



**The Daily Dish**

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DOUGLAS HOLTZ-EAKIN | SEPTEMBER 2, 2014

On the heels of Labor Day, [Forbes](#) examined the jobs market and three specific ways Obamacare has dampened growth. Though we are six years since the economic crisis, the economy has yet to get back on its feet. Forbes argues that reasons for the lack of growth include: 1) “Obamacare is one of the largest tax increases in U.S. history”; 2) “Obamacare increases the cost of employing workers”; and 3) “Obamacare’s exchange subsidies encourage many workers to drop out.”

According to [Politico](#), the timing of the president's plan on deferred deportations is being debated internally. Regardless, deferred deportations will not solve the problem. [AAF’s research](#) into immigration reform found that real reform, including increasing H1-B and H2-A visas, could decrease the deficit by \$2.5 trillion and raise the average income by \$1,500.

### ***Eakinomics: The Economic and Policy Outlook***

Congress returns next week, but to do what? Put aside any fantasies about serious work on the entitlement, tax, regulatory, immigration, or education reforms that would have a significant impact on both the near-term and long-run pace of economic growth. What more modest initiatives could the Congress undertake?

The top priority would be to fund the federal government. Ideally, this would take the form of passing appropriations for each agency, but a more realistic goal would be a continuing resolution — temporary funding — that would likely keep the government open until Congress returns for the post-election lame-duck session. (Ignore the silly chatter that this will not happen. Republicans have no reason to shift the focus from their attack on an Obama record of poor economic stewardship and mishandling of international crises. It would be folly for Democrats to be perceived as exacerbating poor economic growth.)

Past that, Congress should reauthorize several key programs: the Terrorism Risk Insurance Act ([TRIA](#)), the Export-Import Bank ([Ex-Im](#)), the [Travel Promotion Act](#), tax extenders and trade promotion authority ([TPA](#)). In each case, the reauthorization could be accompanied by significant reforms that protect the taxpayer and improve policy. And, of course, there are some things that Congress should not do, especially harmful so-called [anti-inversion tax laws](#) or a higher [minimum wage](#) — election-year gimmicks that will not improve the prospects for economic growth.

What will happen? It is hard to be optimistic given the poor track record of Congressional accomplishment, but hope springs eternal.

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

[Week in Regulation](#) by Dan Goldbeck, AAF Research Analyst