

1.4. Open economy trilemma and Rodrik's trilemma

1. The open economy trilemma

The Bretton Woods era (1944-1971) was characterized by limited openness and fixed exchange rates. The open economy trilemma is a cornerstone macroeconomic result for this era.

It was independently discovered in the 1960s by Marcus Fleming and Robert Mundell. Mundell was awarded in 1999 the Nobel Prize in Economics (The Sveriges Riksbank Prize in Economic Sciences in Memory of Alfred Nobel).

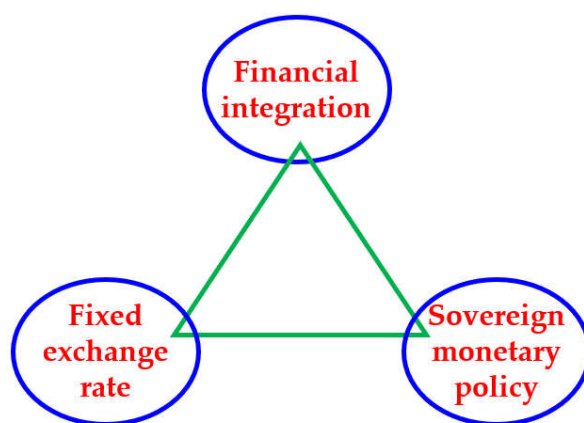
“Prize motivation: ‘for his analysis of monetary and fiscal policy under different exchange rate regimes and his analysis of optimum currency areas’ (...) Exchange rates among different currencies are an important factor in business and the economy. In the beginning of the 1960s, Robert Mundell analyzed the effects of political actions on this area, including the consequences if exchange rates remain fixed or are allowed to be governed by the market. Mundell maintained that it could be advantageous for several countries to introduce a common currency, provided that the labor force has a great deal of mobility. Mundell’s theories had relevance for the introduction of the euro as the European Union’s currency.”

<https://www.nobelprize.org/prizes/economic-sciences/1999/mundell/facts/>

The open economy trilemma provides a theoretical explanation of currency crises (like the 1997 Asian crisis): governments try to achieve policy goals that are impossible to achieve simultaneously. The trilemma is also known as ‘the impossible trinity’.

The ‘strict’ version of the open economy trilemma (displayed on the right) contends that it is not possible (or at least not sustainable) to, at the same time,

- have a fixed exchange rate,
- choose the domestic interest rate (or to have an independent monetary policy) and
- allow free international capital mobility (that is, no capital control is imposed on the currency market: anyone can sell or buy any amount of currency anytime).



The free flow condition is often presented as ‘be financially integrated with the foreign economy having the currency with respect to which the exchange rate is defined’.

A milder version says that the three goals can be simultaneously achieved but only up to some degree: if the aim is to get closer to some of the three goals, then one has to move away from at least another goal.

There is an apt hydraulic simile. Suppose each goal is represented by a water tank. Three pipes connect each two tanks. Tanks and pipes are filled with water, but not completely. The hydraulic circuit is subject to no external force. Then the more one tries to fill two tanks completely by rotating the

whole circuit, the emptier the third tank will end. The attempt to replenish the tank causes some other tank to be less filled.

The trilemma dictates that it is between hard and impossible for a government to

- set the foreign value of its currency against some foreign currency (the exchange rate),
- set the domestic value of its currency (the interest rate: informally, the price of money) and
- let the domestic currency be free (money can cross borders without any constrain).

Currency crises can be seen as failed attempts to have everything: financial integration, exchange rate stability and sovereign monetary policy. By choosing financial integration, monetary policy and exchange rate policy are no longer independent.

