

JOINT ECONOMIC COMMITTEE

CONGRESSWOMAN CAROLYN MALONEY, VICE CHAIR



ECONOMIC UPDATE

November 22, 2019

Quote of the week

“Businesses have cut back on their investment. We’re seeing this regionally, and we’re seeing this nationally. Businesses are nervous about the future, especially those that are exposed to the global economy...businesses are saying, ‘We’re nervous. I’m not sure if I’m going to hire these additional people. I’m not sure if I’m going to invest in this new factory. We’re just nervous right now.’”

—Minneapolis Federal Reserve President [Neel Kashkari](#)

What you need to know

- After a meeting with Fed Chair Jerome Powell, the President tweeted that “Everything was discussed,” but the Federal Reserve [contradicted his assertion](#), stating that Chairman Powell “didn’t discuss his expectations for monetary policy, except to stress that the path of policy will depend entirely on incoming information that bears on the outlook for the economy.”
- Manufacturing indicators are continuing to slow. The [Empire State Manufacturing Survey fell to 2.9 in November](#), down 1.1 points from October. Although this reflects modest growth, it falls short of the expected 5.0 reading and continued six months of slow results.
- The BLS released [state-level unemployment estimates for October](#). It revealed unemployment as high as 6.2 percent in Alaska and as low as 2.2 percent in Vermont.
- Wednesday, November 20 was [Latina Equal Pay Day](#)—for the median Latina woman to earn what her white male counterpart did in 2018, she had to work all of 2018 plus nearly 11 months in 2019.

Happening the week of November 25, 2019

- *Tuesday*: S&P releases the [Case-Shiller Home Price Index](#) for September, and the Conference Board releases the November [Consumer Confidence Index](#).
- *Wednesday*: The Bureau of Economic Analysis (BEA) releases its [updated estimate of GDP growth in the 3rd quarter](#). The advance estimate put Q3 GDP growth at 1.9 percent. BEA also releases the [PCE deflator and personal income data](#). The Federal Reserve releases its “[Beige Book](#)” qualitative report on the state of the economy.
- *Thursday*: [Happy Thanksgiving!](#)
- *Friday*: Black Friday—the holiday retail season begins.

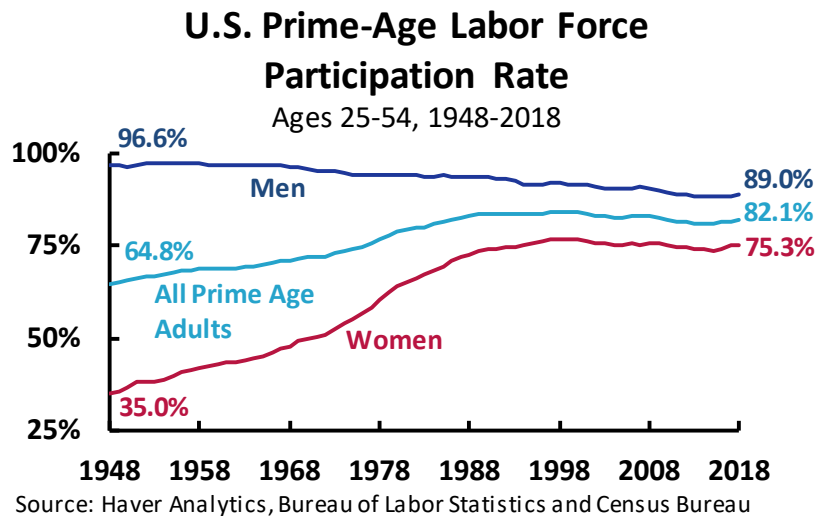
Good reads

- [“How FedEx Cut Its Tax Bill to \\$0,”](#) *New York Times*, 11/17/19
- [“With Six Fewer Holiday Season Shopping Days There’s No Time for Impulse Purchases, Which Is Bad for Retail,”](#) *MarketWatch*, 11/20/19
- [“Substantial Income of Wealthy Households Escapes Annual Taxation Or Enjoys Special Tax Breaks,”](#) CBPP, 11/13/19

Chart of the week

The percentage of Americans ages 25-54 who are in the labor force has risen significantly since the 1940s. This is largely due to the increasing share of women who have joined the workforce. However, the labor force participation rate (LFPR) for prime age men has declined—a source of concern.

While the Great Recession lowered the LFPR for both men and women, participation among working-age men declined more and recovered less strongly compared to prime-age women. Working-age women’s participation has rebounded to pre-recession levels, while participation among working-age men has not.



New research and reports

- Economists Larry Summers and Natasha Sarin released research finding that [small changes to IRS policy could generate \\$1 trillion in additional revenue](#), in a move that would both increase efficiency and be very progressive.
- New research finds that [housing speculation in the 2000s led to even more dramatic swings](#) in the economy than previously understood.
- Researchers at UC Berkeley and MIT found that [government-funded R&D in defense has spurred privately-funded R&D](#)—an effect they describe as “crowding in.”

Selected JEC resources

- [50 State Economic Snapshots](#)
- [U.S. Economy by the Numbers](#)
- [Macroeconomic Dashboard](#)
- [Full Employment and Stable Prices](#)

For more information, visit www.jec.senate.gov/resources or contact hope_sheils@jec.senate.gov

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