

# **CHALLENGES TO THE U.S. ECONOMY FROM WITHIN – THE THREE “TAPEWORMS”**

**Faisal M. Rahman, Ph.D.  
Professor & Founding Dean  
The Graham School of Management  
Saint Xavier University  
Chicago, Illinois 60655, USA**

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# **Introduction**

**Changing International Economic Order**

**Accelerating Factors – Technology, Covid-19, Ukraine War**

# **TAPE-WORM**

**“A parasitic flatworm, which lives in intestines. It has a long ribbon-like body with many segments that can become independent, and a small head bearing hooks and suckers.”**

**- New Oxford American Dictionary**

**It is a parasite that can live and feed in human intestines.**

## **THE THREE TAPEWORMS INSIDE THE U.S. ECONOMY**

- HEALTHCARE COSTS**
- EDUCATION SECTOR**
- LITIGATION COSTS**

# HEALTHCARE COSTS

- **Highest Among Competitor Nations**
- **Mixed System of Socialized Sector and Private Sector**
- **Highest Per Capita Surgeries**
- **Highest Consumption of Prescription Drugs**

# EDUCATION SECTOR

- **Real Estate Tax based Discriminatory Educational Funding**
- **“Best Graduate Schools and the Worst Public Schools”**
- **DISCONNECT between the Needs of the Workplace and People Looking for Jobs!**
- **Cost-Benefit Numbers – Trending Against the Value of College Education**
- **“Certification/Badges” Are More Important than Degrees to Many Employers**
- **Demographic Cliff**
- **Record Numbers of Colleges are Closing or Merging**
- **Too MANY college graduates?**

# LITIGATION COSTS

- In EXCESS of \$500 billion – almost 3% of U.S. GDP
- \$3500 per Household
- US companies spend almost 200% more on Legal Costs than their competitors. (2017 Study)
- Legal Considerations DISTORT appropriate decision making.
- Misallocation of resources
- Example – Physicians ordering unnecessary tests.

# CAN THESE TAPEWORMS BE TREATED?

## HEALTHCARE

- **Single Payer System**
- **Outpatient Based Healthcare Delivery**
- **Limit Healthcare Litigation/Malpractice Awards**
- **Negotiated Price for Medicines (e.g. Insulin)**

## EDUCATION

- **Let colleges Fail!**
- **Community Colleges – “Get Back to their original mission.”**
- **Educational Equity – Access and Quality for ALL**

## LITIGATION COSTS

- **Limit Liability Costs – Product and People**
- **Fundamental Reforms in Lobbying, Politics and Elections**
- **Increased Participation in Political Process by People**

# Strategic Choices

- Hope is NOT a particularly good Strategy.
- American Has a Built-In system for Re-inventing Itself.
- CAN THEY DO IT AGAIN?
- Examples from Healthcare
- Q & A