2. Justification of the open economy trilemma

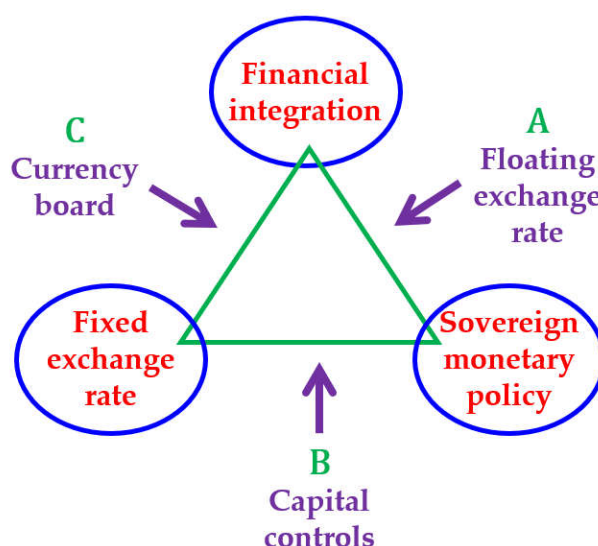
Suppose exchange rate e is fixed and that, exercising the independence of the monetary policy, the central bank lowers the domestic interest rate i . The fall in i makes financial investment in the domestic economy less attractive and, hence, encourages financial investment in the foreign economy. Thus investors reduce financial investment in the domestic economy by selling domestic financial assets in the domestic financial markets, use the proceeds of the sales to obtain foreign currency in the currency market and spend the foreign currency so obtained in the purchase of foreign financial assets. The sale of domestic currency in the currency market lowers the exchange rate e . Since e is fixed, to defend the desired value of e , the central bank has to buy domestic currency (reserves) in the currency market. With fewer reserves around, there is an upward pressure on interest rates, which jeopardizes the original central bank's intent to lower interest rates in the economy. The final result is that the central banks is actually not free to implement the monetary policy they wanted.

3. Policy options consistent with the trilemma

There are three policy options consistent with the open economy trilemma, displayed on the sketch on the right.

- **Option 1. Floating exchange rate.** If having an independent monetary policy and adopting no capital control are the policies chosen, then the exchange rate must float (as currently occurs with advanced economies).

- **Option 2. Currency board.** Fixing the exchange rate and allowing the free mobility of capital imply that monetary policy cannot be independent. It can be interpreted that the EA countries chose this option: their monetary policy was handed to a supranational authority, the European Central Bank. When a single country takes this option, the resulting monetary authority is called a currency board and its goal is merely to adopt the monetary policy of the country (or countries) to which the exchange rate is pegged and be willing to convert into the pegged currency any request of



conversion of any amount of domestic currency. Argentina had a currency board in the 1990s when the exchange rate was fixed at one Argentinian peso per US dollar.

- **Option 3. Capital controls.** Capital controls must be established (like China) when the policy options chosen are to control both the foreign value of the domestic currency (by fixing the exchange rate) and, by conducting a sovereign monetary policy, its domestic value (the interest rate).

4. The euro area (EA) and the trilemma

Among themselves, the countries that have adopted the euro are financially integrated (money flows free) and have accepted a fixed exchange rate. The new currency, the euro, is the expression of the exchange rate being held permanently fixed; for instance, permanently, 166.386 Spanish pesetas = one euro = 1.95583 German marks.

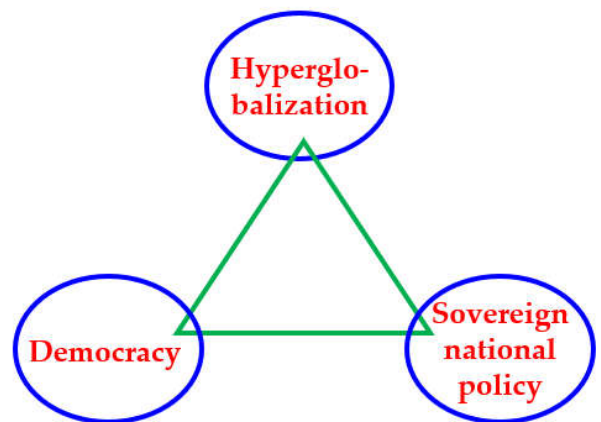
Consequently, no country in the EA has a sovereign monetary policy: it is a supranational organization, the European Central Bank, that conducts monetary policy for all EA members.

Yet, against the rest of the world, the EA's choices are different: again financial integration is accepted (the euro can be traded freely against any other currency), the ECB is sovereign to decide on monetary policy issues and, as a result, the euro must float against the currencies of those economies with which the EA is financially integrated (US, UK, Canada, Japan...). In view of this, the EA has not adopted a fixed exchange rate regime.

5. Rodrik's trilemma

Rodrik's trilemma (represented on the right) could be viewed as a cornerstone macroeconomic result for the post-Bretton Woods (globalization) era (1980s-2000s).

Dani Rodrik (*Princess of Asturias Award for Social Sciences* 2020) proposed around 2007 an 'impossibility theorem' for the global economy (which he called the 'political trilemma of the global economy' and which is now known as 'Rodrik's trilemma'). The impossibility is expressed as a tension between economic reality (the global nature of many markets) and political reality (the national nature of the institutions under which markets operate).



