2019 SCEPA

ANNUAL REPORT

THE NEW SCHOOL
SCHWARTZ CENTER FOR ECONOMIC POLICY ANALYSIS
DIRECTOR’S MESSAGE

WHO WE ARE

WHAT WE DO

SCEPA PROJECTS

8 Retirement Equity Lab (ReLab)

20 Economics of Climate Change

24 Critical Public Finance

SCEPA EVENTS

SCEPA IN THE PRESS

SCEPA IN SOCIAL MEDIA
As I write, the world and our country are in the grips of two defining and devastating battles: against COVID-19 and racial injustice. Though our team in New York City is working from home, we are focused on our mission to center the economics debate on the role government can and should play to raise living standards, create economic security, and attain full employment—for everyone.

At SCEPA, we work to bring reality into conventional thinking about economic policy. Centered in the Economics Department of The New School in New York, we provide insights to policymakers, the media, and the public by producing credible research, engaging multiple audiences through a variety of communication strategies, and challenging conventional economic paradigms within academia and beyond.

In this moment of uncertainty and heightened inequity, we work to shed light on the full breadth of the pandemic’s economic consequences and illuminate a path to economic health for all individuals. In the first three months of the pandemic, we ramped up our research and communications efforts to match the urgency of the moment. We constructed the first model to predict the recession’s impact on retirement insecurity and dissected its challenges for older workers. Highlights from our work in response to the pandemic include:

- 26 press articles in the first 3 months on the COVID-19 recession and its impact on older workers and retirement security from outlets such as CNBC, Marketwatch, and Bloomberg
- A webinar co-sponsored by Economic Policy Institute (EPI) on older workers & COVID-19 that garnered close to 400 attendees
- New monthly #ScepaResponds webcasts analyzing the monthly unemployment rates amid the pandemic
- 2 research articles from our Economics of Climate Change project on the need to push for bold, green policies as a part of COVID-19 reconstruction programs

We also honor the continued movement for racial justice, reinvigorated by the murders of George Floyd, Breonna Taylor, and Ahmaud Arbery, along with countless others that have gone unrecognized. As economists, we know that police brutality and the Black Lives Matter movement are inherently linked to economic injustice. As we work to address long-term economic problems, such as rising income inequality, eroding bargaining power, and stagnant wages, we are more focused than ever on creating an inclusive economy and recognizing the persistent racism embedded in our society that limits the economic power of Black Americans. This year, our researchers highlighted racial disparities in retirement coverage, and partnered with AARP NY to hold an expert panel discussion on disrupting racial and ethnic disparities in retirement readiness.

Last, I’m excited to share our new podcast, “Reset Retirement,” reflecting our efforts to broaden our audience and create a retirement system that works for everyone. The podcast features experts and real people sharing what it’s like to save for retirement in a system that only works for the privileged few.

In this report, I am proud to share a more detailed picture of our endeavors and successes over the course of the 2019 fiscal year. Moving forward from the present moment, sadly one of economic hardship for so many, we at SCEPA are committed as researchers, communicators, and scholars to work to create a more equitable future.

TERESA GHILARDUCCI
Director, SCEPA
Bernard L. and Irene Schwartz Chair in Economic Policy Analysis
TERESA GHILARUCCI
Director
A labor economist, Teresa is a nationally-recognized expert in retirement security and a professor of economics at The New School. Her recent book with co-author Tony James, Rescuing Retirement, investigates the loss of pensions on older Americans and proposes a comprehensive system of reform.

BRIDGET FISHER
Associate Director
Bridget is a communications specialist and urban development researcher with a background in government and public affairs. She served as chief of staff for a member of the New York City Council and press secretary for a member of the U.S. Congress. She received her master’s degree in public administration with a focus on urban economic development from CUNY’s Baruch College.

MICHELLE ALTMAN
Assistant Director
Michelle Altman holds a dual bachelor’s degree in political science and journalism from New York University and comes from a digital strategy and design background. Prior to joining SCEPA, Michelle worked as a manager at Penguin Random House developing large-scale digital strategies and producing campaigns for their nonfiction and fiction titles alike. Michelle also serves as an advisor on the communications boards of several climate change nonprofit groups.

ANTHONY WEBB
ReLab Research Director
Formerly a senior research economist at Boston College’s Center for Retirement Research, Tony also served as a senior research analyst at the International Longevity Center. He holds a doctorate in economics from the University of California, San Diego. While Tony is no longer working full-time at SCEPA, we are pleased to continue partnering with him on research and projects.

JOHN IRONS
Affiliated Researcher and Strategic Advisor
John Irons is a fellow with the Center on Education and Skills at New America, a Research Affiliate and Digital Fellow at the MIT Initiative on the Digital Economy at the Sloan School of Management, and a Visiting Scholar at Stanford University as a Research Affiliate at the Center for Advanced Study in the Behavioral Sciences. Prior to his current role, he was director of the Inclusive Economies and Future of Work programs at the Ford Foundation. Irons holds a BA in economics from Swarthmore College and a PhD in economics from the Massachusetts Institute of Technology.

