

Make Me Smart November 10, 2021 transcript

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Kai Ryssdal: All right, here we go. Who's in charge now?

Molly Wood: It's Brian, he's on. He said he was gonna go whether you made it or not. Hello, everyone. I'm Molly Wood. Welcome back to Make Me Smart, the weekday podcast where we make today make sense. Thank you for joining us.

Kai Ryssdal: You're welcome for joining you because I barely made it back, I gotta tell you. I'm Kai Ryssdal. What do you want to know Wednesday? All the smart questions that you have asked, all of our hopefully equally smart answers. And if you want to be on the pod in the days and weeks and months to come, hit us up, makemesmart@marketplace.org or call us, leave us a voicemail. 508-UB-SMART is how you can call us.

Molly Wood: And we're all gonna go easy on the Ryssdal today because he probably walked off a plane about 20 minutes ago, and if not, is still probably totally jet lagged. He took some version of an East Coast red eye back from interviewing Janet Yellen. A question that I want to ask everyone, by the way--good for you--going forward from now until eternity is what if you're wrong?

Kai Ryssdal: Well, she was really funny, like, deadpan, like, she was not amused. I thought I would get a chuckle or something. Because she and I have a pretty good relationship. We've talked a bunch of times. She looked at me stone face. I'm like, okay, fine. You're serious. Yeah.

Molly Wood: Because turns out the inflation thing is a bigger deal than they wanted it to be. That's for damn sure. Oh, hey, our first question is about inflation. Ted in Colorado wants to know, do the trade tariffs affect US inflation? I feel like there are so many dots from here to there, and only Kai can connect them.

Kai Ryssdal: I will, and I will make it a journey of few dots. Let's take, let's talk about the tariff elephant in the room. Right? That is the \$300 or so billion dollars of imports from China that we are currently tariffing. That is a carryover from the Trump regime. Okay. And those tariffs vary anywhere from 10% to 25% of the total value of the imported goods. So in the grand scheme of things, that is not a huge amount in this economy. But at this point when inflation is running as high as it is, 6.2% year on year, we learned this morning, I'm sure you've all heard the news, nine tenths of 1% on a month to month basis, which is big, any little bit helps. And in point of fact, Secretary Yellen has said that reducing tariffs would be disinflationary, right, it would take some of that edge off. But it's not a big enough slice of the pie to make up for the big kahuna in

inflation right now, which as we all know, is supply and demand. And all of the stuff that we've been talking about a marketplace for what seems like freakin' ever. That's item one. Item two is here we are 10 months into the Biden administration, whatever it is, I don't actually think that they're going to take those Chinese tariffs off anytime soon. So nobody ought count on that. Even though American businesses want them off, American consumers want them off, the Chinese want them off, for sure. But the Biden administration needs the geopolitical leverage of tariffs on China. And so they're not going to let them go. That's what I think. My two cents.

Molly Wood: Yeah, I think that seems like it is almost certainly the case. And inflation is just gonna have to get solved in other ways. And most of those ways involve time. And that just is the reality of it. Yeah.

Kai Ryssdal: Absolutely. Okay, question number two, piece of tape, here we go.

Rob: Hi, Kai and Molly. This is Rob from Seattle. The Ballard neighborhood in Seattle, for Kai's benefit, is home to Seattle's brewery district. Here's a question for you regarding climate change accountability. Who's holding companies and governments accountable their actions and pledges to reduce their carbon footprint actually works? Definitely interested to hear Molly's take on this. Thanks.

Kai Ryssdal: Me too. Me too.

Molly Wood: Thank you, Rob, by the way for giving us a fun fact about your town just like we asked.

Kai Ryssdal: Yes. Like we asked.

Molly Wood: I love it. That's so great. Um, yeah, no one other than the kind of short answer, we don't have that, long answer, or longer answer, at least, is, is that when you all get together and you agree to do something, the theory is that you hold each other accountable. You know, if you're asking about the Paris Agreement specifically, there is no strict enforcement of pledges. In fact, there's not really even a way to do that. And very few countries on Earth, I think, at this point, have the moral standing to be like, you're not doing what you said you would do, because almost no one is. So there is a process, kind of, like you can get called out. And, you know, on the theory that social pressure and peer pressure work, the, there are some metrics if a country fails to report its emissions or its progress that could trigger a review by this committee of experts. And this is again about the Paris Agreement specifically. The committee is quote, facilitative and non punitive. There aren't any penalties right now for non compliance. It's just up to sort of other member countries, maybe financial markets. And really, and I think, actually most profoundly at this point, citizens, to hold countries accountable for what they do. There is the one report suggesting there's a rise in the number of lawsuits, legal actions being filed against businesses and governments related to the climate crisis, I think you're gonna see that. I just read an interesting book where there was the idea of attempting to create legal standing for future generations so that companies or governments could be sued on behalf of those future

generations. There's a group tracking all of this, the climate action tracker, which rates how countries are doing. It is really, I think, at the end of the day, sort of a name and shame game. It's like a lot of rhymes in there. And so far, we are hoping that that will work but like, you know, absent a global government or some kind of carbon coin, that would, I'm now, now taking directly from Kim Stanley Robinson, a sci fi author I interviewed for today's episode of how we survive, but he talks about this idea of carbon quantitative easing, right, like creation of a global currency that would reward or punish countries that do or do not sequester carbon. So there's like, all these theoretical options, but right now, it's mostly just peer pressure.