"I maintain that any reform of the international economic system must face up to this trilemma. If we want more globalization, we must either give up some democracy or some national sovereignty."

https://rodrik.typepad.com/dani_rodriks_weblog/2007/06/the-inescapable.html

A sufficiently globalized economy obliges the government to preserve economic globalization and meet the needs and expectations of businesses, traders, investors and international organizations. When there is a conflict between the needs of the population and those of these agents, the

government can choose to prioritize the latter. If it wished to restore national democratic legitimacy, it would be necessary to limit globalization. The third option would be to renounce national sovereignty to globalize democracy. Therefore, the options are: restrict democracy, limit globalization, or globalize democracy (sacrificing national sovereignty). Wanting deep enough international integration while maintaining respect for the interest of the majority of the people and national sovereignty is wanting too much.

According to a less strict interpretation, the problem is not having to give up one of the three objectives, but rather that the more one wants one objective, the more one must give up another. The metaphor would be that of three tanks with communicating vessels: the fuller one tank is, the emptier some other tank must become.

Rodrik (2011) offers the following examples of how globalization interferes with national democracies.

“...one of the central truths of the global economy: National democracy and deep globalization are incompatible. Democratic politics casts a long shadow on financial markets and makes it impossible for a nation to integrate deeply with the world economy. Britain had learned this lesson in 1931, when it was forced to get off gold. Keynes had enshrined it in the Bretton Woods regime.”

“There is a fundamental tension between hyperglobalization and democratic politics. Hyperglobalization does require shrinking domestic politics and insulating technocrats from the demands of popular groups.”

“Consider a few illustrations of how globalization gets in the way of national democracy.

Labor standards. Every advanced economy has detailed regulations that cover employment practices (...) Thanks to outsourcing, my employer can now do what he previously could not. Domestic labor laws still prohibit him from hiring you in my place and putting me to work under conditions that violate those laws. But this no longer matters. He can now replace me with a worker in Indonesia or Guatemala who will work willingly under those same substandard conditions or worse ... Why do national regulations protect me from downward competition in employment practices from a domestic worker but not a foreign one? Why should we allow international markets to erode domestic labor regulations through the back door when we do not allow domestic markets to do the same?

Corporate tax competition. The international mobility of firms and of capital also restricts a nation’s ability to choose the tax structure that best reflects its needs and preferences. In particular, this mobility puts downward pressure on corporate tax rates and shifts the tax burden from capital, which is internationally mobile, to labor, which is much less so.

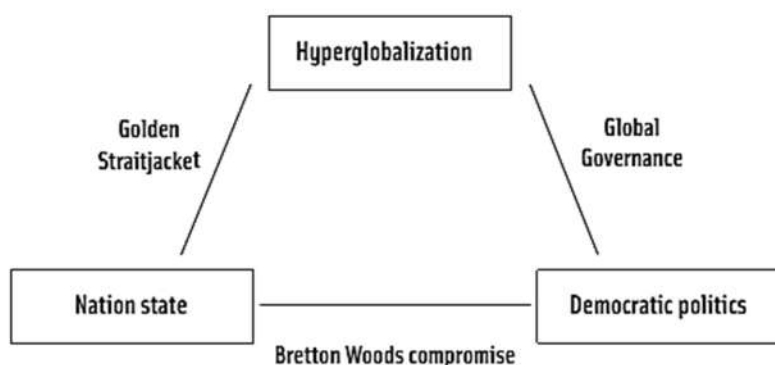
Health and safety standards. Most people would subscribe to the principle that nations ought to be free to determine their own standards with respect to public health and safety. What happens when these standards diverge across countries, either by design or because of differences in their application? How should goods and services be treated when they cross the boundaries of jurisdictions with varying standards?”

“Industrial policies in developing nations. Probably the most significant external constraint that developing nations face as a consequence of hyperglobalization are the restrictions on industrial policies that make it harder for countries in Latin America, Africa, and elsewhere to emulate the development strategies that East Asian countries have employed to such good effect.”

Rodrik (2011) thus details the different options that are compatible with the trilemma.

“How do we manage the tension between national democracy and global markets? We have three options. We can restrict democracy in the interest of minimizing international transaction costs, disregarding the economic and social whiplash that the global economy occasionally produces. We can limit globalization, in the hope of building democratic legitimacy at home. Or we can globalize democracy, at the cost of national sovereignty. This gives us a menu of options for reconstructing the world economy.

The menu captures the fundamental political trilemma of the world economy: we cannot have hyperglobalization, democracy, and national self-determination all at once. We can have at most two out of three. If we want hyperglobalization and democracy, we need to give up on the nation state. If we must keep the nation state and want hyperglobalization too, then we must forget about democracy. And if we want to combine democracy with the nation state, then it is bye-bye deep globalization. The figure below depicts these choices.”



