

Wealth of Nations

The long-standing bipartisan consensus for free trade has unraveled in recent years, as both parties turn toward the failed policies of protectionism. But that's as much of a mistake now as it ever was, as Scott Lincicome and Alfredo Carrillo Obregon explain in **"The (Updated) Case for Free Trade,"** Cato Policy Analysis no. 925, reviewing and rebutting the popular but misguided arguments against letting goods freely cross borders.

TIME WARP, AGAIN

The effect of the minimum wage has been an important topic of debate for decades, with economists and policymakers arguing about the size and direction of the policy's effects. One underappreciated way the law can hurt workers is not only through unemployment but through subtler effects, such as how many hours employees are provided. In **"Evidence of the Unintended Labor Scheduling Implications of the Minimum Wage,"** Cato Research Brief in Economic Policy no. 296, Qiuping Yu, Shawn Mankad, and Masha Shunko demonstrate that minimum wage increases can have a dramatic negative effect on the number of hours worked per employee.

CLIMATE RULES

Climate policies are highly fragmented across various jurisdictions. Using California's cap and trade policy as a case study, Sönke M. Bartram, Kewei Hou, and Sehoon Kim tease out the effects on individual firm behavior and whether the law is working as intended in **"Real Effects of Climate Policy: Financial Constraints and Spillovers,"** Cato Research Brief in Economic Policy no. 291. They find that the costs of the policy exceed the negligible reductions in emissions it produces.

MEET THE NEW BOSS . . .

Despite campaigning on a return to multilateralism, President Biden has instead largely embraced the failed Trump policies of unilateralism and protectionism in trade. Despite the calmer rhetoric, the substance of anti-trade policies remains largely unchanged, and few tariffs have been rolled back. But it's not too late to turn that around, notes James Bacchus in **"Biden and Trade at Year One: The Reign of Polite Protectionism,"** Cato Policy Analysis no. 926.

MELTING MYTHS



The melting of Himalayan glaciers has long prompted environmentalists and others to sound the alarm. But both the actual rate of melting and the consequences on the source of major rivers such as the Ganges have been overstated, and the actual rate of melting is much more gradual, according to Swaminathan S. Anklesaria Aiyar and Vijay K. Raina in **"False Alarm over the Retreat of the Himalayan Glaciers,"** Cato Policy Analysis no. 927.

TRIAL AND ERROR

What drives policy experimentation and innovation? Shaoda Wang and David Y. Yang examine the history of policy changes in China since the 1980s to try to determine what motivates political actors and policymakers within the one-party state in **"Policy Experimentation in China: The Political Economy of Policy Learning,"** Cato Research Brief in Economic Policy no. 294.

GO FISH

In Chile, the endangered fish species hake is not allowed to be caught or sold during the

month of September, when hake reproduce. Counterintuitively, frequent enforcement audits might actually hinder the effectiveness of this policy by providing greater opportunities to learn and adapt, perfecting evasion techniques. Instead, fewer and random audits actually provide a stronger incentive for compliance. That's the conclusion of **"Slippery Fish: Enforcing Regulation under Subversive Adaptation,"** Cato Research Brief in Economic Policy no. 292, by Andres Gonzalez-Lira and Ahmed Mushfiq Mobarak.

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TIP YOUR WAITER



NEUMARK



YEN

Tip credits allow employers to pay less than the minimum wage so long as the difference is more than made up for in tips received by workers. Eliminating this policy is a goal of many who are also seeking to raise the minimum wage, but the negative employment effects of such a policy are real, as shown in **"The Employment and Redistributive Effects of Reducing or Eliminating Minimum Wage Tip Credits,"** Cato Research Brief in Economic Policy no. 293, by David Neumark and Maysen Yen.

CRYPTO CONGRESS

As cryptocurrencies such as bitcoin have

become more popular, members of Congress have become increasingly concerned about whether they might threaten the dollar's status as the world's reserve currency. To the contrary, the coexistence of cryptocurrencies is beneficial to the dollar. Nicholas Anthony explains why in **"Congress Should Welcome Cryptocurrency Competition,"** Cato Briefing Paper no. 138.

DISINCENTIVIZED CAPITALISM

The regulatory burdens on publicly traded companies is immense and has been growing. An important explanation for the significant decline in the number of publicly listed companies in the United States is the increased burden of disclosure and governance regulations, as explained by Michael Ewens, Kairong Xiao, and Ting Xu in **"The Regulatory Costs of Being Public,"** Cato Research Brief in Economic Policy no. 295. ■

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folks in our country that only the district schools can deliver public education, that only the local district school is legitimate. We have to push against that and say, "Well, no, in most democracies, that's not the case, and it used to not be the case in this country."

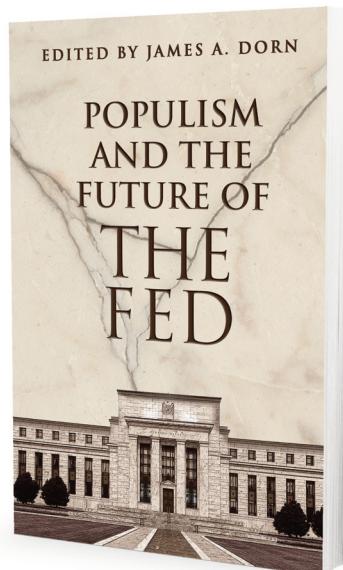
On the other hand, we have many school choice advocates who want to leave the quality measures completely to the schools and the parents. From my perspective, that's highly risky. There's not a lot of evidence that it leads to high quality and equity. Both of these moves, toward structural pluralism and content standards, are difficult to promote in the United States, but they really have worked well for families all around the world. It's very much the norm. It's quite fun to be in conversations in the United States in which one can say, "Well, I think we need more of what the Netherlands has."

It's not the case that this model of educational

pluralism diminishes all conflicts over education. There are certainly still conflicts going on currently around the world, in many different countries. But in essence, I've become persuaded that any kind of uniform, centralized monopoly structure is going to lead to this battle for control. That means other people's values don't matter. The minority culture, whether that minority is Catholic or secular, atheist, Jehovah's Witness, or whatever else the case may be, doesn't have a place at the table. That inevitably leads to social conflicts. But also, a completely agnostic view about curriculum does not work well for the kind of equity and civic formation that we'd like to see. So when we talk about educational pluralism, it's that combination of a diversity of structural arrangements for schools and who is running the schools but also having a baseline of some curricular requirements to be eligible to participate in public funding. ■

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