



## ECONOMIC UPDATE

September 11, 2023

---

### This Week in Focus

Both chambers are back in session and working to stave off a Republican-led government shutdown, which would have [serious impacts](#) on the U.S. economy. It would reduce economic output and harm consumer confidence as many important government functions would shut down due to lack of funds.

This will be a busy week for population and economic data, including new [data](#) on Tuesday on the official [poverty](#) rate, child poverty, household [income](#), and health insurance coverage for 2022. Experts expect that child poverty will have risen last year, largely due to the expiration of the expanded child tax credit passed in the American Rescue Plan, though the strong labor market may have helped reduce adult poverty. Additionally, new CPI inflation data on Wednesday is expected to show that higher gas prices pushed overall inflation higher in August, though the less volatile core measure remained in line with the Fed's target.

---

### JEC Resources

- [The Economic Costs of a Republican Shutdown.](#)
- [JEC Dems Response to the 2023 Economic Report of the President.](#)

---

### 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.*

- **Wednesday, September 13:** Consumer prices - The consensus forecast is that the **Consumer Price Index (CPI) increased 0.6%** over the previous month, with a **0.2% increase in core inflation** over the previous month.
- **Thursday, September 14:** Producer prices - The consensus forecast is that the **Producer Price Index (PPI) increased 0.4%** over the previous month, with a **0.2% increase in core inflation** over the previous month.
- **Thursday, September 14:** Weekly jobless claims - The consensus forecast is for **weekly jobless claims to rise to 225K** from last week's **216K**.

---

### What You Need to Know

- The deadline for a **contract** between the UAW and the Big Three **automakers** is [quickly approaching](#).
- The **tight labor market** this year has allowed **unions to win big pay and benefit increases**.
- The **Fed** looks likely to [not raise rates](#) this month.
- A slowdown in **global trade** is [hurting the U.S. less](#) than other major world economies.
- Recent [reports](#) highlight how changes in the way the Census Bureau reports data will make it harder for **tribal nations** to site new resources or plan for federal grants.

---

---

## What to Watch This Week

### Tuesday

- **Senate Banking, Housing, and Urban Affairs Committee**, [An Oversight Hearing to Examine the U.S. Securities and Exchange Commission](#) at 10:00 am (EDT).
- **Senate Banking, Housing, and Urban Affairs Committee**, [Hearings to Examine Housing Supply and Innovation](#) at 2:30 pm (EDT).

### Wednesday

- **House Transportation and Infrastructure Committee**, [The Future of Automated Commercial Motor Vehicles: Impacts on Society, the Supply Chain, and U.S. Economic Leadership](#) at 10:00 am (EDT).
- **Senate Budget Committee**, [Hearings to Examine How Immigration Fuels Economic Growth and Our Competitive Advantage](#) at 10:00 am (EDT).

### Thursday

- **House Financial Services Committee**, [Digital Dollar Dilemma: The Implications of a Central Bank Digital Currency and Private Sector Alternatives](#) at 2:00 pm (EDT).

---

---

## What to Read From the Think Tank World

- [The Council of Economic Advisers](#) (CEA) outlined its expectations and some contextual information ahead of the Census Bureau's release of the 2022 income, poverty, and health insurance reports this week. [The Economic Policy Institute](#) (EPI) and [Center on Budget and Policy Priorities](#) (CBPP) also previewed the data.
- [The Washington Center for Equitable Growth](#) discussed U.S. labor market concentration, competition, and worker bargaining power as employment trends shift from manufacturing to services.
- [The Hamilton Project](#) at the Brookings Institution highlighted policies that helped reduce poverty during the pandemic.
- [The Urban Institute](#) covered the connections between job quality, race and gender equity, and occupational crowding.
- [The National Women's Law Center](#), [Caring Across Generations](#), and [Care Can't Wait](#) analyzed aging and disability care in Georgia and Illinois.

---

---

## 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.*

- [Ending Pay for PBM Performance: Consequences for Prescription Drug Prices, Utilization, and Government Spending.](#)
- [Quantifying Climate Change Loss and Damage Consistent with a Social Cost of Greenhouse Gases.](#)
- [Which Mexicans Are White? Enumerator-Assigned Race in the 1930 Census and the Socioeconomic Integration of Mexican Americans.](#)
- [Zero-Sum Thinking, the Evolution of Effort-Suppressing Beliefs, and Economic Development.](#)