“Consider a hypothetical fully globalized world economy in which all transaction costs have been eliminated and national borders do not interfere with the exchange of goods, services, or capital. Can nation states exist in such a world? Only if they focus exclusively on economic globalization and on becoming

attractive to international investors and traders ... The only services provided by governments would be those that reinforce the smooth functioning of international markets. We can envisage a world of this sort, and it is the one Tom Friedman had in mind when he coined the term ‘Golden Straitjacket.’ In this world, governments pursue policies that they believe will earn them market confidence and attract trade and capital inflows: tight money, small government, low taxes, flexible labor markets, deregulation, privatization, and openness all around.”

“Must we give up on democracy if we want to strive for a fully globalized world economy? There is actually a way out. We can drop nation states rather than democratic politics. This is the ‘global governance’ option. Robust global institutions with regulatory and standard-setting powers would align legal and political jurisdictions with the reach of markets and remove the transaction costs associated with national borders ... Taking this idea to its logical conclusion, we can envisage a form of global federalism — the U.S. model expanded on a global scale.”

“The only remaining option sacrifices hyperglobalization. The Bretton Woods regime did this (...) The Bretton Woods–GATT regime allowed countries to dance to their own tune as long as they removed a number of border restrictions on trade and generally treated all their trade partners equally. They were allowed (indeed encouraged) to maintain restrictions on capital flows, as the architects of the postwar economic order did not believe that free capital flows were compatible with domestic economic stability (...) Until the 1980s, these loose rules left space for countries to follow their own, possibly divergent paths of development. Western Europe chose to integrate as a region and to erect an extensive welfare state.”

Rodrik, Dani (2011): *The globalization paradox: Why global markets, states, and democracy can't coexist*, Oxford University Press.

6. Resolving Rodrik's trilemma

Fig. 1 offers a rationalization of the recent historical apparent resolution of Rodrik's trilemma by the developed countries.

- After World War II and around the mid-1960s (in connection with the Bretton Woods system and the associated resolution of the open economy trilemma), developed countries gave up on globalization; see Fig. 1(i). The full potential of national policies was devoted to rebuild economies and establish the welfare state.

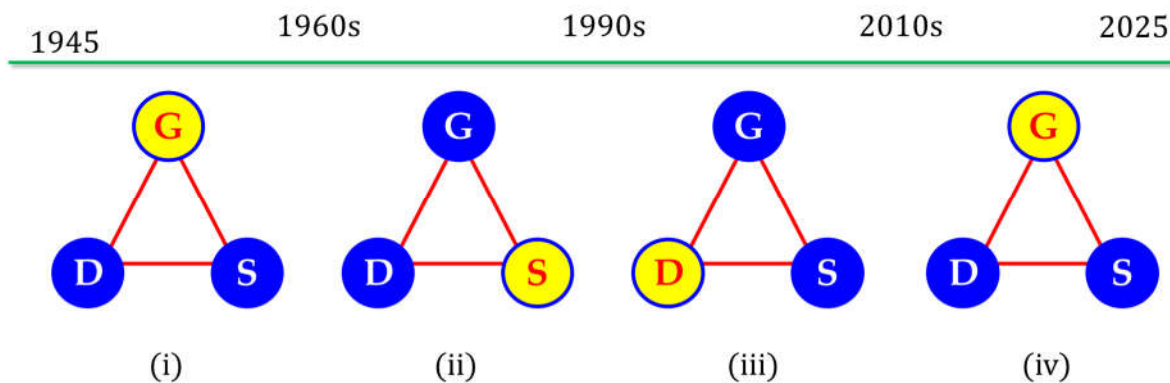


Fig. 1. Stylized sequence of the resolution of Rodrik's trilemma by developed countries

- Between the mid-1960s and the early 1990s, some globalization took place, more or less spontaneously, as a result of the economically successful outcomes of the two previous decades. The associated tensions were relatively mild and were absorbed by national governments, accepting some sovereignty limitation (trade agreements, economic international cooperation, adherence to international economic organization...); see Fig. 1(ii). In this period, economies suffered from a global energy shock (the oil crises in the 1970s), to which governments responded trying to preserve the welfare state (that is, respecting 'democracy'). So a bit more of globalization was tolerated by limiting the freedom of national policies; that was also the response to the oil crises, the first global, negative effect of globalization occurring mainly in the real sector.

