Economist's View

Stiglitz: What the IMF Must Do to Reestablish Legitimacy

Joseph Stiglitz says the IMF must identify the U.S. as the major cause of global imbalances in order to have legitimacy as an institution, and the U.S. must begin to reduce its budget deficit to address the problem:


Business Day: The International Monetary Fund’s (IMF’s) recent meeting was lauded as a breakthrough, with officials given a new mandate for “surveillance” of the trade imbalances that contribute significantly to global instability. The new mission is crucially important, both for the health of the global economy and the IMF’s own legitimacy. But is the fund up to the job?

There is obviously something peculiar about a global financial system in which the richest country in the world, the U.S., borrows more than $2 billion a day from poorer countries - even as it lectures them on fiscal responsibility. So the stakes for the IMF … are high: If other countries eventually lose confidence in an increasingly indebted U.S., the potential disturbances in the world’s financial markets would be massive.

The task facing the IMF is formidable. It will, of course, be important for the fund to focus on global imbalances, not bilateral imbalances. … China can have a trade deficit with the Middle East and a trade surplus with the U.S., but these bilateral balances indicate nothing about China’s overall contribution to global imbalances. … If one looks at multilateral trade imbalances, the U.S. stands head and shoulders above all others. Last year, the U.S. trade deficit was $805 billion, while the sum of the surpluses of Europe, Japan, and China was only $325 billion. So any focus on trade imbalances should centre on … the U.S.

The task of assessing trade imbalances - whom to blame and what should be done - involves both economics and politics. Trade imbalances are the result, for instance, of decisions about how much to save and how much - and what - to consume. They are also the result of government decisions: how much to tax and spend (which determines the amount of government savings or deficits), investment regulations, exchange-rate policies, and so forth. These decisions are interdependent.

For example, huge U.S. agriculture subsidies contribute to its fiscal deficit, which translates into a larger trade deficit. But agricultural subsidies have consequences for China and other developing countries. Were China to revalue its currency, its farmers would be worse off…

This poses a dilemma for Chinese policy makers. Subsidising their own farmers would divert money from education, health, and development projects. Or China can try to maintain an exchange rate that is slightly lower than it would be otherwise. If the IMF is to be even-handed, should it criticise American farm policies or China’s exchange-rate policies?

Ascertaining whether a country’s trade imbalances are the result of misguided policies or a natural consequence of its circumstances is also no easy task. … Moreover, a change in China’s exchange rate would do little to alter the multilateral trade deficit in the U.S. Americans might simply switch from buying Chinese textiles to imports from Bangladesh. It is difficult to see how a change in China’s exchange rate would have a significant effect on either savings or investments in the U.S. - and thus...
how it would redress global imbalances.

With the U.S. trade deficit the major global imbalance, attention should focus on how to increase U.S. national savings... While it is true that tax preferences might yield slightly higher private savings, the loss of tax revenues would more than offset the gains, thereby actually reducing national savings. There is only one solution: reduce the fiscal deficit.

In short, the U.S. bears responsibility both for trade imbalances and the policies that might quickly be adopted to address them. The IMF’s response to its new mission of assessing global imbalances will thus test its battered political legitimacy. ...

If the IMF’s analysis of global imbalances is not balanced, if it does not identify the U.S. as the major culprit, and if it does not direct its attention on the U.S.’s need to reduce its fiscal deficits, through higher taxes for America’s richest and lower defence spending, the fund’s relevance in the 21st century will inevitably decline.

Dean Baker has another perspective on the budget deficit and global imbalances in his comments on a NY Times editorial. He ends with:

An over-valued dollar, regardless of the cause, creates imbalances (i.e. trade deficits) that inevitably imply a painful correction process. The current over-valuation was not caused by budget deficits (remember, we had a huge budget surplus in 2000, when the dollar was considerably higher than it is now). The correction from the over-valued dollar is going to hurt regardless of what we do with the budget deficit. The price of imports will rise between 10-20 percent, raising the rate of inflation and reducing living standards in the United States.

