



The Daily Dish

February 12th Edition

DOUGLAS HOLTZ-EAKIN | FEBRUARY 12, 2015

Congress has [passed a bill to approve](#) the Keystone XL pipeline after a long six years of the administration dragging its feet. The president has promised to veto the legislation saying that it would circumvent the administration's own process.

About 200,000 people who signed up for health insurance through [Healthcare.gov](#) will be dropped for not supplying sufficient information on their citizenship status. An earlier administration letter instructed insurers to drop 112,000 from coverage due to legal status. According to the [Wall Street Journal](#), it is unknown if the IRS will "attempt to recoup tax credits from people whose coverage was being cut off."

Eakinomics: Inclusive Prosperity and 2016

[Reports](#) indicate that Hillary Clinton is contemplating incorporating the policies of "[inclusive prosperity](#)" and thus perhaps signaling that this will be an important piece of the economic policy debate in the coming years. This raises the question: what *is* inclusive prosperity? A read through the report reveals some high-minded rhetoric ("Our report is about embracing the new economic opportunities of the 21st century by finding ways to ensure they serve the vast majority of society.") but the rubber really meets the road when it gets to specific policies (relegated to an appendix). Looking closer, any candidate might want to think twice before becoming wedded to this particular policy partner, who will come bearing:

Something Old. Actually a lot of old and tired ideas:

- Large-scale public works;
- Heavy funding for early childhood education;
- Preserving Dodd-Frank;
- Mandated family leave policy expansions; and
- Leveling the playing field (by dictating labor standards, environmental standards, etc. to other countries) in trade.

Something New. A mixed bag of newer ideas:

- Mandatory European-style works councils to put labor in the management suite;
- Free [college education](#);
- Immigration reform to raise the labor force;
- Apprenticeships; and
- Scaleable national service programs for the young.

Something Borrowed. More accurately, taken, with no intention of undoing the redistribution:

- In the private sector mandates for profit sharing, union bargaining power, and minimum wage laws to shift profits to labor; and
- In the government eliminating “tax breaks for the rich” to fund the public sector largesse.

And Something Blue: These are so bad or ridiculous I want to swear a !@#\$\$%^& blue streak:

- An Office of Inclusive Capitalism (perhaps this was borrowed from Monty Python?);
- Reform corporate governance to enhance long-term investment; and
- Restore residential investment through affordable housing goals, loan modifications, and principal reductions (back to the housing bubble!).

The individual policies each deserve a fuller debate. But the platform as a whole is underwhelming, reveals that the goals are not inclusive (the affluent need not apply), and are not likely to generate significant prosperity.