

LSESU ECONOMICS ESSAY COMPETITION SUPPORTING GUIDE

Professor Sir Christopher Pissarides:

AI and Worker Wellbeing

How to Approach?

- Identify competing interests (eg. productivity monitoring of firms vs. autonomy/well-being of workers).
- Explore ethical, economic, and managerial implications of AI surveillance.
- Consider framing the discussion in terms of labour economics, incentives, and trust.
- Consider different policy and HR management frameworks (eg. co-determination, transparency tools)

Suggested Readings:

- Acemoglu & Restrepo (2018): Artificial Intelligence, Automation, and Work.
- OECD (2023): AI in the Workplace: Risks and Policy Responses.
- ILO reports on algorithmic management and digital surveillance.
- Articles on the “productivity paradox” and remote/hybrid work.

Professor Sir Tim Besley:

Social Identity and Economics

How to Approach?

- Clearly define social identity (ethnicity, religion, class, gender, etc.).
- Explain how identity influences behaviour (consumption, voting, cooperation, etc.).
- Link identity economics to real-world challenges (polarisation, social cohesion, redistribution, etc.).
- Engage with behavioural economics and political economy.

Suggested Readings:

- Akerlof & Kranton (2000): Economics and Identity.
- Banerjee & Duflo (2019): Good Economics for Hard Times.
- Besley et al. (2015): Institutions and Identity.
- Habyarimana et al. (2007): Coethnicity and Public Goods.

Professor Christopher Sandmann:

Predictors of Armed Conflict and Peace

How to Approach?

- Outline theories of conflict (opportunity vs grievance, resource curse, institutional weakness, etc.).
- Highlight key predictors (income shocks, ethnic fragmentation, political repression, youth bulges, etc.).
- Distinguish between short-term triggers vs. long-term structural causes.
- Consider peace-building metrics (eg. institutional capacity, economic diversification, aid effectiveness)

Suggested Readings:

- Collier & Hoeffler (2004): Greed and Grievance in Civil War.
- Blattman & Miguel (2010): Civil War.
- Sachs (2005): The Resource Curse.
- Uppsala Conflict Data Program (UCDP) & PRIO for empirical conflict databases.



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Professor Jane Olmstead-Rumsey:

AI vs. Historical GPTs

How to Approach?

- Define General Purpose Technologies (GPTs) and how AI fits the definition.
- Compare economic spillovers (productivity, employment, wage polarisation, etc.).
- Discuss adoption lags, skill-biased technological change, and capital complementarity.
- Evaluate whether AI will replicate or break from historical adoption patterns.

Suggested Readings:

- David (1990): The Dynamo and the Computer.
- Brynjolfsson, Rock & Syverson (2021): The Productivity J-Curve.
- Acemoglu, Autor & Restrepo (2022): Tasks, Automation, and the Future of Work.
- Olmstead-Rumsey's own LSE research on AI and macroeconomic adjustment.

Professor Ricardo Reis:

Trade Deficits, Public Deficits and Policy Mix

How to Approach?

- Discuss the effects of tariffs on bilateral vs. overall trade balances.
- Link fiscal deficits to domestic demand, capital inflows, and exchange rate appreciation.
- Consider unintended consequences (job displacement, retaliation, inflation, etc.).

Suggested Readings:

- Krugman & Obstfeld: International Economics.
- IMF (2023): External Sector Report.
- Reis (2013): The Portuguese Slump and Crash.
- Mankiw on macroeconomic policy transmission channels.