There are good arguments for reducing the budget deficit, but it’s just silly to pretend that the pain from a falling dollar is attributable to the deficit, or that a lower deficit will somehow prevent this pain.

Comments

You can follow this conversation by subscribing to the comment feed for this post.

anne said...

Oh dear, when the dollar lost from 40% to 50% in value relative to the prime international currencies after the Plaza Accord of September 1985, I remember my parents feeling ever so much poorer and complaining of all sorts of inflation. The problem was cheese, cheese, French cheese, which suddenly who could afford while Dad, poor dear, had a thing for French cheese. "Cheese," I would hear him groan and cover my head with a blanket. "Cheese, cheese, cheese." But, there was more to come.

Reply Saturday, May 20, 2006 at 04:26 PM

anne said...

A few cheeseless years later, we got those French and got them good because the French were threatened currency-wise by speculators who forced a devaluation and
If the IMF's analysis of global imbalances is not balanced, if it does not identify the U.S. as the major culprit, and if it does not direct its attention on the U.S.'s need to reduce its fiscal deficits, through higher taxes for America’s richest and lower defence spending, the fund’s relevance in the 21st century will inevitably decline.

Stiglitz is trying to pin the blame for higher inflation on the ‘real’ cause, higher wasteful defense spending that destroys ‘real’ wealth.

I am not convinced that tax cuts for the wealthy qualify as an ‘inflationary’ force. I would argue they are even deflationary if ‘saved’. Suboptimal wealth distribution does lead to other undesirable consequences like substandard growth.

Twenty years from now, Republicans will blame inflation on rising wages/unions etc. and a few economists will agree. We may need the wealth destruction resulting from a war with Iran before inflation really takes hold.

Quite a powerful comment, Winslow. I do appreciate Stiglitz; also Baker, though I have aquibble with the dollar value issue :)

Joseph Stiglitz says the IMF must identify the U.S. as the major cause of global imbalances in order to have legitimacy as an institution, and the U.S. must begin to reduce its budget deficit to address the problem.

Amen.

But if I'm not mistaken doesn't a European head up the IMF? Like Team Bush will listen or even care... Until these guys are gone it will be nothing but silent trees falling in the forest.

Dryfly, by your logic, UN is run by Ganna, because Kofi is from there? US has the single veto power in IMF.

Yes, one can blame the Bush team, but public awareness of the problem is so very important for the next administration to carry out anything different. The Bush may be incompetent in many ways, but polluting public opinion with lies has been them single strength. It is foolish not to take care of that.

<table>
<thead>
<tr>
<th>20-15</th>
</tr>
</thead>
<tbody>
<tr>
<td>pane on 'Rebooting the Eurozone: Step 1 – Agreeing a Crisis Narrative'</td>
</tr>
<tr>
<td>pane on 'Rebooting the Eurozone: Step 1 – Agreeing a Crisis Narrative'</td>
</tr>
<tr>
<td>RGC on Links for 11-20-15</td>
</tr>
<tr>
<td>Lee A. Arnold on Paul Krugman: The Farce Awakens</td>
</tr>
<tr>
<td>Lee A. Arnold on Paul Krugman: The Farce Awakens</td>
</tr>
<tr>
<td>RGC on Links for 11-20-15</td>
</tr>
<tr>
<td>Pat McGann on Explaining Inequality (Piketty, Murphy, Durlauf Video)</td>
</tr>
<tr>
<td>anne on Paul Krugman: The Farce Awakens</td>
</tr>
<tr>
<td>Eric377 on Paul Krugman: The Farce Awakens</td>
</tr>
<tr>
<td>Fred Fnord on Paul Krugman: The Farce Awakens</td>
</tr>
<tr>
<td>pane on 'Rebooting the Eurozone: Step 1 – Agreeing a Crisis Narrative'</td>
</tr>
<tr>
<td>pane on 'Rebooting the Eurozone: Step 1 – Agreeing a Crisis Narrative'</td>
</tr>
<tr>
<td>pane on 'Rebooting the Eurozone: Step 1 – Agreeing a Crisis Narrative'</td>
</tr>
<tr>
<td>im1dc on Links for 11-20-15</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>20-15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brad DeLong</td>
</tr>
<tr>
<td>Links</td>
</tr>
<tr>
<td>For the Weekend...</td>
</tr>
<tr>
<td>Live from the Roasterie: Back</td>
</tr>
<tr>
<td>Things to Read for Your Lunchtime Procrastination on November 20, 2015</td>
</tr>
<tr>
<td>Must-Read: This is what Akerlof</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>20-15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paul Krugman</td>
</tr>
<tr>
<td>The Expansionary Austerity Zombie</td>
</tr>
<tr>
<td>Desperately Seeking Consensus</td>
</tr>
<tr>
<td>Terrorists and Aliens</td>
</tr>
<tr>
<td>The Farce Is Strong In This One</td>
</tr>
<tr>
<td>Serious Delusions</td>
</tr>
<tr>
<td>Fear and Friends</td>
</tr>
<tr>
<td>The Regime Change Problem in American Politics</td>
</tr>
</tbody>
</table>

