



## ECONOMIC UPDATE

September 25, 2023

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### This Week in Focus

As House Republicans make a government shutdown more and more likely, it is important not to lose sight of the harm caused by a protracted shutdown. The JEC Democrats released a [fact sheet](#) on the economic cost of a Republican shutdown, which goes into detail on how a shutdown will slow the economy, disrupt benefits for Americans from all walks of life, and furlough federal employees throughout the country.

Last week, the JEC hosted a hearing, “Growing the Economy of the Future: Job Training for the Clean Energy Transition.” In response to a question from Chairman Heinrich, all four witnesses agreed that community colleges and labor unions play a vital role in meeting the needs of the economic transition to cleaner fuels through proven job training and workforce education programs. The hearing can be viewed in full [here](#) and Chairman Heinrich’s full opening statement as prepared can be found [here](#). The JEC Democrats also released a report by the same name, which includes data on clean energy job growth by state, 2021-2022, found [here](#).

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### JEC Resources

- [State by State Fact Sheets: August Employment Data.](#)
- [Growing the Economy of the Future: Job Training for the Clean Energy Transition.](#)
- [The Economic Cost of a Republican Shutdown.](#)
- [JEC Chairman Heinrich’s statement ahead of last week’s Federal Reserve decision on interest rates.](#)

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### Economic Indicators This Week

*Below are a series of economic indicators that will be released later this week, along with the consensus estimates from a group of professional forecasters about what the data point will be once it is reported. Oftentimes, news coverage of these indicators will report whether the final number came in above or below the expectations set by the forecasters’ consensus.*

- **Thursday, September 28:** Jobless claims – The consensus forecast is for **weekly jobless claims** to rise to **212K** from last week’s **201K**.
- **Thursday, September 28:** GDP growth – The consensus forecast is for GDP growth for Q2 to be revised up to **2.3%** from **2.1%**.
- **Friday, September 29:** Personal consumption expenditures – The consensus forecast is that **income rose 0.5%**, **real consumption fell 0.1%**, and the **core PCE deflator rose 0.2%**.

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### What You Need to Know

- The **WGA and the major Hollywood studios** reached a [tentative agreement](#) last night, likely signaling the end to a strike that has shut down Hollywood since the spring.
- The looming **government shutdown** threatens [household incomes](#) across the country.
- The **Federal Reserve** [did not raise](#) interest rates last week, but suggested there would be one more interest rate rise before the end of the year.

- The **Supplemental Poverty Rate** [rose last year](#) as pandemic-era income support programs ended.
- An increase in **immigration** is helping [loosen the labor market](#).

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## What to Watch This Week

### Wednesday

- **House Financial Services Committee**, [Oversight of the Securities and Exchange Commission](#) at 10:00 am (EDT).
- **Senate Budget Committee**, [Hearings to examine Medicare](#) at 10:00 am (EDT).
- **Senate Rules and Administration Committee**, [Hearings to examine AI and the future of our elections](#) at 10:00 am (EDT).

### Thursday

- **House Ways and Means Committee**, [Modernizing Child Welfare to Protect Vulnerable Children](#) at 10:00 am (EDT).

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## What to Read From the Think Tank World

- [The Economic Policy Institute \(EPI\)](#) found CEO pay slightly declined in 2022 but remains enormously elevated compared to worker pay.
- [The Center on Budget and Policy Priorities \(CBPP\)](#) highlighted how the end of SNAP's emergency allotments after February 2023 resulted in substantial benefit cuts.
- [The Brookings Institution](#) analyzed the effect of U.S. climate policy—including the Inflation Reduction Act—on financial markets.
- [The Center for American Progress \(CAP\)](#) explored the size, demographics, and key features of the self-employed population in the United States.
- [The Century Foundation](#) detailed how strikes impact workers' ability to receive unemployment insurance.

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## Latest Academic Articles Selected From NBER

*The National Bureau of Economic Research, a private research organization, circulates a series of working papers in economics every Monday morning. Because it takes a long time for articles to appear in peer-reviewed journals, many economists look to this series for the latest academic research findings. These are our selected recommendations from the latest papers out this morning.*

- [The Minimum Wage and Inequality Between Groups.](#)
- [Women and the Econometrics of Family Trees.](#)
- [The Importance of a Helping Hand in Education and in Life.](#)
- [The Reserve Supply Channel of Unconventional Monetary Policy.](#)