

Welfare Reform at 20

Twenty years ago, then-president Bill Clinton signed welfare reform into law—a moment now considered one of the most important legislative achievements of that era. Did this controversial reform achieve its goal of moving people from welfare to work? At a Cato conference, “Welfare Reform Turns 20: Looking Back, Going Forward,” experts reviewed the law’s legacy and effects, and discussed options for the future. The reality of welfare reform, according to Cato’s Michael Tanner, is that it failed to achieve radical change. “There are actually more than 100 federal anti-poverty programs,” said Tanner. The federal government spends more on welfare now than it did before reform—\$695 billion on these programs, along with another \$280 billion from state and local funding. And while poverty did decline initially after welfare reform, it has gradually increased since and remains roughly where it was before. Speakers included Ron Haskins of the Brookings Institution, Heather Hahn of the Urban Institute, Scott Winship of the Manhattan Institute, and LaDonna Pavetti of the Center on Budget and Policy Priorities.



RON HASKINS of the Brookings Institution (top), HEATHER HAHN of the Urban Institute (at lectern), Cato’s VANESSA CALDER, and ROBERT VERBRUGGEN of *The American Conservative* debated whether welfare reform was a success, a failure, or incomplete.

Immigration Economics

Immigration is one of the most controversial public policy topics today, with many blaming America’s immigrants for the country’s economic woes. But what do the numbers actually tell us about immigrants’ impact on the economy? At a Cato conference, “Immigration Economics,” experts made the case that immigrants benefit, rather than harm, America’s economy and institutions. Giovanni Peri of the University of California, Davis, argued that there is no clear evidence for immigration as the cause of wage inequality among those with a high school degree or less. “For every immigrant that comes in, not only does a native *not* lose their job, there’s more than one job created,” said Ethan Lewis of Dartmouth College. Other panelists discussed the failures of U.S. border policy, which has actually *encouraged* illegal immigration by preventing workers from circling between America and their home states. A final panel discussed whether immigrants might negatively affect U.S. institutions. Michael Clemens of the Center for Global Development noted that immigration critics have been making this claim for centuries—“There wasn’t any evidence then, nor is there any evidence now,” that immigrants endanger American institutions, he said.



Economist GIOVANNI PERI of the University of California (left) evaluated immigration’s impact on American wages, while Princeton’s DOUGLAS S. MASSEY (top right) critiqued U.S. border policy, and the University of Pennsylvania’s SUSAN M. WACHTER argued that immigration does not necessarily lower housing values.

Celebrating Our Constitutions—All 51

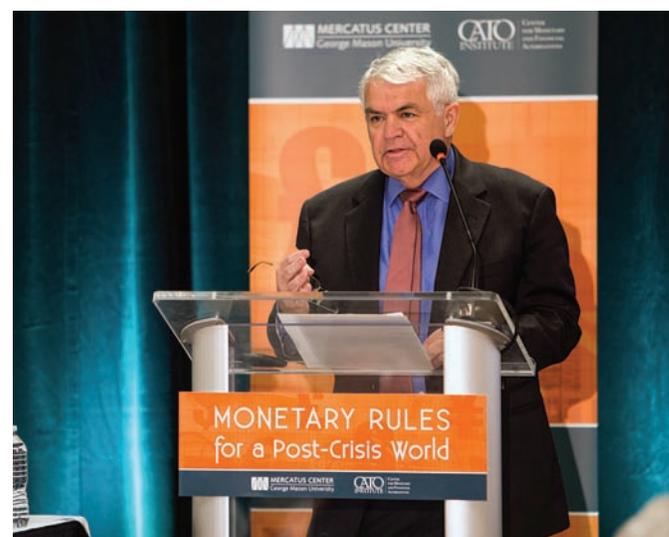
The Supreme Court saw an unusual, often indecisive term this year due to the unexpected death of its senior member, Justice Antonin Scalia. As a result, Cato's 15th Annual Constitution Day Symposium, which, as always, coincided with the publication of the new *Cato Supreme Court Review*, reflected not only on the October 2015 term but on what may lie ahead for the Court. In a panel on civil liberties, for example, Amy Wax of the University of Pennsylvania Law School criticized the Court's inconclusive decision in *Fisher v. University of Texas*, saying that it was based on "feel-good generalities" that grant virtually limitless discretion to university officials to inject race into their admissions decisions. Mark Rienzi, senior counsel at The Becket Fund, which represented the Little Sisters of the Poor in their challenge to Obamacare's contraceptive mandate, warned against seeing the Court's decision to send the case back to the lower courts as merely a "punt." Instead, he argued, the Court vacated precedents on religious liberty from eight different circuits while prohibiting the government from making religious organizations comply with the mandate or pay large fines. The conference closed with the annual B. Kenneth Simon Lecture, delivered by Arizona Supreme Court Justice Clint Bolick, author of four Cato Institute books. Given the uncertainty ahead, Bolick urged libertarian lawyers not to overlook state constitutions in their efforts to better protect liberty. (See page 9.)



(Clockwise from top) LYLE DENNISTON of the National Constitution Center and law professor GLENN HARLAN REYNOLDS, known for his blog Instapundit, discussed the Court's uncertain future. ELIZABETH PRICE FOLEY of Florida International University College of Law warned that without principles and standards the justices risk becoming "politicians in robes."

Are Monetary Rules the Answer?

Central banks' role in the Great Recession, and the economy's lackluster recovery since, are reviving interest in monetary rules. That revival raises many questions—would the Federal Reserve and other central banks have performed better if they'd adhered to monetary policy rules? Could rules have even prevented the crisis altogether? If so, which rules? At a conference co-hosted by the Cato Institute's Center for Monetary and Financial Alternatives and the Mercatus Center, leading monetary scholars gathered to discuss these questions. Stanford economist John B. Taylor, famous for his "Taylor rule," delivered the keynote address, in which he reviewed the history of monetary policy over the last several decades, and reiterated his support for a "remarkably simple" legislative solution: requiring the Fed to publicize a rule, of their own choosing, used to set policy.



At the Cato-Mercatus conference, "Monetary Rules for a Post-Crisis World," Stanford economist JOHN B. TAYLOR advocated requiring the Fed to publicize a rule to set monetary policy.