http://economistsview.typepad.com/economistsview/2006/05/stiglitz_what_t.html
U.S. as the major culprit, and if it does not direct its attention on the U.S.’s need to reduce its fiscal deficits, through higher taxes for America’s richest and lower defence spending, the fund’s relevance in the 21st century will inevitably decline.

Stiglitz is trying to pin the blame for higher inflation on the ‘real’ cause, higher wasteful defense spending that destroys ‘real’ wealth.

Thanks for that Stiglitz and Winslow, makes sense to me, only more so. If you examine the cost of deactivating this vast armada of nukes, the “real cost” is far higher than any govt. estimate. And if you add the costs of cleanup at Hanford and elsewhere, USA is really so broke it cannot afford to hire a plumber to fix the toilet.

Years ago Sam Bowles suggested that the true cost of “goods and services” could only be accounted for accurately by subtracting the cost of “bads”.

The idea that we can needlessly spend $10 billion a month for the war and occupation of Iraq, but that there should be no consequences for doing so, as though a mere accounting were the only wasteful enterprise, is a perversion of economic responsibility, to ourselves and others, to persons and instutions. There have been consequences from Iraq, each wound suffered, external or within, to the material cost however supposedly hidden. We must leave Iraq, immediately.

I don’t expect the Bush admin to care much if the IMF brands the US a major source of imbalances… they will consider the source and chalk it up to ‘Bush hatred’ on the part of ‘Old Europe’ and brush it off.

Not much will come of this. Politics not economics.
With the imminent departure of Anne Krueger from the post of first deputy managing director of the IMF, Rodrigo de Rato had a unique chance to move the Fund in a different direction as it looks to implement its medium-term strategic review. Instead, the managing director nominated US banker John Lipsky, maintaining the convention of keeping the top two posts at the Fund split between the transatlantic power centres.

Lipsky, currently the vice chairman of JP Morgan Investment Bank, is no stranger to the IMF, having worked there from 1974 to 1984, including a stint as the country representative to Chile when it was under Pinochet’s rule. He also has an agreeable educational pedigree, with economics degrees from Wesleyan and Stanford Universities.

"I don't expect the Bush admin to care much if the IMF brands the US a major source of imbalances"

It is not about the Bush administration. It is about IMF, which is in trouble now for lack of credibility of the borrower countries. Asia Countries, for one, are forming their own development bank to solve their fund needs. And Latin American countries are also pre-paying the debt and getting out of the grips of IMF as quickly as they can. Without much victim's blood to suck, one has to see how IMF manage to make itself relevant.

In comparison, the world bank has solid development programs and will still be in business for a long time to see.

"the world bank has solid development programs " …While, that is before Paul Wolfowitz completely ruined it, of course.

"Twenty years from now, Republicans will blame inflation on rising wages/unions etc. and a few economists will agree. We may 'need' the wealth distruction resulting from a war with Iran before inflation really takes hold."

