

What's Next: The Changing Economy

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WHAT'S COVERED

In this lesson, you will reflect on what we have learned from history and see how we can use it to prepare for the future. As helpful as history is, though, we should keep in mind the old adage: the future will be just like the past up until the moment when it isn't. Good historians are never perfectly prepared for the future, but the more we know about history and the more we have critically analyzed it, the better prepared we will be. Specifically, this lesson will cover:

1. The Changing Economy
2. Planning for the Future

"It's not enough to think about the future—you have to build it."

Alexander Van Boetzelaer, Evp Of Strategy, Elsevier



BEFORE YOU START

How can you apply your agility skill in times of economic challenge?

1. The Changing Economy

It's not always possible to foresee economic challenges. Even those who are skilled in predicting shifts in the market make mistakes. But preparing for what might happen and being ready to make decisions when you need to are skills that can help you succeed no matter the challenge. Don't fear change; expect it, plan for it, and embrace it.

One way to prepare is to become a good researcher. By finding reliable and relevant sources, you can be sure you're acting on good information and making the best decisions possible. Think broadly about what might constitute helpful sources—anything from news articles and academic research to interviews with experts to surveys and data.



Becoming a good researcher will help you prepare for whatever the future might hold.

Most historians and economists acknowledge that future economic downturns will happen, though no one can be sure exactly when they'll take place or how serious they'll be. But history teaches us that we can survive such challenges—and even thrive, as individuals and businesses innovate in the face of new circumstances and the government seeks large-scale solutions.

Now let's look at some other lessons from the past.

Your **agility skill** has been a major focus this week as we've read about people adapting to changing economic circumstances. Americans in the Great Depression often had to alter their lives in dramatic ways, such as by moving to new locations in search of work. The government also showed agility by addressing the crisis with large-scale social and economic programs. During the Energy Crisis, Americans changed their transportation habits; after the dot-com bubble, many learned new skills or embarked on new careers.

We've also seen several examples of how necessary **problem solving skills** have been during times of economic change. In the Great Depression, people like Douglas Fraser and his family made do with free day-old bread and vegetables grown in backyard gardens. They took what supplies they had and found ways to work with them to survive. The New Deal involved problem solving on a large scale: the Roosevelt administration, faced with a large unemployed population, put people to work on projects that would help different parts of the country. During the Energy Crisis, we saw problem solving in the strategies people used to lower energy use.

2. Planning for the Future

The economy is influenced by many factors, including business trends, government regulation, and things like weather or disease. It's a complicated system that has the capacity to affect almost everyone. Even though individuals cannot control the economy, we can see throughout history how people have relied on agility and problem solving to survive periods of economic challenge. Because economic cycles are a fact of life, it's important to live with a mindset of being prepared and ready to adapt.

Here are some examples of ways to apply agility in times of economic challenge:

- **Choose a career wisely.** In an economic downturn, some industries—such as healthcare, accounting, or government administration—tend to be more “recession-proof” or stable than others (Glassdoor, 2019). If possible, pursue a career in more “recession-proof” industries or seek training and a new job in one of those industries during downturns.
- **Be resourceful.** Throughout history, people have survived economic hard times by “tightening their belts” and using creativity to make what they had last longer.
- **Embrace new technology.** New technology often provides people with an opportunity to come out of economic hardship, whether by learning a new skill such as coding or by working in a tech-centered job like a rideshare service.
- **Brush up on your education and qualifications.** In times of economic downturn, getting more education, qualifications, and training can help you maximize your agility and give you the advantage you need to succeed in a tight job market.

As we examined the economic challenges discussed in this challenge, we used information from history to better understand the issue of economic change.



SUMMARY

In this lesson, you learned that history offers us lessons for how to prepare for **the changing economy**. In periods of economic fluctuation and crisis in the 20th and early 21st centuries, agility and problem solving helped Americans to survive and prosper. Since future economic downturns will surely happen, it is wise to keep these lessons in mind when **planning for the future**.

Best of luck in your learning!

Source: Strategic Education, Inc. 2020. Learn from the Past, Prepare for the Future.

REFERENCES

Glassdoor. (2019, September 22). *11 Recession-Proof Jobs*. www.glassdoor.com/blog/11-recession-proof-jobs