ANNA LOW-BEER
Assistant Director/Multimedia Manager
Anna Low-Beer holds a bachelor’s degree in political science from Bard College and is pursuing her master’s degree in public administration at Columbia’s School of International and Public Affairs. Prior to joining SCEPA, Anna worked as an assistant reading and writing teacher at CUNY Start, a program for under-served New York City students transitioning to college, and with U.S. Public Interest Research Group developing digital campaigns and communications strategies.
**NEW SCHOOL ECONOMICS FACULTY**

<table>
<thead>
<tr>
<th>Name</th>
<th>Title/Books</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ying Chen</td>
<td>Assistant Professor of Economics</td>
</tr>
<tr>
<td>Paulo Dos Santos</td>
<td>Associate Professor of Economics; Director of Undergraduate Studies and Departmental Faculty Advisor for Economics</td>
</tr>
<tr>
<td>Duncan Foley</td>
<td>Leo Model Professor of Economics and Director of Graduate Studies</td>
</tr>
<tr>
<td>Teresa Ghilarducci</td>
<td>Irene and Bernard L. Schwartz Professor of Economics and Policy Analysis</td>
</tr>
<tr>
<td>David Howell</td>
<td>Professor of Urban Policy</td>
</tr>
<tr>
<td>Clara Mattei</td>
<td>Assistant Professor of Economics</td>
</tr>
<tr>
<td>William Milberg</td>
<td>Dean of The New School for Social Research and a Professor of Economics</td>
</tr>
<tr>
<td>Sanjay G. Reddy</td>
<td>Associate Professor of Economics</td>
</tr>
<tr>
<td>Willi Semmler</td>
<td>Arnhold Professor of International Cooperation and Development</td>
</tr>
<tr>
<td>Mark Setterfield</td>
<td>Professor and Chair of Economics</td>
</tr>
<tr>
<td>Anwar Shaikh</td>
<td>Professor of Economics</td>
</tr>
<tr>
<td>Lance Taylor</td>
<td>Emeritus Professor of Economics</td>
</tr>
</tbody>
</table>

**RESEARCH ASSOCIATES**

SCEPA’s mission includes educating tomorrow’s economic leaders. We are proud to provide fellowships and research positions that serve as a springboard for our RAs into academia and high-profile economic policy positions, including former SCEPA Research Associate Kate Bahn, director of labor market policy and economist at the Washington Center for Equitable Growth, and former SCEPA Fellow Kyle Moore, who recently joined the Democratic staff of the Joint Economic Committee as a Senior Policy Analyst.

<table>
<thead>
<tr>
<th>Name</th>
<th>Title/Books</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jose Coronado</td>
<td>Critical Public Finance Project MA, The New School for Social Research</td>
</tr>
<tr>
<td>Flávia Leite</td>
<td>Critical Public Finance Project MSc, The New School</td>
</tr>
<tr>
<td>Owen Davis</td>
<td>Retirement Equity Lab BA, University of Texas</td>
</tr>
<tr>
<td>Aida Farmand</td>
<td>Retirement Equity Lab BS, State University of New York at Albany</td>
</tr>
<tr>
<td>Siavash Radpour</td>
<td>Retirement Equity Lab MA, University of Groningen</td>
</tr>
<tr>
<td>Michael Papadopoulos</td>
<td>Retirement Equity Lab BS, St. John’s University</td>
</tr>
</tbody>
</table>
SCEPA FELLOWS

SCEPA’s Senior Fellows work in and outside of academia to produce critical, progressive public policy research. They contribute to our network of engaged scholars by providing leadership in their economic fields breaking down inequality, including stratification studies and gender and health disparities. They also contribute to SCEPA’s intellectual life by collaborating on future research needs, partnering on mission-driven research projects, and guiding students and research associates.

HEATHER BOUSHEY
Executive Director and Chief Economist
Washington Center for Equitable Growth

Boushey, a PhD economist from The New School, focuses on economic inequality, employment, and family economic well-being. She is author of Unbound: How Inequality Constricts Our Economy and What We Can Do About It. She previously served as Chief Economist for Hillary Clinton’s transition team and worked as an economist at the Center for American Progress and the Joint Economic Committee of the U.S. Congress.

DARRICK HAMILTON
Henry Cohen Professor of Economics and Urban Policy
The New School

Hamilton is a stratification economist, whose work focuses on the causes, consequences and remedies of racial and ethnic inequality. He is co-author of Beyond Broke: Why Closing the Racial Wealth Gap is a Priority for National Economic Security. He currently serves as executive director of the Kirwan Institute for the Study of Race and Ethnicity at Ohio State University. We’re thrilled to welcome Hamilton back to The New School in 2021 as the Henry Cohen Professor of Economics and Urban Policy and founder of the newly created Institute for the Study of Race, Stratification and Political Economy at The New School.

WILLIAM M. RODGERS III
Professor of Public Policy and Chief Economist at the John J. Heldrich Center for Workforce Development
Rutgers University

Rodgers examines issues in labor economics and the economics of social problems. His most recent book is The Handbook on the Economics of Discrimination. He also serves as a senior research affiliate of the National Poverty Center, University of Michigan. Previously, Rodgers served on President Obama’s Department of Labor Transition Team and as chief economist at the U.S. Department of Labor.

RICK McGAHEY
McGahey, a PhD economist from The New School, focuses on urban and regional economic development, program evaluation, retirement policy, and workforce development. McGahey was the Director of Impact Assessment and Program Officer at the Ford Foundation. During President Clinton’s second term, he served as Assistant Secretary for Policy, and later for Pension and Welfare Benefits, at the U.S. Department of Labor under Secretary Alexis Herman. He has taught at The New School, New York University, John Jay College, and the George Washington University.