I've been thinking the same thing: inflationary inputs today might take a decade or two before they are realized as inflationary outputs tomorrow. But please, I'm already unhappy enough about Iraq. I'm trying very, very hard to imagine that the more muted tones we hear from the administration today are the result of prudence, caution and lessons learned, and not the quiet of crackpots prior to a final, quixotic conflict.
Bush Warns of “Erosion of Democracy” in Venezuela & Bolivia

President Bush warned Monday that Venezuela and Bolivia are suffering from what he described as an “erosion of democracy.” Bush’s comments come a week after the U.S. cut off military sales to Venezuela and three weeks after Bolivia announced it would nationalize its natural gas resources. Bush said he had a message for Venezuela, Bolivia and other nations in the hemisphere. President Bush: I am going to continue to remind our hemisphere that respect for property rights and human rights is essential for all countries in order for there to be prosperity and peace. I’m going to remind our allies and friends in the neighborhood that the United States of America stands for justice; that when we see poverty, we care about it and we do something about it; that we care for good -- we stand for good health care. I’m going to remind our people that meddling in other elections is -- to achieve a short-term objective is not in the interests of the neighborhood.”

Economist’s View: Stiglitz: What the IMF Must Do to Reestablish Legitimacy

The Paris climate-change conference needs to be more ambitious

A world of debt

Governments do not know the best way to save the Amazon rainforest. And that needs to change

The world’s never-ending debt story

Some simple rules of thumb

Do ultra-low interest rates really damage growth?

The Poor Get Poorer

By ROBERT B. REICH

April 2, 2006

The Poor Get Poorer

By ROBERT B. REICH

It is not exactly a new debate. On my bookshelf sits “Which? Protection or Free Trade,” edited by H. W. Furber and published in Boston in 1888. That was some 70 years after the British economist David Ricardo first suggested that the gains from trade exceed the losses regardless of whether trading partners are more or less economically advanced, as each nation shifts to where it has a comparative advantage. Most economists and policy makers now accept Ricardo’s argument, although the popular debate over the merits of free trade continues.

The new and more interesting debate is about how the benefits of trade should be shared. During the 1990s, the so-called Washington consensus of officials from the International Monetary Fund, World Bank and United States Treasury Department thought the best way to spur growth in developing nations was for them to quickly lower their trade barriers and deregulate their markets. But that prescription hasn’t worked especially well, even though it still shapes American trade policy. Apart from China and India, the gap between rich and poor nations has continued to widen. More than two billion people worldwide live on the equivalent of less than a dollar a day. Trade talks initiated in Doha, Qatar, in 2001, were intended to redress the balance but have gone nowhere. The last major international meeting, in 2003 in Cancún, Mexico, ended in failure and recrimination, and there’s been little progress since. The world’s poorer nations think the richer ones are still offering a lousy deal.

In their provocative book, “Fair Trade for All,” Joseph E. Stiglitz, a professor of economics at Columbia, and Andrew Charlton, a research officer at the London School of Economics, argue that the poorer nations are right. A better deal would be for them to move toward free trade gradually, each according to its own particular circumstances. The authors urge richer nations to help poorer ones prepare themselves for trade, while dismantling their own trade barriers, which prevent developing
nations from selling them many goods and services.

Stiglitz is worth listening to. A winner of the Nobel in economic science in 2001 for his pioneering work in the economics of information, he was a member and then chairman of the Council of Economic Advisers from 1993 to 1997 (during which time, in the interest of full disclosure, we frequently attended the same White House meetings), thereafter becoming chief economist and senior vice president of the World Bank. In other words, Stiglitz was in Washington when the Washington consensus was formed. He was a dissenter, however, and in recent years has been an outspoken critic of Washington's trade and global investment policies.

Stiglitz and Charlton show that standard economic assumptions are wrong when it comes to many developing economies. When markets in sub-Saharan Africa and elsewhere are opened, people often can't move easily to new industries where the nation has a comparative advantage. Transportation systems that might get them there are often primitive, housing is inadequate and job training is scarce. They're vulnerable in the meantime because safety nets are weak or nonexistent. Most people lack access to credit or insurance because financial institutions are frail, so they're unable to start their own businesses or otherwise take advantage of new opportunities that trade might bring. Many poor countries are already plagued by high unemployment, and job losses in the newly traded sector might just add to it....

