



The Daily Dish

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DOUGLAS HOLTZ-EAKIN | JULY 14, 2014

Billions of dollars and thousands of jobs have been introduced into the regional economy due to Keystone XL's southern leg. According to a [new study](#) by the Consumer Energy Alliance, the pipeline project has produced jobs for 4,844 American workers and \$5.7 billion for the economies of Texas and Oklahoma. This also resulted in \$72 million in tax revenue for the states. The Obama administration has stated that they will wait until the Nebraska Supreme Court rules on a case. But, don't expect a solution any time soon as the Court announced they will hear statements [beginning in September](#).

The [Editorial Board of the Boston Globe](#) believes Obama is choosing the wrong path for higher-education reform. The Globe views the plan to remove funding for certain for-profit colleges through new regulatory changes as just a future of lawsuits with little in real change. The proposal to "eliminate federal student loans if the estimated annual loan payment of a typical graduate exceeds 8 percent of a student's total earnings" will not do much as "It's an arbitrary number."

Young workers are hurting in an economy in which many are afraid to change jobs. According to the [Wall Street Journal](#), the fear freezes workers, especially the young, in one job and does not allow for the "job-hopping that economists say is critical to building careers and advancing the nation's long-run growth prospects. The consequence: Even many Americans who have remained employed have stunted their earnings growth by staying pinned down to their current jobs." This is in the same weak economy that [AAF has found](#) has cost each American worker \$2,700 in lost earnings.

Eakinomics: White House Budget Update

The federal debt and deficits have disappeared from the public and political discourse. For this reason, it was surprising that the administration chose to release its Mid-Session Review of the Budget (MSR) — officially due by July 15 — this past Friday afternoon. Normally the White House reserves its attention-avoidance playbook for higher-profile issues.

While the MSR is not much news, it is certainly not good news. Although the administration expects the 2014 deficit to be somewhat lower than previously forecast, it anticipates \$5.5 trillion in deficits over the next 10 years (up from \$4.9 trillion projected earlier this year). Indeed, deficits are expected to average over half a trillion dollars for the next ten years, with only two years under \$500 billion.

The increase in expected deficits stem largely from acknowledging the poor pace of economic growth. The MSR marks down 2014 real GDP growth from 3.1 percent to 2.4 percent. Unfortunately, given GDP fell at an annual rate of 2.9 percent in the first quarter, this will require growth in quarters 2 to 4 to average over 4 percent.

In short, the MSR is more of the same: poor growth, sustained high deficits, and federal debt (in the hands of the public) at 75 percent of GDP.

From The Forum

[\\$2,700 In Lost Earnings Per American Due To Weak Economic Recovery](#) by Gordon Gray, AAF Director of Fiscal Policy