LAUREN SCHMITZ
Assistant Professor of Public Affairs
Robert M. LaFollette School of Public Affairs

Lauren Schmitz is an Assistant Professor at the University of Wisconsin’s School of Public Affairs. Her research utilizes genomic and epigenomic data to examine how inequalities in the social environment get underneath the skin and shape disparities in health and socioeconomic attainment. In 2017, she received a K99/R00 Pathway to Independence Award from the National Institute on Aging (NIA). She has Ph.D. in Economics from the New School for Social Research and an M.S. in Human Genetics from the University of Michigan.
Kyle Moore, a Senior Policy Analyst with the U.S. Congress Joint Economic Committee (JEC), previously served as a SCEPA fellow within the Retirement Equity Lab (ReLab). Kyle’s work studies racial economic disparities and the effects of poorly designed economic policy on marginalized groups.

What interested you in working on Capitol Hill?

Inequality, poverty, and racial disparities in mortality and morbidity are too important to be treated as only academic concerns; they have real consequences for people’s lives. Working with the JEC gives me the opportunity to get research directly into the hands of members of Congress—research that could make a real impact on people’s life chances.

Did your time at SCEPA and in The New School’s Economics Department influence your decision to work in policy?

NSSR’s Economics department is steeped in a tradition of political economy that’s constantly asking of its students, “What is the end (purpose) of economic study?” Working at SCEPA and ReLab allowed me to put the critical frame developed through courses in the department to practice, translating academic research into policy briefs and white papers using accessible (non-academic) language.

What role do you think current New School economics students can play in creating real and positive change?

NSSR’s Economics Department has a “vision” that is, at its core, unabashedly progressive. That vision is something that economics as an academic discipline desperately needs, but it’s equally needed at think tanks and in the places where economic policy is shaped.
WHAT WE DO

Bringing Reality Into Conventional Economics

PROVIDING ALTERNATIVES

SCEPA is a source for novel insights into today’s most pressing economic issues, including economic inequality, retirement security, public finance and climate change. As the economic policy center within The New School’s Department of Economics, our projects challenge conventional economic paradigms within academia and beyond. Our team of faculty and research associates works from the broad and critical perspectives of post-Keynesian, neo-classical, classical, and institutionalist schools of thought.

EMPOWERING POLICY MAKERS

We aim to raise living standards, create economic security, and attain full employment to improve the lives of the working class. We provide insights to policymakers, the media, and the public by producing credible research, engaging multiple audiences through innovative communication strategies and amplifying and partnering with a network of scholars and policy practitioners.

CREATING LASTING CHANGE

As a network of engaged scholars based at The New School for Social Research in New York City, we provide scholars, non-profits and government officials with original, standards-based research on key policy issues. We also partner with non-partisan advocates and foundation to engage the public, opinion leaders, and elected officials in the discussion of how to create a more stable, equitable, and prosperous economy for all.
**Retirement Equity Lab**

This project is home to SCEPA’s comprehensive investigation of the political economy of aging populations. Led by Teresa Ghilarducci, the ReLab research team documents inadequate savings, eroding pension institutions, and decreasing access to and participation in effective retirement savings vehicles at work. ReLab also proposes necessary reform measures to prevent the oncoming crisis of downward mobility in retirement.

**Economics of Climate Change**

Critics of policies that would mitigate climate change often cite negative effects on the economy to forestall change. But are they right? SCEPA economist Willi Semmler investigates effective climate change policy in light of fragile domestic and global economies and the possibilities for renewable energy.

**Critical Public Finance**

From subways to schools and parks, allocating public finances is one of government’s most crucial functions. But are our resources going where we need them to go? Who and what are the forces behind the allocation of taxpayer dollars? Led by SCEPA Associate Director Bridget Fisher, the Critical Public Finance team investigates how the increasing financialization of municipal finance affects local government’s ability to be transparent and accountable to taxpayers as well as its effects on increasing urban inequality.
ANNUAL REPORT

retirement equity lab
SCEPA’s Retirement Equity Lab (ReLab), led by economist and retirement expert Teresa Ghilarducci, researches the causes and consequences of the retirement crisis that exposes millions of American workers to experiencing downward mobility in retirement.

As a result, SCEPA has developed a policy proposal known as Guaranteed Retirement Accounts (GRAs) to provide stable pensions to the 63 million workers who currently have none.
SCEPA’s Retirement Equity Lab is grateful for the support of Bernard L. Schwartz and AARP.