---

http://economistsview.typepad.com/economistsview/2006/05/stiglitz_what_t.html

Reply Wednesday, May 24, 2006 at 07:43 AM

a said...

Anne, thanks for your attention on world issues.

Yesterday, Democracy Now! interviewed Arundhati Roy, author of God of Small Things (one of my favorite modern novels), and activist. She painted a rather dark picture of India's current social-economic situation. Here is some excerpt (the whole transcript is really worth reading) from (http://www.democracynow.org/article.pl?sid=06/05/23/1358250):

ARUNDHATI ROY: But I must say that while Bush was in Delhi, at the same time on the streets were -- I mean apart from the protests, there were 60 widows that had come from Kerala, which is the south of India, which is where I come from, and they had come to Delhi because they were 60 out of the tens of thousands of widows of farmers who have committed suicide, because they have been encircled by debt. And this is a fact that is simply not reported, partly because there are no official figures, partly because the Indian government quibbles about what constitutes suicide and what is a farmer. If a man commits suicide, but the land is in his old father's name, he doesn't count. If it's a woman, she doesn't count, because women can't be farmers.

AMY GOODMAN: So she counts as someone who committed suicide, but not as a farmer who committed suicide.

ARUNDHATI ROY: Exactly.

AMY GOODMAN: Tens of thousands?

ARUNDHATI ROY: Tens of thousands. And then, anyway, so these 60 women were there on the street asking the Indian government to write off the debts of their husbands, right? Across the street from them, in a five-star hotel were Bush's 16 sniffer dogs who were staying in this five-star hotel, and we were all told that you can't call them dogs, because they are actually officers of the American Army, you know. I don't know what the names were. Sergeant Pepper and Corporal Whatever. So, it wasn't even possible to be satirical or write black comedy, because it was all real.

Reply Wednesday, May 24, 2006 at 08:36 AM

a said...

Continue quoting Arundhati Roy on call centers, colonialism, democracy... :

AMY GOODMAN: Our guest today for the hour is Arundhati Roy. She just recently flew in from New Delhi, India. She is the author of a number of books, her Booker Prize winner...
For the government, redressing age‐old caste discrimination has become mired in opponents of the measure have exchanged often ugly rants. The efforts to redress it date from the formation of modern India nearly 59 years ago. The problem of caste prejudice here is as ancient as the Hindu texts. Today — as India enjoys awesome rates of economic progress and confronts the challenge of spreading the benefits to its needy majority — the nation faces a little bit of English are the better off among the millions of people in India. So, to give these people jobs, you're taking away the livelihoods of millions of others, and this is what globalization does. The efforts to redress age‐old caste discrimination has become mired in divisive politics. The government has said it will not back down from its proposal.

ARUNDHATI ROY: Yes, it is the perfect symbol, I think, in many ways. I wish Friedman would spend some time working in one. But I think it's a very interesting issue, the call center, because, you know, let's not get into the psychosis that takes place inside a call center, the fact that you have people working, you know, according to a different body clock and all that and the languages and the fact that you have to de-identify yourself.

AMY GOODMAN: And just for people who aren't familiar with what we're talking about, the call center being places where, well, you might make a call to information or to some corporation, you actually are making that call to India, and someone in a call center is picking it up.

ARUNDHATI ROY: But, you know, the thing is that it's a good example of what's going on. The call center is surely creating jobs for a whole lot of people in India. But it comes as part of a package, and that package, while it gives sort of an English-speaking middle or lower middle class young person a job for a while, they can never last, because it's such a hard job. It actually is also part of the corporate culture, which is taking away land and resources and water from millions of rural people. But you're giving the more vocal and the better off anyway -- the people who speak even a little bit of English are the better off among the millions of people in India. So, to give these people jobs, you're taking away the livelihoods of millions of others, and this is what globalization does.

It creates -- obviously it creates a very vocal constituency that supports it, among the elite of poor countries. And so you have in India an elite, an upper caste, upper class wealthy elite who are fiercely loyal to the neoliberal program. And that's exactly, obviously, what colonialism has always done, and it's exactly what happened in countries in Latin America. But now it's happening in India, and the rhetoric of democracies in place, because they have learned how to hollow out democracy and make it lose meaning. All it means, it seems, is elections, where whoever you vote for, they are going to do the same thing.