- Between the early 1990s and the late 2000s (the fall of the Berlin Wall and the 2008 global financial crisis) globalization deepened, both in the real side of economies (global supply chains, outsourcing, the China shock...) and the financial side (financial markets running wild and went crazy: the times when, as popularized by the 1987 Wall Street movie, 'greed, for lack of a better word, is good'). In that period emerged Rodrik's trilemma: globalization was changing so much the national economic reality that it was no longer acceptable for governments to absorb the shock and now it was the people's turn; see Fig. 1(iii).

In that period, governments adopted policies that, if put to a referendum, people would have not approved (tax reforms favouring the rich, labour reforms against the working class, social spending cuts, privatization of public companies, deregulation of financial markets...). In those circumstances, it was easier for the governments to respond to the global financial crisis of 2008 differently than before, in the 1970s: now the burden of the adjustment fell entirely on the poorest 99% (in this time became popular the division between the 1% richest and the rest).

- After around the late 2000s to the present opting for deglobalization appears to be widespread strategy; see Fig. 1(iv). Brexit (the United Kingdom's exit from the European Union) was a shocking illustration of the new strategy: people's attribution of the cause of domestic economic and social problems to globalization gave governments strong incentives to adopt more popular measures intended to put limits to globalization (restrict migration, stop outsourcing, adopt ambitious industrial policies measures...). The first Trump Administration hailed the new strategy by initiating a trade war with China in January 2018. The second Trump Administration has massively and aggressively expanded the strategy in April 2025, by firing tariffs at everyone (ridiculously named 'Liberation day tariffs'). The hegemon breaking its own globalization rules is the evident sign that globalization has gone too far and it is time to take in the sail. The triumphant strategy for governments is to become populist, presenting themselves as guardians and protectors of the people against evil globalization.

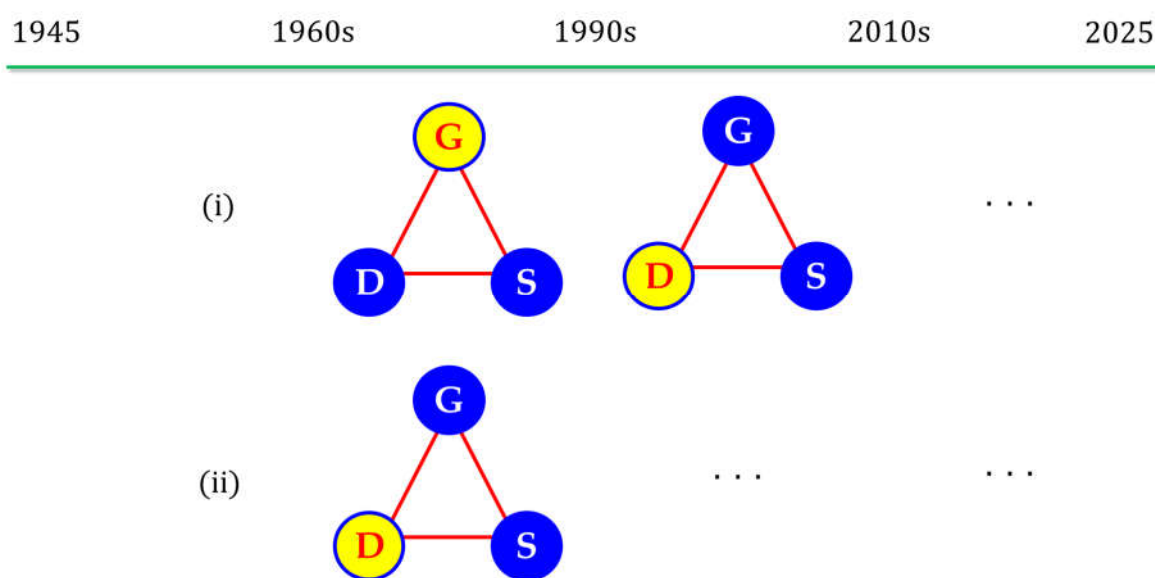
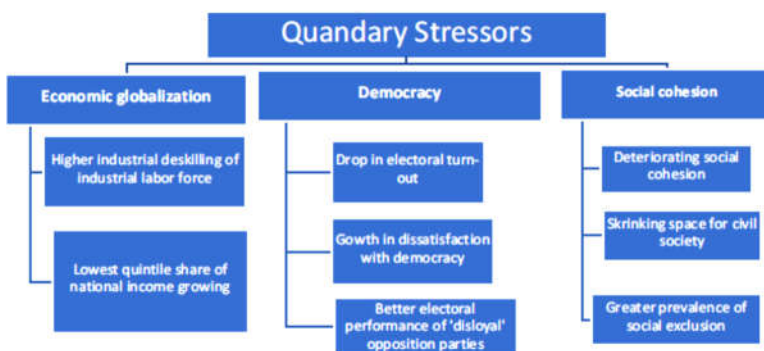