**RESEARCH**

ReLab’s strategic research, produced under academic standards, is designed to encourage action, policy change, and coalition work that tackles retirement inequalities resulting from the United States’ failed retirement system. Our research papers for the 2019 fiscal year (July 1, 2018 to June 30, 2019) include:

<table>
<thead>
<tr>
<th>DATE</th>
<th>TITLE/PUBLICATION</th>
<th>AUTHORS</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 2018</td>
<td>The Inequitable Effects of Raising the Retirement Age on Blacks and Low-Wage Workers, published in the Review of Black Political Economy</td>
<td>Teresa Ghilarducci, Kyle Moore, and Anthony Webb</td>
</tr>
<tr>
<td>August 2018</td>
<td>The Impact of Guaranteed Retirement Accounts on the Retirement Crisis</td>
<td>Teresa Ghilarducci, Michael Papadopoulos, and Anthony Webb</td>
</tr>
<tr>
<td>December 2018</td>
<td>Disparities &amp; Erosion in New York’s Workplace Retirement Coverage</td>
<td>Teresa Ghilarducci and Michael Papadopoulos</td>
</tr>
<tr>
<td>May 2019</td>
<td>The Persistence of Extreme Retirement Inequality</td>
<td>Teresa Ghilarducci; Siavash Radpour and Owen Davis, and Anthony Webb</td>
</tr>
<tr>
<td>May 2019</td>
<td>The Impact of a Social Security Proposal for “Catch-Up” Contributions</td>
<td>Wei Sun, Teresa Ghilarducci, Michael Papadopoulos, and Anthony Webb</td>
</tr>
<tr>
<td>May 2019</td>
<td>Why Older Workers Have Lost Bargaining Power</td>
<td>Aida Farmand and Teresa Ghilarducci</td>
</tr>
<tr>
<td>June 2019</td>
<td>Impacts of Earned Income Tax Credit on Wages of Ineligible Workers</td>
<td>Aida Farmand</td>
</tr>
</tbody>
</table>
PROGRESS

Research in Action

Our policy research is a tool for change. Following is a list of how ReLab’s research is making an impact on the ground as well as in the halls of statehouses and Congress.

Worth Magazine: “16 Powerhouse Female Economists”

On May 30, 2019, Worth listed the “female economists who are making waves in a male-dominated profession and changing the way we live and work.” Ghilarducci was included for her work “sounding a call for government reform of pension plans.”

ReLab Proposal in Top List of Needed Retirement Reforms

Barron’s included ReLab’s policy proposal to reform our broken retirement system, Guaranteed Retirement Accounts (GRAs), in a list of policies recommended on “How to Fix the 401(k).”

PHOTOS: In May of 2019, Ghilarducci joined a panel hosted by the Milken Institute discussing “Is Retirement Extinct?” She joined experts (from left to right) Arthur Bilger of WorkingNation, Paul Irving of the Milken Institute, Kathleen Kennedy Townsend of EPI, and Penny Pennington of Edward Jones.
**ReLab Wins AARP Innovation Challenge on Social Security**

ReLab’s policy proposal to bolster American’s inadequate retirement security by allowing older workers to make “Catch-Up” contributions to Social Security won AARP’s Innovation Challenge. The paper was included in a special issue of the *Public Policy & Aging Report* journal titled “Innovative Approaches to Improve Social Security Adequacy in the 21st Century.”

**Keynote Speech on Retirement, Race, Class and Gender**

SCEPA Research Associate Siavash Radpour gave the keynote address at the Investor Protection Trust’s (IPT) 2018 forum titled, “When I’m 65.” His presented the Retirement Equity Lab’s research and policy recommendations on the retirement crisis and how to bridge the race, class, and gender divide. “Most people do not have (retirement) money because they don’t have any opportunities to save…. And we want to tell people there is no shame when the system lets them down.”

**Collaboration with Economic Policy Institute (EPI)**

In its third year, SCEPA’s Retirement Equity Lab worked in coalition with EPI and the American Federation of Teachers (AFT) to advance the need for retirement reform and Guaranteed Retirement Accounts (GRAs). With a list of 28 endorsements from elected officials and thought leaders, including Martin Luther King III, the coalition is working to educate current policy makers on Capitol Hill and ensure retirement security is on the agenda for the 2020 presidential race. Never before has there been a retirement security campaign to address the challenges that hard-working Americans face in saving for old age.

**SCEPA and EPI met with U.S. Senator Sherrod Brown (OH) on Capitol Hill to discuss the need for retirement reform and share Teresa Ghilarducci’s proposal for Guaranteed Retirement Accounts. (From left to right) EPI’s Kathleen Kennedy Townsend and Elyse Eshelman, Senator Brown, SCEPA’s Teresa Ghilarducci and Bridget Fisher, and EPI’s Thea Lee.**

**SCEPA Research Associate Siavash Radpour giving the keynote speech at IPT’s Forum in October, 2018.**
There’s a big chunk of the American population who are over 65...who don’t have enough income to retire and they have to keep on working.

Their fall back position is basically poverty and...they are working on the employer’s terms, not their own terms.

“”

-Teresa Ghilarducci
ReLab Director
Stephanomics podcast
Retirement Equity Lab

Forbes Column

SCEPA Director Teresa Ghilarducci works to support and educate individuals seeking personal finance advice on retirement through her weekly Forbes column, some of which garnered over 100,000 readers:

- “Why Pay Off Your Mortgage Before the Recession and Before You Retire?”
- “Senate Republicans Set Sights on Cutting Social Security”
- “Big Retirement Losses If the Market Crashes Tomorrow”
- “Social Security Checks Paid, But Government Shutdown Can Still Damage Program”
- “How Much Do I Deduct From My Paycheck To Be Ok In Retirement?”

Quarterly Report on the Status of Older Workers

ReLab’s quarterly report on the status of older workers in the labor market continues to dispel the myth that the solution to a systemic lack of retirement savings is for individuals to work longer. The report takes readers beyond headline unemployment rates by providing a broader view of labor market conditions for older workers, including low pay, wage stagnation, and longer unemployment duration. The report routinely makes news for its economic analysis.

