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Jobs Summit More of Same

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The President will host a "jobs summit" today at the White House to talk about the economic crisis facing our nation. But much like the health summit and doctors' summit held earlier in the year, this event will be full of friendly faces - many of whom encouraged policies that have created the present crisis (union bosses, looking at you.)

There will almost certainly not be much good that comes out of such a meeting. Without a doubt, many new regulations to be proposed, big business and the rich will be blamed for the nation's woes, and the federal government will announce plans to "jump-start" the economy through some unnecessary federal intervention in the guise of a private-public partnership.

Alas, such proposals are flawed and doomed to fail. But what *should* be done to right the nation's floundering economy?

Over at the *Washington Times*, Richard Rahn of the Cato Institute offers some constructive advice:

- (1) Rescind the minimum wage increase that went into effect this past summer. This was equivalent to a 100 percent tax on the least experienced and least skilled workers. Employers predictably laid off many minimum-wage workers after the increase. It is both unfair and cruel not to let low-productivity workers get their first jobs where they can learn how to become high-productivity workers.
- (2) Keep the Bush tax rate cuts rather than let them expire. Recently released empirical studies done for the Institute for Research in the Economics of Taxation clearly show Mr. Obama's proposed increases in capital gains and dividend tax rates will decrease tax revenues, not increase them, and will cost many jobs.
- (3) Hold off on the House and Senate health care bills, the "cap-and-trade" bills, and "card check," all of which will be huge job killers and are enormous disincentives for employers to hire new workers.

The nation's economy should be freed from encumbering regulations that distort the market. Taxing some groups while subsidizing favored industries may be a surefire way to buy friends and political allies, but it is no way to ensure long-term prosperity and economic growth.