Fig. 2. Stylized sequence of the resolution of Rodrik's trilemma by less developed countries
 (i) = Latin America (ii) = Asia

- Less developed countries faced a different reality. Fig. 2 rationalizes the choices of two such groups of countries: Latin American countries in (i) and Asian countries in (ii). When those countries started to become globally relevant from an economic point of view in the 1960s, the Latin American countries apparently tries to replicate the strategy followed by the developed countries to reconstruct their economies after the world war shock: to limit globalization and pursue industrial policies based on import substitution. When a two to three decades later the strategy proved to be a failure, they joined the globalization wave and sacrificed democracy.
- Asian countries followed, from the very start, the strategy of joining globalization (with an industrial policy promoting exports) and restricting democracy. The most successful countries (South Korea) have joined the ranks of the developed countries and may accept some democracy by keeping globalization and, in exchange, tolerating foreign limits to national sovereignty (for instance, taking their share in the cost of global cooperation). The main case in the Asian approach is China. Though formally not a democracy, it can be interpreted that, with respect to some issues, to ensure social stability, the government implements policies as if they cared for the interest of the majority.

7. Dahrendorf's quandary

Dahrendorf's quandary was proposed in 1995 by sociologist, political scientist, and economist Ralf Dahrendorf (*Prince of Asturias Award for Social Sciences* 2007). Dahrendorf's quandary anticipates Rodrik's trilemma and conceptually seems related to (global) zero-sum games.



“Dahrendorf’s Quandary, an early formulation of the Rodrik Trilemma, stipulates that maintaining economic competitiveness requires countries either to adopt measures detrimental to the cohesion of civil society, or to restrict civil liberties and political participation.”

Anheier, Helmut K.; Alexandru Filip (2021): “The Dahrendorf Quandary, Crisis Severity, and Country Performance”, *Global Policy* 12(3), 298-312 <https://doi.org/10.1111/1758-5899.12901>

“... a growing and integrating world economy would sooner or later create ‘perverse choices’ for liberal democracies. Over time, he said, staying economically competitive would require either adopting measures detrimental to the cohesion of civil society or restricting civil liberties and political participation. For liberal democracies, he concluded, the ask ahead for the early 21st century, ‘is to square the circle between economic growth, social cohesion and political freedom.’ This challenge became known as the Dahrendorf Quandary.”

<https://blog.lareviewofbooks.org/55-voices/55-voices-democracy-quandaries-trilemma-globalization-democracy-society-helmut-anheier/>

“The tide has turned

After a decades-long process where national economies became more and more entangled and interdependent at both the international and regional level, increasing strains to economic integration are evident both at the global and the European level.”

“The current rise in populist parties is a wake-up call resembling what the late Ralf Dahrendorf ... summarised a little more than 20 years ago as a quandary between globalisation (as a means towards growth), social cohesion and political freedom:

‘To stay competitive in a growing world economy [the OECD countries] are obliged to adopt measures which may inflict irreparable damage on the cohesion of the respective civil societies. If they are unprepared to take these measures, they must recur to restriction of civil liberties and of political participation bearing all the hallmarks of a new authoritarianism (...) The task for the first world in the next decade is to square the circle between growth, social cohesion and political freedom.’ (Dahrendorf 1995).

Indeed, the EU integration process has traditionally been conceived as a means to square the circle, allowing for catching-up economic growth and convergence (the EU as a great ‘convergence machine’...), while preserving Europe's social model(s) ... However, while the deepening globalisation and integration process has generated overall income gains via higher static and dynamic efficiency, in combination with skill-biased technical progress, it has almost certainly not been Pareto-optimal, creating winners (take-it all) and losers in an age of massive transformation.

The financial crisis and its fall-out have only fuelled an already existing undercurrent of discontent and fading trust in democratic institutions and the so-called ‘elites’ to deal with the (real or imagined) unfair distribution of gains and burdens in society. In this context, EU institutional settings and policies have been increasingly perceived as being pro-market biased, paying little attention (if any) to their social impact, and undermining cohesion, solidarity, autonomy, and governability at the national, regional, and local levels. Put succinctly, in Musgrave's Three Functions of Government, the EU is seen as dealing with the allocative and, subordinately the stabilisation function, while not caring about the redistribution function which was largely left to member states.”

