

JOINT ECONOMIC COMMITTEE

CONGRESSWOMAN CAROLYN MALONEY, VICE CHAIR



ECONOMIC UPDATE

November 8, 2019

Quote of the week

“[D]omestic violent extremists collectively pose a steady threat of violence and economic harm to the United States.”—FBI Director [Christopher Wray](#)

What you need to know

- While [unemployment is climbing](#) in certain key swing states, [U.S. stocks hit new highs](#) early in the week.
- A Financial Times-Peterson poll found that [nearly two-thirds of Americans say they are not better off](#) financially than when Donald Trump was elected.
- [Labor productivity shrank in the third quarter](#) for the first time since 2015. This drop is likely related to the trade war—as trade uncertainties reduce business investment, productivity backslides. Since high productivity is necessary for raising wages, this is not a good development for workers.
- The September trade deficit for goods and services [shrank to \\$52.5 billion, aided in part by an historic oil surplus](#). Nevertheless, the trade deficit for 2019 is on course to exceed that for 2018.

Happening the week of November 11, 2019

- *Tuesday*: The National Federation of Independent Business releases the [October Small Business Optimism Index](#).
- *Wednesday*: Fed Chair [Jerome Powell testifies](#) before the Joint Economic Committee. The Bureau of Labor Statistics (BLS) releases the [October Consumer Price Index](#). The Federal Reserve of New York releases the [Household Debt and Credit Report](#) for the third quarter.
- *Thursday*: Fed Chair Powell testifies before the House Budget Committee.
- *Friday*: Census Bureau releases the [Advance Monthly Retail Trade Report](#) and [Manufacturing and Trade Inventories and Sales](#) report.

Good reads

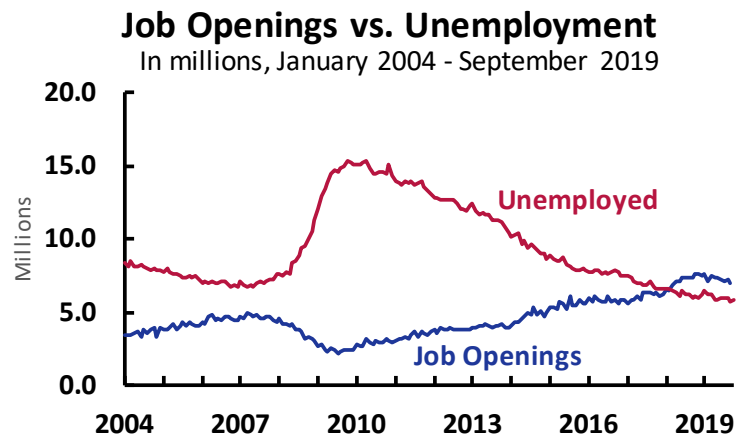
- [“Unemployment is climbing in key swing states, including Michigan and Wisconsin,”](#) *Washington Post*, 11/4/19
- [“The Inflation Gap,”](#) *The Atlantic*, 11/5/2019
- [“Why Public Opinion Polls Don’t Include the Same Number of Republicans and Democrats,”](#) *Pew Research Center*, 10/25/2019

Chart of the week

The BLS reported that the number of job openings in the U.S. fell to 7.0 million in September, while nearly 5.8 million Americans were unemployed.

Job openings have outnumbered unemployment since March 2018—a continuation of the trends in employment that began with the economic recovery after the financial crisis.

Some economists attribute the recent decline in job openings to a slowdown in the global economy that has been exacerbated by the trade war between the U.S. and China.



Source: Bureau of Labor Statistics

Note: Job openings refer to nonfarm job openings.

New research and reports

- Researchers at the Groundwork Collaborative found that inflation inequality—the fact that the prices of goods increase for those at the bottom of the income distribution than those at the top—[puts an additional 3 million Americans in poverty](#).
- The Center on Budget and Policy Priorities found that the Child Tax Credit and the Earned Income Tax Credit [lifted 10.6 million Americans out of poverty in 2018](#) (including 5.5 million children), and helped boost the incomes of 17.5 million others (including 6.4 million children).
- The Urban Institute released data and data visualizations of the [geography of food insecurity](#), by county, across the United States. Forty million Americans struggle with food insecurity.

Selected JEC resources

- [Macroeconomic Dashboard](#)
- [Guns and Suicide](#)
- [50 State Economic Snapshots](#)
- [The Risk of Rising Corporate Debt](#)
- [Fact-Checking the Claim that Household Incomes Rose \\$5K Under Trump](#)

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