Kai Ryssdal: Yeah, cuz the catch is we have to buy involuntarily, right? That's the problem with this. Right?

Molly Wood: So far. Yeah. So far. Yeah. You know, if it gets bad enough, we might start inventing mechanism. So far, we're still feeling pretty good. Alright, let's go to our next question, which is relevant to yesterday's show about the quits rates, or actually more specifically, job numbers.

Kat: Hi, Molly and Kai. Hi, my name is Kat from Alexandria. I have a question about the unemployment rate. In the numbers, how are the underemployed accounted for? For example, I have two part time jobs. I consider myself a gig worker. If I were to lose one of my jobs, I would not consider myself unemployed. I would consider myself underemployed, for I would have to find another second job in order to cover my expenses. How are people like me accounted for in the jobs numbers? Thanks for making me smart.

Kai Ryssdal: Oh, that's really interesting. So let me direct your attention to table A 15, table A 15, Alpha 15 of the economic news release that comes out every month from the Bureau of Labor Statistics in which you will find a category of unemployed people known as U6, okay, U6, and that is used by the government to categorize people who are what is defined as marginally attached to the labor force, that is to say, they want a job, they don't have enough hours, they can't get one. There's other constraints on them. And for whatever reason it is, they're not as employed as they want to be full time. So those numbers are tracked, kind of, but in your situation, Kat, it's a little bit different. Because we don't actually track officially, gig workers, right? And if you've got two, even if they're like two full time gig employment jobs, they're sort of not really counted. Right? And that's the challenge. And if you lose one, you're definitely not unemployed, you might be underemployed and somehow reflected in that U6 number. But generally speaking, it's hard to account for people in the gig economy. They're working on it. And certainly this pandemic has made people much more aware of the challenges of being a gig employee and in terms of benefits, and all of those things that a lot of the cares package dealt with, right, benefits for those workers. But right now, until the government changes the way it counts, gig workers aren't really there.

Molly Wood: Hmm. Which is bonkers considering how many of them there are, like there are estimates that suggest they make up 30% of the labor force. So that's a miss. That's a miss.

Kai Ryssdal: All kinds of people, all kinds of people. You bet. All right, Rob in Colorado. Here's what he wants to know. Oh, this is a good one. What does banana pants mean? Or what is its translation? We're going straight to the source, Molly Wood, over to you. This is your life.

Molly Wood: Okay, what's super funny is that I am wearing the pants right now and it's just a coincidence.

Kai Ryssdal: Could not be more on brand.

Molly Wood: Totally wearing the pants. I just got some of the new banana related merch. I consider putting on the banana t shirt with the banana pants and then I was like--

Kai Ryssdal: Wait, did you get a shirt?

Molly Wood: I did get a shirt. Uh huh. Did you not get a shirt yet?

Kai Ryssdal: Am I not supposed to tell the co host? It's all fun.

Molly Wood: Am I scooping the merch again?

Kai Ryssdal: Scooping the merch again. Again!

Molly Wood: There's a sweatshirt. I know.

Kai Ryssdal: We're gonna have to have a designated merch scooper when you leave.

Molly Wood: It's probably embargoed, Bridget is answering, she says to check your mail first of all.

Kai Ryssdal: All right, okay.

Molly Wood: Once again, jumped the gun on the merch. Okay, here's the deal with banana pants. My son and I were actually just talking about this today. I started using bananas as a substitute for crazy because it is considered somewhat ablest to just go around saying crazy, right? It's just not nice. And I'm a believer that kindness costs you nothing. And also it's kind of fun to say bananas instead. And I grew up in the age of like that, you know, terrible Gwen Stefani song, like this is bananas, B-A-N-A-N-A-S, so it makes me happy to say that and then at some point, because I am just, I don't know, a linguistic weirdo, I just, I needed something stronger than bananas. And I threw pants on there. And yes, it is generally accepted and make me smart cannon that that did first happen, it may have happened sooner but it definitely happened most frequently and a lot during the deep dive into wework and all the subsequent conversations about wework, that is exactly the kind of instance in which bananas won't cut it. And you need to add on pants. That's it. I'm sure other people have said it. But it's kind of my thing. And now we have pants and they're really comfy. Exactly. The New York Times approach

to slaying creation. It doesn't exist until we do it. All right, on that delightful note, that's it for us today, we'll be back tomorrow for hollowed out shell Thursday, keep sending your questions, we're at makesmesmart@marketplace.org. Or leave us a voicemail, or number is 508-827-6278, also known as 508-UB-SMART. You're gonna like this sweatshirt.

Kai Ryssdal: if it ever shows up, if I really end up getting one.

Molly Wood: It's probably on your doorstep.

Kai Ryssdal: All right. Today's episode of Make Me Smart was produced by Marissa Cabrera and engineered by Brian Allison. Our intern is Grace Rubin.

Molly Wood: Ben Tolliday and Daniel Ramirez composed our theme music and our senior producer is Bridget Bodnar. She of such missives as Ryssdal, check your email.

Kai Ryssdal: Check your mail. I'll go have a look. Let's see. That's a good little song we got there.

Molly Wood: It is so peppy.

Drew: Hey, everyone, it's Drew. We're planning some special surprises for Molly before she leaves. And we'd love your help. Send us your goodbye wishes for Molly so we can share them with her on our last week. You can email us with your note or voice memo attachment at makesmesmart@marketplace.org. Just put goodbye note for Molly in the subject line. Or leave us a voice message. Our number is 508-827-6278. That's 508-UB-SMART. Thanks for your help.