



**The Daily Dish**

## August 11th Edition

DOUGLAS HOLTZ-EAKIN | AUGUST 11, 2014

House Majority Leader Kevin McCarthy (CA) [sent out a memo](#) to House Republicans on Friday detailing their priorities when Congress comes back from recess. The House has passed numerous bills to increase jobs only to see the Senate not move on the legislation. In response the House will pass a single bill combining previously passed measures to “attempt to break the logjam in the Senate and draw more attention with Americans across the country to our solutions.” The House will also focus on bills including support for the Keystone XL pipeline.

After two years of waiting, the administration will finally move forward with new regulations for phased retirement of federal workers. From [The Hill](#), the rules will allow “federal workers to begin receiving their pensions while remaining on the job... They can remain at work on a part-time schedule and begin receiving a partial annuity while still building service credit toward their final retirement annuity.” Congressman Issa (CA) praised the announcement saying, “Phased retirement will save taxpayer money and give agencies an important tool to ensure they can meet their current and future workforce demands.”

### ***Eakinomics: Is College Worth It?***

Is college worth the cost? In a [survey](#) from the Federal Reserve, under 25 percent thought so. One might expect this kind of negative sentiment from art history majors floundering in the Obama job market, but the same viewpoint prevails from majors in computing and information sciences. This poll echoes the findings of an American Action Forum [poll](#) regarding higher education, in which a majority of respondents did not feel that a college education was worth \$26,000 in debt.

The “value proposition” in higher education has two components: cost and reward. In the AAF polling, 92 percent thought that a college education was either “somewhat expensive” or “very expensive.” But only 15 percent thought that it was the federal government’s job to control the costs of college. It seems likely that the costs of college will remain a contentious issue for years to come, although it would be useful if students arrived at college properly prepared and able to complete in a timely fashion. The need for remedial education is a clear indicator of the likelihood of an extended — and expensive — college career. Efforts for achievement-oriented standards like the Common Core have a place in making sure that college is a stepping stone and not a burden.

On the reward front, nothing substitutes for more vigorous growth and a more active labor market. Minimum wage hikes, workplace equity initiatives, and manufacturing “hubs” might make good politics for the president, but they do not build the foundation for rapid growth that can be found in tax reform, entitlement reform, regulation reform, education reform, and immigration reform. Taking advantage of a college education is an individual challenge, but a better environment for growth would change the calculus for millions.

### ***From the Forum***

[Week In Regulation](#) by Sam Batkins, AAF Director of Regulatory Policy