Older workers haven’t seen a raise. Here’s why

Older workers have seen their wages come to a halt.

That’s the takeaway from a new report by researchers at the Retirement Equity Lab at the New School for Social Research.

Weekly earnings for workers aged 55 to 64 were only 0.8% higher in the first quarter of 2019 than they were in the first quarter of 2007, after accounting for inflation, they found.

“The main reason people working at older ages don’t have higher wages is because they don’t have bargaining power, and the reason they don’t have bargaining power is they don’t have a good fallback pension,” said Teresa Ghilarducci, an economics professor at the New School for Social Research.

“If everyone has a really secure pension plan, they can go to the labor market and bargain with employers,” she said.

The Power of Research: The American Prospect and EITC

The Earned Income Tax Credit (EITC) is a popular policy that, even in a time of increased polarization, often receives bipartisan support. Yet, thanks to new research by SCEPA’s Teresa Ghilarducci and Aida Farmand, we now know there are overlooked—and game changing—economic effects of the policy. Namely, the EITC functions as a subsidy to low-wage employers and puts downward pressure on wages. The innovate economic analysis was recognized in a feature by the American Prospect.
Communications: Sharing our Stories

The reach of our research on retirement inequality is an example of our social media presence, which helps us share our economic insights with both the traditional media as well as individuals.

In addition to direct outreach with the tens of thousands on our contacts lists, our engagement on social media amplifies our research and voice. We emphasize our results with both numbers and visuals.

Jacklyn Wille, a reporter with Bloomberg Law, shared her own thoughts about the research results with her audience, retweeting the image from our report.

In response to our inequality research, Ghilarducci was interviewed on the widely-watched Yahoo! Finance, which also reproduced our data for both their live and social media audiences.
SCEPA’s Retirement Equity Lab started a podcast to answer the question “What does retirement really look like for Americans?” Host and SCEPA Director Teresa Ghilarducci talked to people of all ages—millennials, mid-career professionals, and near and longtime retirees—whose stories show how our “do-it-yourself” retirement system is failing. By lifting up real stories of retirement saving, we can move past blaming individuals to see how our retirement system is letting down the majority of Americans.

After hearing from real people about their experiences, the podcast features a roundtable discussion with experts including advocates, economists, and union leaders, about how savers’ real experiences relate to our broken retirement system, and what we can do to reform it.

Our roundtable guests included:

- Vincent Alvarez, NYC Central Labor Council President
- Beth Finkel, AARP NY Director
- Rick McGahey, Economist and SCEPA Senior Fellow
- Helaine Olen, Author & Journalist
In the fourth episode of Reset Retirement, we hear from 47-year-old Stephanie Wild, who opened her own business after running into unexpected career disruptions and age discrimination. As a young advertising professional in her twenties, Stephanie quickly rose through the ranks, but describes hitting a glass ceiling and “aging out.” Finding herself out of a job but far from retirement age, Stephanie pivoted and took a leap to create a coaching business she loves. But her career change comes with a lack of retirement security.

I’m not even thinking about retirement as a concept any more … I hustle! … I’m trying to dissolve the fear and live with the courage that I had in my 20s…There’s no way out. I just have to keep going.

“Teresa is my hero. I’m only 39 and already feel panicked about ‘being behind’ in retirement saving. Teresa pulls me back to the reality that this is a systemic problem, not an individual one, as so many insidious forces would like us all to believe.”

-Review from Enneagirl on Apple Podcasts

Stephanie’s story shines a light on the harsh realities of aging in the American workforce and the importance of the right to retire. Armed with the understanding that our retirement system is in need of systemic changes, and that individuals are not to blame, we can create a new system that ensures retirement security for all.
Social Security Financing and Benefits: Myths vs Facts
MAY 9, 2018
ReLab welcomed economist Stephen Goss, chief actuary of the Social Security Administration (SSA), to set the record straight on the state of Social Security’s financing and benefits. Goss’ presentation coincided with historic Congressional hearings on expanding the program, prompting questions about the program’s rumored solvency and cost. With 40 years experience at the SSA, Goss explained exactly how the program provides vital support for millions of American families across the political and socioeconomic spectrum.

Retirement Reform Briefing at the U.S. Senate
JUNE 14, 2019
SCEPA’s ReLab joined with EPI and the American Federation of Teachers (AFT) to sponsor a congressional briefing in the Kennedy Caucus Room on Capitol Hill, “Reset Retirement: Solutions for the 21st Century.” The event focused on key policy solutions for the ongoing retirement crisis.

PHOTOS: Top right Economist and Chief Actuary of the Social Security Administration Stephen Goss
Bottom left Ghilarducci (at podium) gave opening remarks, followed by a panel with (from left to right): Caroline Atkinson of Rock Creek, Chad Bolt with U.S. Senator Sherrod Brown, Randi Weingarten of AFT, Tony James of Blackstone, and Doug Calidis with U.S. Senator Amy Klobuchar.
Disrupt Disparities in Retirement Readiness
DECEMBER 6, 2018

As part of our commitment to help pave the road to an inclusive solution to New York’s retirement crisis, ReLab joined with AARP New York to host an expert panel discussion on disrupting the racial and ethnic disparities among New Yorkers’ retirement readiness. ReLab economists Michael Papadopoulos and Teresa Ghilarducci presented new data describing New Yorkers’ retirement savings level by race, class, and income. The presentation was followed by a panel discussion (panelists listed below) on possible solutions with an audience of legislative staff, policy experts, advocates, and local community leaders.