Pichelmann, Karl; Marco Buti (2017): “European integration and populism: Addressing Dahrendorf's quandary”, 22 Feb 2017

<https://cepr.org/voxeu/columns/european-integration-and-populism-addressing-dahrendorfs-quandary>

Dahrendorf, Ralf (1995): “Economic Opportunity, Civil Society and Political Liberty”, UNRISD Discussion Paper 58.

8. Political development, economic development and political stability: pick just two?

Dahrendorf's quandary and Rodrik's trilemma point to the possibility of having more general tensions between economic and political goals.

Globalization, the increasing integration of national economies (even countries), has been one of the big global economic events after World War II and, arguably, the big event after 1989 (the fall of the communist alternative to capitalism), at least until the global financial crisis of 2008. To be specific, 'globalization' here means 'globalization 3.0' in Fig. 3.

Globalization Era	Age of Discovery (15 th -18 th century)	Globalization 1.0 (19 th century – 1914)	Globalization 2.0 (1945-1989)	Globalization 3.0 (1989-2008)	Globalization 4.0
Leading Exports	Raw Material / Basic Goods	Textiles / Industrial Goods	Factories	Global Supply Chain	Digital Goods / Services
Leading Nations					
Exports as % World GDP					
Enabling Era	Scientific Revolution (15 th -17 th century)	1st Industrial Revolution (1780s-mid 19 th century)	2 nd Industrial Revolution (1870s-1910s)	3 rd Industrial Revolution (1960s-1990s)	4 th Industrial Revolution (2000s-2010s)
Enabling Innovations					
Characterizing GDP Trend	Europe ↗	Britain ↗↗	World ↗	United States ↗↗↗	China ↗↗↗

Fig. 3. Globalization as a very long run process

<https://www.weforum.org/stories/2019/01/how-globalization-4-0-fits-into-the-history-of-globalization/>

Historically, integration proceeded locally: political borders were established and secured, and integration took place essentially within those borders.

The outcome has been a world politically partitioned into sovereign territories, sustained by a centralized political authority (this suggest the following question: does a fixed political border require a centralized authority or a territory may remain independent with a multiplicity of non-hierachical political authorities?).

In parallel, national political authorities tended to be legitimized through appeal to the will of the majority ('democracy' or, more precisely, representative democracy; see Daron Acemoglu, James Robinson (2005): *Economic origins of dictatorship and democracy*).

Accordingly, democracy prospered or failed at the national level.

Democracy can then be viewed as an intrastate creation: national governments allowed the emergence of democracy, tolerated their persistence and associated their legitimacy with democratic procedures.

Conversely, national governments remain strong enough to block the emergence of democracy or to limit its scope within the territory under control of the national government. (Questions: Are autocracies on the rise? Has the wave of democratization been a bubble? Are governments the only actors that could give birth or kill democracies?)

Subsequently, a world politically fragmented into almost unchangable territories (nation-states?) has been subject to a process of economic integration (globalization).

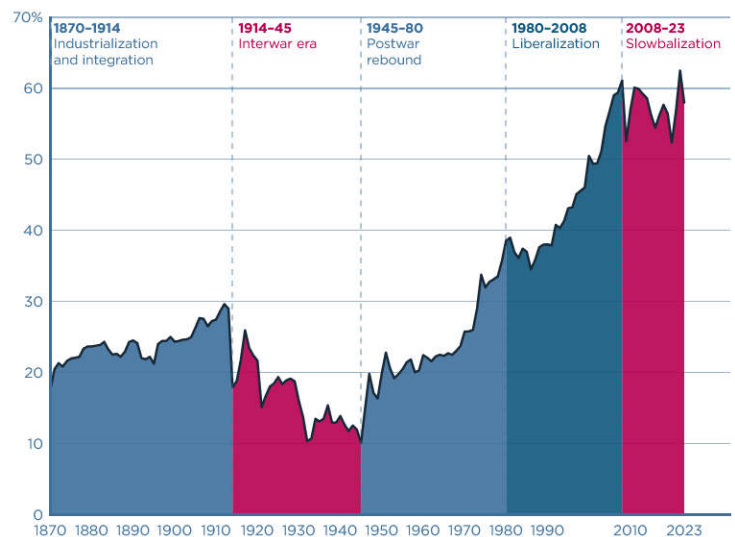
This process tends to lower almost all kind of barriers between the national territories (economic, social, cultural, ideological, religious, demographic... even people apparently become more physically alike), at the expense of preserving the political barrier.

An interpretation is that globalization has been a political (geopolitical) outcome: it has not been a spontaneous process (the result of the 'natural' activity of the private sectors of different territorial entities) but one decided and supervised by national governments.

