internships and job opportunities. I had been having trouble finding what kind of jobs would meet my interests, and my mentor had experience in all kinds of different economics-related work. I found applications I never would have heard about on my own, and in fields I hadn't previously considered. I saw new opportunities everywhere, from the CIA to the local commerce department. I was able to discuss my graduation path with them as well, and get advice that wouldn't be found on a website.

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How to Not Become an Unemployment Statistic 101: Student's Thoughts on the UW ECON Mentorship Program

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My mentor gave me help with my cover letters and resumes, and was also just a great conversationalist. I really enjoyed talking with them about their career, their journey, and even just current events. One thing about the program that I really loved is that you can control the experience that you get from the program—you and your mentor can work out exactly what you need and the level of communication necessary. My mentor and I email each other about every two weeks and meet in person about once a month, which is perfect for our schedules. I'm glad I decided to apply for the program—I definitely gained a lot from it. I would highly recommend it to students who want some guidance and advice.

Anastasia Argat:

Going into this mentorship program I wasn't sure what to expect. I knew the overall idea but I didn't know what exactly it entailed. I remember going to the first meeting and being excited seeing all the mentors and mentees get to know each other and, of course, meeting my own mentor. After that meeting, the picture started getting clearer. I realized that the way this mentorship program goes is up to my mentor and me. It is a very personalized experience that I have been very glad to partake in.

I think an aspect that made this mentorship even better is that my mentor ended up being in the same career field that I want to pursue. Every time we meet I can ask him for guidance and advice and one of the best parts is hearing about his career journey starting from when he was an Economics student at the University of Washington. The meeting schedule is usually different for everyone. In my experience, I try to meet with my mentor when possible which varies based on availability, but it's important as I can discuss with him what my next steps should be to achieve the goals I have set. One thing I am very thankful to my mentor for is his words of wisdom on choosing a career field you could enjoy. It makes me think about my personal values and interests and how they tie in with the career that I want. After every meeting, I learn something new and become more confident in my abilities.

If you are someone who is contemplating joining this mentorship program next year, I will be the person to tell you not to hesitate! It is an opportunity you don't want to miss especially if you are looking for guidance on gaining career skills and knowledge, and figuring out what the next steps are after your Economics degree.

ANNOUNCEMENTS

Alumni Mixer: Join us in the Walker-Ames room in Kane Hall on April 6th to network with alumni!

Join the EUB: The EUB will begin accepting applications for the 2023-2024 school year! Please check our website for more details

Economics Tutoring: The EUB offers free tutoring every weekday at various times every quarter! Check the schedule on the EUB website to see tutoring times. If you need help with an upper-level class, however, make sure you check the website to see which tutor can help.

Contribute to the Economizer: The Economizer will be seeking guest writers for our Spring Quarter issue. Interested writers should check their emails from the department in the early Spring quarter for submission instructions.

The Economizer is a quarterly newsletter published by the Economics Undergraduate Board. The articles herein do not necessarily reflect the view of the department or its faculty.

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Visit EUB at: <http://depts.washington.edu/ecnboard>

We Need a New Port for the Port of Seattle

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The Port of Seattle estimates passenger numbers to rise to 66 million in the next 10 years, far beyond Sea-Tac's current capacity. While the Port of Seattle recently opened a new international arrivals facility and confirmed plans to start construction on a new 450,000 sq. ft. international terminal, the airport's growth potential is severely hampered by its size. Not only is it the smallest (by land area) major airport in the USA, but it is also boxed in by urban development on all sides, restricting any expansions. Seattle is not the first city to experience capacity constraints in an urban airport. Sydney and Osaka both combated the rising passenger numbers through the development of new airports. While Osaka constructed a new island in Osaka Bay, Washington is likely to follow in Sydney's footsteps in developing a rural location and high-speed transportation to the city.

In 2021, the Washington State government announced its intent to determine a suitable location for a new major airport to serve the city. In 2022, 3 potential sites were shortlisted - 2 south of Tacoma in Pierce County, and 1 east of Olympia in Thurston County. However, progress on the new development is slow, as the plans are facing strong resistance from the local communities. The anti-airport rationale includes fears over increased noise and air pollution, nature, and habitat concerns, a loss of business in the current Seatac area, and an irresponsible misallocation of government spending.

Pollution levels from modern commercial aircraft - from which the anti-aviation pollution fears stem - are dramatically below their past levels. A cruising Boeing 787 burns approximately 600 liters of fuel per 100 km or about 2 liters per passenger per 100 km on a full flight. The average family vehicle burns approximately 7 liters of fuel for the same distance; assuming an average household of 3, approximately 2.33 liters. Once the cargo capacity of aircraft is compared to the fuel efficiency of trucks, and the continued improvement of fuel efficiency through retrofits and sustainable aviation fuel (SAF), it is clear that pollution fears over the new airport are overstated.

The Port of Seattle estimates that SEA generates over \$22 billion in local business revenue and 151,000 jobs. However, there is no reason to fear a potential loss of this economic benefit in the Seatac area. The development of a new airfield would augment the capacity of SEA, rather than cannibalize the market share. Furthermore, airlines that currently serve SEA are unlikely to relocate operations to newer, more distant airports. SEA will almost certainly remain the airport of choice for as many airlines as possible, simply due to its proximity to the city. Other cities face similar experiences: Heathrow remains London's airport of choice even with 5 other airports, Haneda remains Tokyo's preferred airport, and SFO and LAX both

maintain the top spots for their respective cities. The new airport will likely only serve the expansion of new airlines and routes, facilitating more flexibility and income for Washington State as a whole. Economically, the airport will benefit the local community, bringing in thousands of jobs - from maintenance engineers to check-in agents to hospitality at the airport hotels. Small businesses will also benefit from the increased demand for products. Additionally, a study published by consultants for the Port of Seattle estimates each new international route generates more than \$74 million in economic impact in the region. Expanding potential for more international routes is key to developing the economy.