PHOTO: (from left to right) Asian American Federation Director Jo-Ann Yoo, NYC Central Labor Council President Vincent Alvarez, New Economy Project Deputy Director Alexis Iwanisziw, and author and Washington Post columnist Helaine Olen.
Led by SCEPA economist Willi Semmler, the Economics of Climate Change project seeks to determine the consequences of climate change policy proposals on domestic and global economies and the possibilities for renewable energy.

PROGRESS

IMF Working Paper

Economist Willi Semmler, director of SCEPA’s Economics of Climate Change project, co-authored an IMF Working Paper modeling how climate disasters affect population segments, infrastructure, housing, and private capital, possibly leading to poverty traps.

Titled, “Climate Disaster Risks—Empirics and a Multi-Phase Dynamic Model,” the paper proposes a model to help policy makers determine the economic effects of climate change and adaption policies.

The paper is also co-authored by Alexander Haider, PhD student in economics at The New School for Social Research.

Research & Evaluation of IMF

Willi Semmler and New School PhD student Alexander Haider worked with the IMF’s Independent Evaluation Office (IEO) on the June 2019 evaluation of the IMF’s advice on unconventional monetary policies. The report evaluates the IMF’s advice to the countries that initiated unconventional monetary policies (UMP) and to countries—particularly emerging markets—affected by spillovers from such policies.

SUPPORT

SCEPA’s Economics of Climate Change project continues to be grateful for the support of the Fritz Thyssen Foundation and the Institute for New Economic Thinking (INET).
Climate Change and the Challenges to Labor
SEPTEMBER 21, 2018

“On a dead planet, there are no jobs.”
Those are the words of labor leader Reiner Hoffmann, the chairman of the German Trade Union Confederation DGB. Hoffmann learned from his experience advocating for a “just transition” in Germany, a country taking a lead in the shift from fossil fuels to renewable energy, that it requires active support and cooperation from governments, companies, and trade unions.

According to Hoffman, collective bargaining agreements, which have been vital to workers in the industrial sector, are lacking in the renewable sector. He also stressed the need for “responsible investing and training, which will only be successful if workers are involved.”

Hoffmann joined a panel discussion with Satya Tripathi, Assistant Secretary-General and Head of the UN Environment New York Office. Though the speakers came from different professional backgrounds and experiences, both agreed on the need for an equitable, people-centered solution. Introductory remarks were made by German Consul General in New York David Gill and New School for Social Research Dean William Milberg.

PHOTO: Economics of Climate Change speaker Reiner Hoffman (middle), Director of the European Trade Union Institute and State District Leader of the IG BCE North Rhein, joins a panel with Assistant Secretary-General and Head of the UN Environment New York Office Satya Tripathi (left) moderated by Willi Semmler (right).
How Inequality and Climate Change Impede Sustainable Growth

FEBRUARY 7, 2019

How does inequality affect growth, and how can we design policies to foster globalization and tackle climate change in a way that is inclusive and sustainable? These were the questions addressed on February 7th as part of SCEPA’s Economics of Climate Change Speaker Series. IMF authors Jonathan Ostry and Prakash Loungani presented the findings of their new book Confronting Inequality: How Societies Can Choose Inclusive Growth. Ostry argued that inequality is bad for growth, and that countries are free to, and should, choose policies that can foster both equality and growth. Loungani linked their work to one of the biggest challenges for equity in modern economies: climate change. Climate disasters reinforce existing disadvantages as the poor are both the most exposed and the most vulnerable. In turn, they become less prepared for the next disaster, perpetuating a downward cycle.

Harvard Economist Dani Rodrik doubled down on the notion that inequality is not our destiny, contrary to stories of the inevitable trade-off between equity and efficiency and the cost of redistribution. Countries should choose globalization and trade policies that empower labor and civil society interests instead of financial institutions and the elite, he said. Rodrik argued that, as with globalization, technological change does not have to be the enemy of low-wage workers. Instead, we are capable of ensuring that new technology can lift up low-skilled workers by helping them do the jobs of more skilled workers.

Finally, New School for Social Research Alum and World Bank Consultant Erin Hayde asked, how can we design successful climate policy? She examined real-world examples, highlighting the success of carefully designed carbon pricing and targeted compensation in Iran and British Columbia.
On a dead planet, there are no jobs.
Led by SCEPA Associate Director Bridget Fisher, the Critical Public Finance team investigates how the increasing financialization of municipal finance affects local governments’ ability to be transparent and accountable to taxpayers as well as its effects on increasing urban inequality.

RESEARCH

The Cost of New York City’s Hudson Yards Project
SCEPA’s Associate Director Bridget Fisher and RA Flavia Leite co-authored a working paper on the costs of the city’s Hudson Yards project. The research documents how the city paid for the project, which was promised to be “self-financing,” but ended up costing the city $2.2 billion in debt costs, cost overruns & spillovers, and tax breaks.