This interpretation supports the idea that globalization is a creation of national governments: just as easily as governments endorsed, supported and stimulated global integration, they may choose to stop or revert the process. The 2020 COVID pandemic, the geopolitical tensions in Ukraine (2022), the backward march in multilateralism by the 2025 Trump Administration and, being the icing on the cake, the global impact of the Hormuz Strait blockade (by both Iran and the US) during the Iran war (2026) seem to have shown the limits and costs of globalization, and reinforced certain deglobalization trends; see the figure on the right.

The world dramatically opened up to trade post-World War II, but integration has slowed recently

World trade in goods and services as percent of world GDP, 1870–2023



Is it then possible (sustainable, stable enough) to combine

- the integration of sovereign territories by removing essentially all borders,
- except the territorial one, and by
- preserving the respect for the will and interest of the majority of people?

Rodrik's trilemma answers in the negative: almost full integration in the presence of sovereign territories is inconsistent with a democratic organization of the territories (see Dani Rodrik (2011): *The globalization paradox: Democracy and the future of the world economy*).

The reason for the impossibility of having the three outcomes is that globalization puts national governments in a position to choose between meeting the needs of the globalization process (satisfy the demands and requirements of the few actors having more influence in the globalization process: international corporations, big financial players, powerful foreign governments, some international organizations...) and meeting the needs, demands or requirements of the government's people.

The presumption is that the kind of policies that most people in a territory will support (like make the rich pay, regulate financial and labour markets, have the government provide social services) goes against the interest of the main actors of globalization.

A more general interpretation of the trilemma is that there is a tension (a crowding out) between the three goals: getting closer to one of the goals implies separating more from at least one of the other two. For instance, the more national governments support the process of global integration

without altering political borders, the less democratic the political decisions are (austerity politics in the eurozone as the response to the euro crisis in 2010-2012?).

9. Global goals, national goals, domestic tools: pick just two?

Suggestion for a more general trilemma: there is a tension between

- global goals (deep integration, in Rodrik's trilemma; or revert global warming);
- national sovereignty (no global government: decisions on how to achieve the global goals involve independent political entities); and
- national policy tools (whatever decision is made to achieve the global goals, it is implemented at the national level).

The tension is justified by the following argument: national governments endowed with just national policy tools lack the coordination necessary to achieve global goals.

As a rule, the decisions to reach global goals create costs and benefits asymmetrically distributed among national territories. If attaining the global goals is left to uncoordinated action of national governments, nothing guarantees that, when making a decision, a national governments takes into account the costs (negative external effects) caused on other territories.

10. Growth, stability, symmetry: pick just two?

Suggestion for a more general trilemma: for a sufficiently complex system, there is a tension between

- growing (or, in general, becoming bigger or expand),
- remaining stable (at least in the sense that the system preserves essential traits), and
- keeping some form of symmetry (in a social system, this third requisite could be interpreted as respecting some non-discrimination property, enjoying some form of equality or expressing a distributive or welfare condition).

Rodrik's trilemma can be viewed as the combination of a growth condition (hyperglobalization means making markets bigger through integration), a stability requirement (the world is organized politically in terms of sovereign states created without an expiry date) and symmetry property (in a democracy everybody's opinion regarding collective decisions formally counts the same: 'one man, one vote').

The last three/four decades the world economy has been characterized by growth. For most of this period, this growth appeared stable (this may be debatable if the state of the world ecosystem is taking into account). But there is mounting evidence that the growth of the world economy has not been symmetric. On the one hand, some countries (typically the richer ones) have benefited more from global growth (the gap between the richest countries and the poorest ones has widened); on the other, within countries, some groups or sectors of economic activity have benefited more than the rest.

In 'Identity, Immortality, Happiness: Pick Two' (*Journal of Evolution and Technology* 28(1), 2018, pp. 1-17), Shimon Edelman argues that any sentient being at most two of integral identity (stability condition), effective immortality (a sort of growth property: life does not stop) and situated happiness (a welfare requirement).

11. Foreign elite, domestic elite, domestic people: please at most two?

In 2018 Nacho Álvarez (at the time chief economist of the left-wing to far-left party *Podemos*) suggested the 'political will trilemma', according to which a national government cannot simultaneously satisfy the political demands expressed by the foreign elite (mainly financial elite), the domestic elite and the social majority of the country.

<https://ctxt.es/es/20180905/Firmas/21589/pedro-sanchez-unidos-podemos-austeridad-deficit-reforma-fiscal-dani-rodriknacho-alvarez.htm>