Reply Wednesday, May 24, 2006 at 08:42 AM

anne said...

ex=1306036800&en=ed9584778b703c1d&ei=5090&partner=rssuserland&emc=rss

May 23, 2006
Quotas to Aid India's Poor vs. Push for Meritocracy

By SOMINI SENGUPTA

NEW DELHI — The problem of caste prejudice here is as ancient as the Hindu texts. The efforts to redress it date from the formation of modern India nearly 59 years ago. Today — as India enjoys awesome rates of economic progress and confronts the challenge of spreading the benefits to its needy majority — the nation faces a polarizing totem of public policy: a government plan to extend college admission quotas to certain "backward" castes.

Affirmative action is in some ways an even more emotional issue in India than in the United States. In recent weeks, a proposal to extend quotas for admission to some of the country's flagship, federally financed universities has caused fresh turmoil.

Protests — particularly by medical students who say merit should be the only basis for admission to India's intensely competitive medical schools — have spread across the country and, here in the capital, hobbled public health services. Advocates and opponents of the measure have exchanged often ugly rants.

For the government, redressing age‐old caste discrimination has become mired in divisive politics. The government has said it will not back down from its proposal.
Caste-based quotas are not new. As authorized by its Constitution, India has long set aside 22.5 percent of public university seats, including those at the most elite institutions, for the lowest castes on the Hindu social ladder and indigenous tribes. Quotas also apply to government jobs and elective office.

The latest proposal extends that principle by setting aside an additional 27 percent of seats for a group known in the bizarre parlance of Indian bureaucracy as “other backward classes,” or O.B.C.’s.

The new quotas would apply to the country's most competitive federally financed universities, including the Indian Institutes of Technology, the Indian Institutes of Management and some elite medical colleges.

Medical students have been particularly outraged because the plan would further restrict the limited number of seats. Medical education in India begins with a five-year undergraduate program, and the proposal could affect students’ chances of completing their training.

The central lawn of the All India Institute of Medical Sciences, the pre-eminent public hospital, was occupied Friday by medical students on the fifth day of a strike that began last week and continued on Monday. “My merit is my caste. What is yours?” read one T-shirt.

The quota advocates have also mobilized. On Friday in Patna, a group of them clashed with the police. Earlier in the week they faced off against anti-quota medical students at the All India Institute of Medical Sciences, arguing that it was against the law for doctors to strike....
10 Friday AM Reads
1937 Delahaye 135 M
The Corporate Saving Glut in the Aftermath of the Global Financial Crisis
Dan Harris: Think You’re a Good Multitasker? Stop Lying
Compounded Annual Returns for Individual Stocks

Beat the Press
Foreign Aid: $30 Billion May Not Be What You Think It Is
Ending Loser Liberalism: Why a Market Based Approach Makes Sense
News for Ruth Marcus: Third Way Policies Gave Us the Great Recession
NYT Wrongly Describes Protectionist TPP as “Free Trade”
Longevity and the Rising Costs of Social Security
Robert Samuelson and the Non Problem with Fannie Mae and Freddie Mac
U.K. Non-Financial Sector to Become More Internationally Competitive According to Bankers’ Group

Jared Bernstein
President Obama makes an interesting point about economic messaging
Remember tax inversions? ...they're baaaack!
Models of the minimum wage (for what they're worth)
Imagine that...candidates actually debating substantive differences on economic policy
Incoherency on the TPP’s currency “side deal”
Wherein I argue with friends and allies about the Cadillac tax
This is your paycheck at full employment... maybe

Robert Reich
The Perils of Circus Politics
What I Learned on My Red State Book Tour
Reality Check
The Rigging of the American Market
On Leaders and Demagogues
THE 4 BIG LIES ABOUT IMMIGRANTS – AND THE TRUTHDonald...
The Morality of a $15 Minimum
Causality
Illustrating Spurious Regressions
What NOT To Do When Data Are Missing