Taxpayer Dollars Spent on Hudson Yards

Inequitable Effects of Tax Breaks with the New York City Council Finance Division
As a result of SCEPA’s work on tax breaks involved in Hudson Yards, SCEPA’s team was invited to partner with the New York City Council Finance Division to use a model developed by Tim Bartik of the W.E. Upjohn Institute to measure the equity effects of using tax breaks to incentivize economic development in New York. In April of 2019, initial work on the research was presented at the Federal Reserve Bank of New York’s fiscal policy series.
Fantasy or Transformation? New York’s $25bn Hudson Yards Set to Open
CITYLAB, MARCH 15, 2019

“Taxpayers helped make it all happen. The city is laying out a total of $5.7bn in tax breaks, bonds and other spending in the area. Much of that is for public infrastructure: the extension of the 7 train, parks and a new public school. But Related and other commercial and residential developers are also getting a hefty break on their property taxes, adding up to more than $1.4bn, according to a November analysis by the New School.

‘This project was sold as a self-financing project, which makes it sound like it’s free, but the reality on the ground is it’s actually very expensive,’ said New School researcher Bridget Fisher, one of the report’s authors.”

Inside Hudson Yards, Manhattan’s Opulent New Mini-City
CITYLAB, MARCH 15, 2019

“According to a study by the Schwartz Center for Economic Analysis at The New School, the city advertised the development as self-financing, but taxpayers are on the hook for $2.2 billion in direct costs for the Hudson Yards district.”

Amazon’s Tax Breaks and Incentives Were Big. Hudson Yards’ Are Bigger.
THE NEW YORK TIMES, MARCH 9, 2019

“The opponents are focused in particular on a lengthy and lucrative property tax break for developers within the broader Hudson Yards area. So far, the cost of that tax break has surpassed $1 billion, according to the recent analysis by Bridget Fisher and Flávia Leite at the New School.”

PHOTO: On June 10th, 2019, Fisher (2nd from the right) presented her research on the financing of Hudson Yards at a debate on the projects planning and process sponsored by the Urban Design Forum.
A Great Deformation: Fifty Years of Regressive Redistribution in the U.S. Economy
Robert Heilbroner Memorial Lecture
APRIL 18, 2019

SCEPA was proud to host Lance Taylor, Emeritus Professor of Economics at the New School for Social Research and the former Arnhold Professor of International Cooperation and Development, for the 2018 Annual Heilbroner Memorial Lecture.

Taylor’s comments focused on how the distributions of income and wealth in America have become more unequal over the past 40 years. He discussed how the standard Solow growth model, the “double movement” against pure laissez-faire envisaged by Karl Polanyi, and the shifts in the structure of production proposed by Arthur Lewis are all running in reverse. His analysis? Given the underlying causes and dynamics, turning these trends around could require decades.

American Economics Association
SCEPA Economists at the AEA Annual Meeting
JANUARY 5, 2019

Each year, the economics profession meets in early January, hosted by the American Economics Association. In 2019, SCEPA economists joined with their New School colleagues and economics graduates to present and share significant research findings with the potential to impact public policy.

Bottom right: The lecture was followed by a panel discussion featuring Taylor and New School economics PhD student Jacobo Ferrer Hernandez.
Economics Department Seminar Series

