

## Looking Ahead to 2017: Some Thoughts

By Don Sutherland

As 2016 winds down to its closing days, then hours, then minutes, and finally seconds before disappearing into the past forever, one is reminded of how fast time seems to pass. The January 1, 1811 *Massachusetts Spy* captured the rapid passage of time, observing:

*Time glides away...like a brook,  
'Forever changing, unperceiv'd the change.'*

*Incessant, rapid roll the wheels of Time,  
Year after year in swift succession speeds...*

The passage of time is relentless. Where it leads and the change that it brings, as the article noted, can be “unperceiv’d.” The year now ending provided a vivid reminder that abrupt, often unexpected change is, in fact, a familiar companion of the human experience. The quadrennial U.S. Presidential election is now behind us. New York real estate magnate Donald Trump is the President-elect. Few pundits had expected that outcome.

What does that mean for the American economic, domestic, and foreign policy landscape? What does that mean for the big challenges facing the nation? What does that mean for the significant opportunities that are also available to the United States and the American people? What does that mean for how an increasingly diverse population will live, collaborate, and work together?

Recent news stories demonstrate that world events are unfolding with their own sense of momentum. Three recent events raise a sample of important and consequential questions.

- Russia, Iran, and Turkey recently held discussions concerning Syria's sectarian conflict that excluded the United States. What does that suggest for U.S. influence in Syria, the Middle East, and the world? If the U.S. role is shrinking and it is being excluded from major issues, what does that portend for global stability and American interests?
- China recently seized an American underwater drone in the South China Sea and subsequently returned it. China has aggressively been moving to claim sovereignty over the entire South China Sea, including numerous disputed islands and air space. Currently, \$5.3 trillion in global trade, including \$1.2 trillion in U.S. goods pass through this vital waterway. What would it mean geopolitically and economically if a single nation gained the capacity to control the South China Sea?
- In the Third Quarter, U.S. economic growth accelerated, growing at an annualized rate of 3.5%. The unemployment rate had fallen to levels consistent with full employment to 4.6% in November. Bolstered, in part by rising wages, inflation had begun to reawaken, leading the Federal Reserve to hike its target federal funds rate 25 basis points on December 14. What fiscal policy will President-elect Trump pursue? What impact will it have on macroeconomic conditions and the federal budget deficit? Will a combination of promised infrastructure spending and tax reductions risk the economy's overheating? Will an expansionary fiscal policy lead the Fed to act more aggressively to rein in inflation, perhaps tipping the economy back to slower growth or worse?

How these and other questions are resolved will impact every American, even students. For my strategic management class, some relevant issues would touch on numerous critical variables related to how companies recognize, understand, and pursue opportunities and/or address threats; the cost of capital and trade-offs related to long-term resource choices and other commitments; and, whether or how to expand overseas. In addition, the resolution of such questions could shape the jobs, careers, and lives of my students who will be graduating in the spring.

As such, these issues make a powerful counterargument to growing sentiment in some quarters that professional education, technical skills, and other specialized content is more important than liberal or general education. They reveal the fallacy that trade schools can become a sort of substitute for Higher Education.

If anything, the big issues now unfolding argue that liberal or general education has become more important. Effective communication skills; critical reasoning; information literacy; quantitative skills; and, familiarity with history, science, and technology are becoming the passports that make it possible for today's students to navigate tomorrow's often uncertain future. An ability to communicate effectively with people from diverse backgrounds, obtain reliable information, synthesize a broad body of information in order to recognize possibilities, and make informed choices that take into consideration inherent often difficult-to-recognize trade-offs, are valuable skills. They cannot readily be automated. They are increasingly the requirements of effective managers and leaders. They are also the building blocks of good citizenship.

During Congressional debate concerning education in 1826, a report to the House of Representatives recommended:

Establish common schools in the villages, to teach all the children to read, write and cypher, &c. A college education for a few, while the body of the nation is left in ignorance, has been proved, by the experience of more than two hundred years, to be a most unprofitable experiment...

That was then. In the increasingly knowledge-intensive and dynamic world of the 21<sup>st</sup> century, an argument similar to that made for "common schools" could now be advanced for a college education that includes a robust general education component. A liberal education not only provides useful knowledge, but also knowledge that is indispensable.

Have a happy, prosperous, and rewarding New Year.