



ECONOMIC UPDATE

October 23, 2023

This Week in Focus

Last week, the JEC Dems released a number of reports focused on the economy and environment. The JEC Dems staff [calculated](#) that climate-exacerbated wildfires cost the U.S. between \$394 to \$893 billion each year in economic costs and damages, as wildfires represent a growing threat to the health and well-being of communities across the country. Another set of reports highlighted how public lands in the United States can both [grow local economies](#) and improve broader [public health](#).

Also last week, the JEC Dems released [state-by-state fact sheets](#) on employment data from September, which show that Maryland, Rhode Island, and Pennsylvania had their lowest unemployment rates on record. This week we will also get data on Gross Domestic Product (GDP) from the third quarter of this year and additional inflation data from September. Forecasters expect that the economy grew at its strongest rate all year while inflation continued to slow.

JEC Resources

- [State by State Fact Sheets: September Employment Data.](#)
- [Climate-exacerbated wildfires cost the U.S. between \\$394 to \\$893 billion each year in economic costs and damages.](#)
- [Undermining the Consumer Financial Protection Bureau Would Harm Americans' Financial Security.](#)
- [Public lands boost local, state, and national economies.](#)
- [Public lands improve public health.](#)

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, October 26:** Jobless claims – The consensus forecast is for **weekly jobless claims** to rise to **208K** from last week's **198K**.
- **Thursday, October 26:** GDP – The consensus forecast is that **nominal GDP** for Q3 increased by **4.3%**.
- **Friday, October 27:** Personal Consumption Expenditures – The consensus forecast for the PCE is that **incomes** increased by **0.4%** in **September**, **real consumption** increased by **0.3%** and the **core PCE inflation measure** increased by **0.3%**.

What You Need to Know

- [Child labor](#) law **violations increased** in 2023 as the labor market tightened and as conservative states sought to roll back legal protections for working minors.
- The Federal Reserve's [Survey of Consumer Finances](#) noted the **largest increase in household wealth** on record between 2019 and 2022.

- **Fed chair Jerome Powell** has held open the possibility of further interest [rate increases](#) in December of this year if the economy does not come back into balance.
- **Home sales fell** to the [slowest pace](#) in 13 years last month.
- Higher for longer [interest rates](#) are worrying **small business owners and home buyers**.

What to Watch This Week

Tuesday

- **House Financial Services Committee**, [Examining the SEC's Agenda: Unintended Consequences for U.S. Capital Markets and Investors](#) at 10:00 am (EDT).
- **Senate Judiciary Committee**, [Hearings to examine competition and consumer rights in housing markets](#) at 2:30 pm (EDT).
- **House Oversight and Accountability Committee**, [Oversight of the Internal Revenue Service](#) at 2:00 pm (EDT).

Wednesday

- **Senate Finance Committee**, [Hearings to examine paid leave, focusing on policy, practice, and impact on the workforce](#) at 10:00 am (EDT).
- **Senate Budget Committee**, [Hearings to examine how climate change threatens supply chains](#) at 10:00 am (EDT).

What to Read From the Think Tank World

- The [Economic Policy Institute](#) (EPI) highlighted how the strong labor market recovery has helped Hispanic workers, but the end of economic relief measures has worsened income and poverty disparities.
- The [Urban Institute](#) found the Biden administration's new income-driven repayment plan will help those with certificates and associates degrees the most, especially those at for-profit schools studying education, psychology, or medical assisting services.
- The [Center for American Progress](#) (CAP) demonstrated how the child care sector is still struggling to hire workers as the sector's lower wages become less competitive relative to other low-wage occupations.
- The [Institute for Women's Policy Research](#) (IWPR) found that reproductive health restrictions cost the Florida economy billions of dollars each year.
- The [Center for Economic and Policy Research](#) (CEPR) analyzed climate change and the future of catastrophe insurance programs.

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.

- [Racial Disparities in the Income Tax Treatment of Marriage.](#)
- ["Compensate the Losers?" Economic Policy and Partisan Realignment in the US.](#)
- [An Economic View of Corporate Social Impact.](#)