Located within The New School’s Department of Economics, SCEPA supports the department’s annual seminar series, which features over a dozen lectures, paper and book presentations from prominent economists both in the United States and abroad. A highlight from the 2019 event series was an April 2019 presentation by our own Lauren Schmitz, a former SCEPA research associate, a New School for Social Research economics alum, a SCEPA fellow and now an assistant professor at the University of Wisconsin-Madison. Schmitz discussed her work on “Genetic and Environmental Influences on Schooling and Lifetime Earnings.”
<table>
<thead>
<tr>
<th>DATE</th>
<th>ARTICLE</th>
<th>NEWS OUTLET</th>
</tr>
</thead>
<tbody>
<tr>
<td>7/3/18</td>
<td>Pushing back against Annuities in 401(k)s</td>
<td>BenefitsPro</td>
</tr>
<tr>
<td>7/17/18</td>
<td>How the president and Congress can save 8.1 million seniors from poverty</td>
<td>MarketWatch</td>
</tr>
<tr>
<td>8/1/18</td>
<td>Where are the workers, in a labor market this tight?</td>
<td>MarketPlace</td>
</tr>
<tr>
<td>8/27/18</td>
<td>America’s Broken Retirement System is a Recipe for Political Chaos</td>
<td>INET Economics</td>
</tr>
<tr>
<td>9/5/18</td>
<td>Almost half of middle-class Americans face downward mobility in retirement</td>
<td>BenefitsPro</td>
</tr>
<tr>
<td>9/10/18</td>
<td>A decade after the financial crisis, this retirement dilemma still hasn’t been solved</td>
<td>CNBC</td>
</tr>
<tr>
<td>9/14/18</td>
<td>Are Aging Americans Too Old to Work?</td>
<td>VOA News</td>
</tr>
<tr>
<td>9/25/18</td>
<td>Ten Years After the Crisis: An Economic Parley</td>
<td>Project Syndicate</td>
</tr>
<tr>
<td>9/27/18</td>
<td>Ten years after onset of Great Recession, how are U.S. retirees doing?</td>
<td>Reuters</td>
</tr>
<tr>
<td>10/12/18</td>
<td>40% of the American middle class face poverty in retirement, study concludes</td>
<td>CNBC</td>
</tr>
<tr>
<td>10/15/18</td>
<td>Commentary: 401(k) fixes needed right now</td>
<td>POnline</td>
</tr>
<tr>
<td>10/17/18</td>
<td>The GOP Tax Cuts Are Already Hurting Social Security</td>
<td>TruthOut</td>
</tr>
<tr>
<td>11/5/18</td>
<td>New School Study Uncovers Another $1 Billion in Hudson Yards Subsidies</td>
<td>Gothamist</td>
</tr>
<tr>
<td>11/6/18</td>
<td>Health care and retirement savings on the minds of older voters</td>
<td>Yahoo Finance</td>
</tr>
<tr>
<td>11/16/18</td>
<td>How To Fix the 401(k)</td>
<td>Barron’s</td>
</tr>
<tr>
<td>11/16/18</td>
<td>The Pension Myth and the Financial Realities</td>
<td>Barron’s</td>
</tr>
<tr>
<td>11/19/18</td>
<td>Volatile stock market spooking some older workers, retirees</td>
<td>AP News</td>
</tr>
<tr>
<td>11/20/18</td>
<td>Amazonian Lessons for Urbanists</td>
<td>Gotham Gazette</td>
</tr>
<tr>
<td>12/4/18</td>
<td>Capital Takes All</td>
<td>Project Syndicate</td>
</tr>
<tr>
<td>12/12/18</td>
<td>Looking Forward to Retirement is a Thing of the Past</td>
<td>Retro Report</td>
</tr>
<tr>
<td>12/20/18</td>
<td>Finance Twitter: The 50 most important people for investors to follow</td>
<td>MarketWatch</td>
</tr>
<tr>
<td>1/6/19</td>
<td>Retirement crisis is here and growing</td>
<td>Next Avenue</td>
</tr>
<tr>
<td>1/15/19</td>
<td>Assessing Trump’s First 2 Years for Older Americans</td>
<td>Fiduciary News</td>
</tr>
<tr>
<td>2/20/19</td>
<td>Exclusive Interview: Teresa Ghilarducci Worried About de facto Poverty in Future Retirement</td>
<td>MarketWatch</td>
</tr>
<tr>
<td>4/12/19</td>
<td>The Retirement Crisis is Bad for Everyone -- Especially These People</td>
<td>YahooFinance</td>
</tr>
<tr>
<td>4/15/19</td>
<td>Study reveals retirement wealth inequality is persistent and extreme</td>
<td>CNBC</td>
</tr>
<tr>
<td>4/16/19</td>
<td>Even ‘top earners’ still might not be prepared for retirement</td>
<td>Bloomberg</td>
</tr>
<tr>
<td>4/22/19</td>
<td>America’s Elderly are Twice as Likely to Work Now Than in 1985</td>
<td>MarketWatch</td>
</tr>
<tr>
<td>4/30/19</td>
<td>Your House Should Not Be Your Retirement Plan</td>
<td>Barron’s</td>
</tr>
<tr>
<td>5/2/19</td>
<td>Older Workers Haven’t Seen a Raise. Here’s Why.</td>
<td>CNBC</td>
</tr>
<tr>
<td>5/2/19</td>
<td>Can’t Stop, Won’t Stop (Working)</td>
<td>Bloomberg</td>
</tr>
<tr>
<td>5/6/19</td>
<td>This may be why Americans are so bad at saving for retirement</td>
<td>MarketWatch</td>
</tr>
<tr>
<td>5/16/19</td>
<td>16 Powerhouse Female Economists</td>
<td>Worth Magazine</td>
</tr>
<tr>
<td>6/28/19</td>
<td>What’s Not to Like About the EITC? Plenty, It Turns Out</td>
<td>The American Prospect</td>
</tr>
</tbody>
</table>
SCEPA in Social Media

As the outreach platform for New School economists’ policy research, SCEPA communicates and engages with audiences ranging from former students and alumni to thought leaders in Congress. As such, we focus on creating a culture of collaboration and dialogue about the economic issues dominating the news as well as academia. This year, we focused on growing our social media presence to expand our relationships with our audiences through direct sharing and interaction. We also increased our use of user-friendly visual communications to illustrate our economists’ conclusions and the impact of their work in the public policy arena.

Communications Team

Bridget Fisher  Anna Low-Beer  Michelle Altman

SCEPA Facebook

1,293
1,513
17% increase

Mailing List

13,180
13,930
6% increase

ReLab Facebook

350
377
8% increase

ReLab Twitter

2,565
3,998
56% increase

SCEPA Twitter

1,123
1,345
20% increase

Numbers represent Facebook Likes, Twitter Followers, and mailing list participants

End FY18  End FY19
Schwartz Center for Economic Policy Analysis (SCEPA)
Department of Economics
The New School for Social Research
6 East 16th Street, New York, NY 10003

www.economicpolicyresearch.org

Founded in 1995 by the influential political economist David Gordon, SCEPA is the economic policy research arm of the department of economics at The New School for Social Research. Today, SCEPA continues its 24-year practice of turning the Economic Department’s critical progressive academic research into policy proposals that address the pressing issues of our time, including economic inequality, demographic aging, climate change, and broken labor markets.

Made possible through a generous gift from Irene and Bernard L. Schwartz, SCEPA is distinct from other economic academic research centers by its location within The New School. In the heart of New York City, both the university and center are part of a network of leaders dedicated to progressive and innovative education and ideas.