Chris Dillow
Keynes' error
Migration as poverty reduction
"Best practice"
Elites vs representation
Lies we've told our children
Blairism vs the left
Limits of the profit motive

The Baseline Scenario
Request from Two JMU Professors for Help with a Research Project
Talking About Inequality ...
60% of Ted Cruz's Tax Cut Goes to the Top 1%
Hillary Clinton's Lame Wall Street "Reform" "Plan"
Who's Afraid of Larry Lessig?
The Only Two Things That Matter: Why I'm Supporting Larry Lessig
Bernie Sanders Wants to Spend $18 Trillion: So What?

Greg Mankiw
Regulatory Complexity
What I've been watching
Obamacare as Redistribution
Where I'll be this week
Presidential Probabilities
Cochrane on Economic Growth
Keep the Cadillac Tax

Economic Principals
Trading Places
EP is not writing this week
Europe on the Verge
The Two Worlds of Paul Ryan
When "Side-Ocupations" Showed the Way

Arnold Kling
Campus Hijinks
Robotic Hiring
Useful Housing Market Charts
Books of the Year
Matt Ridley's Latest
Further Thoughts on
Current Events
What is the Middle East Endgame?

Naked Capitalism
The Disaster of Greek Austerity – What Next?
Links 11/20/15
The REALLY ANNOYING Don’t-Wanna-Subsidize-Wealthy-Kids’-College-Tuition Canard
Ilargi: The Great Fall Of China Started At Least 4 Years Ago
On the Lack of Courage in Regulators
2:00PM Water Cooler 11/19/2015
TPP’s Orwellian Definition of “Science” in its Sanitary and Phytosanitary (SPS) Chapter

Kevin Drum
Jeb Bush Opposed to Manipulating People’s Fears Over Syrian Refugees
Obamacare’s Growing Pains Are About What You’d Expect in a Newly Competitive Market
Republicans Play “Can You Top This?” Over Refugees
Here Is Today’s Case Study in Right-Wing Media Virtue and Rectitude
It’s Time for Yet Another SAFE Act!
Illegal Immigration From Mexico Continues to Decline
Here Is Hillary Clinton’s Plan to Defeat ISIS

Ezra Klein
If America really valued mothers, we wouldn’t treat them like this
ISIS can only succeed if we overreact — so we shouldn’t
The Democratic debate’s Wall Street fight left both Clinton and Sanders looking bad
Republicans think America is doing terribly, but it isn’t
What the most controversial part of Obama’s trade deal really does
Larry David’s Bernie Sanders impression has, amazingly, gotten even better
What Bernie Sanders gets wrong about Obama’s trade deal
Economist’s View: Stiglitz: What the IMF Must Do to Reestablish Legitimacy

Matt Yglesias
This chart shows something’s gone wrong with the US housing market
Donald Trump’s Muslim database, explained
The political history behind Bernie Sanders’s call for democratic socialism
The Marriott/Starwood merger is another case of the rich getting richer
Obama’s biggest terrorism struggle: how to sell "Don’t do stupid shit" as a strategy
Obama’s sick burn on Republican critics of his refugee policy
The real reason Japan’s economy keeps stumbling into recession

Duncan Black
Maybe I’ll Take The Afternoon Off
Cutting Their Way To Prosperity
The Zombie Apocalypse
Soak The Rich
Late Night
Evening Thread
America’s Worst Humans

Steve Benen
Rubio faces leadership test and flunks
Friday’s Campaign Round-Up, 11.20.15
Failing to rise to the occasion
The importance of Cruz’s ‘National Prayer Team’
GOP congressman tries to connect refugees, Benghazi
The “reality gap” poses real political challenges
Jeb Bush clumsily claims high ground against Trump

Felix Salmon
People flunked this money test because the questions were dumb
Marriott won’t pilage your SPG rewards. Here’s why.
The Great Debate Edition
Why Uber should become a car insurer
Why we fear technology
Yes, Marco Rubio, philosophy matters—and we could use a lot more of it
Is buying penny stocks ever a good idea?