According to the Puget Sound Regional Council, the development of the new airport will cost between \$20 billion and \$42 billion - making it one of the most expensive projects in the state. Opposition to the airport claim that the funding would be better used for civil services, such as homeless shelters. However, the construction and operation of the airport is expected to create 120,000 to 200,000 jobs, reducing unemployment. Additionally, the added income will follow the cyclical nature of spending, allowing for an even greater increase in local wealth. The same study estimated the new airport to generate \$2.2 billion in local economic activity, however, the real value should eventually approach the \$20+ billion of SEA. The added infrastructure increases Seattle's ability to accommodate production, allowing for a further increase in the city's GDP.

Seattle's ports are not prepared for the continued rise in domestic and international travel. As planes are the fastest mode of transportation, they are here to stay. Seattle needs to prepare to mitigate congestion and reap the economic benefits of being an international travel hub. A new Seattle airport is imperative.

To Rethink Currency is to Rethink Our World

DREW SCHOENFELD

The U.S. produces an estimated \$21 trillion annually in Gross Domestic Product (GDP). Despite this, an increasing share of the population lacks access to essential human needs. Food is abundant, and yet nearly one in ten people experienced food insecurity at some point in 2019. In the same year, almost 600,000 people were reported homeless on a single night in January, and yet nearly 13% of homes were reportedly vacant in the United States. We are surrounded by abundance, and yet millions of people lack reliable access to basic human needs. Our economy and our monetary system are failing us. The reason? The very invention of money was born from a world of scarcity, not surplus.

Money is a tool, born from a need to distribute scarce resources. For hundreds of years high quality food, clothing, healthcare access, and education were scarce due to the immense number of costs and resources used to produce those goods and services—but our world has changed. In the U.S., the surplus is all around us: restaurants and movie theaters with empty seats, university classrooms that are dormant, food that goes unsold, and houses that remain empty. Our current scarcity-based monetary system cannot distribute these resources efficiently (if it could we would not have this surplus to begin with). Similarly, there are countless individuals who want to enjoy these resources but cannot afford to do so. **We need a new kind of money that distributes surplus goods and services, especially to the most underprivileged individuals in society.**

Joel Hodroff, the founder of DualCurrency Systems, has identified an effective solution. In 2020, Hodroff published a paper suggesting cities adopt their own volunteer-based currencies, not as a replacement to the dollar, but as a *complement*. Here's how it would work: a local volunteer center keeps an updated list of community-enhancing jobs (e.g. community beautification projects, senior care services, mural painting, school tutoring, activism work, etc.) Individuals can do these activities to earn a secondary currency (let's call them merits) which they can redeem along with cash purchases at local businesses for discounts and deals. Hodroff's idea sounds simple but can create considerable benefits for all parties involved.

Let's examine the benefits starting from the most micro level, the individual, and scaling up from there. First off, a dual currency system would provide individuals with flexible and consistent employment, as there is no end to the number of community-enhancing activities available. One could always find *something* that needs to be done to improve their city. Secondly, this system would lower the cost of living for many of these individuals, freeing up more money for them to spend elsewhere. Think about it, if you buy a \$2 sandwich for \$1 and 1 merit, you just saved an additional dollar to spend on other needs. The sandwich vendor would gladly make this sale

so long as they generate enough profit to cover the costs of making the sandwich. This would allow low-income individuals access to more goods and services, all while doing dignified and meaningful work in their community.

Scaling up one more step, we can see how a dual currency system benefits local businesses. To understand how this works, let's imagine the following simplified scenario: There's a movie theater that has empty seats on any given night. The regular patrons of the theater feel comfortable paying the current price of tickets but the owner imagines that there are many people who do not come to the theater because a ticket is too expensive. Is there a way to selectively lower a ticket price for whoever can't afford it, while keeping it high for the regular patrons? This would provide 3 major benefits: more people could then afford to see movies, the business would make more profit, and the surplus of the theater wouldn't go to waste. This practice, called price discrimination, becomes possible with a dual currency system by allowing individuals with merits a supplementary way to pay. In this way, businesses can tap into more demographics who would not otherwise buy their goods and services.

When we zoom out on a macro scale, we can see the benefits for cities and even the entire country. A volunteer-based community currency not only incentivizes volunteering within the community but also keeps wealth local, helping local economies thrive. By creating an independent source of wealth, communities become more resilient to global financial crises by providing a constant stream of employment opportunities locally. If cities across the U.S. had such a system during the 2008 crisis, unemployment may have been mitigated and a higher baseline level of economic activity could have continued.

Finally, on a global scale, dual currencies can even help us to conserve natural resources and mitigate the climate crisis. This is because dual currencies put surplus goods to use instead of letting them go to waste. In this way, dual currencies prioritize the *conservation* of resources.

Money, just like any other invention, can be redesigned to better fit our needs. A volunteer-based dual currency would not fix all of our problems, but it presents an effective bottom-up solution to several economic issues (financial crises, income inequality, consumerism, unstable employment, and monopolistic markets just to name a few.) Imagine a world with more connected and thriving communities, democratized employment opportunities, resilient economies, and support for those in need. By redesigning currency, this can be realized. Ultimately, to rethink currency, is to rethink our world.