

Driving the agenda

EPI's 2015 accomplishments

January 1, 2016

EPI's decades-long effort to move the issues of income inequality and stagnant wages to the top of the national agenda crossed a threshold in 2015. Growing recognition of these problems coincided with momentum on implementing critical solutions such as expanding overtime pay protection and raising the federal minimum wage. Following are just some of the ways EPI's research, data, and testimony influenced policymakers, informed the media, and engaged activists and ordinary Americans in the drive to improve working families' living standards this past year.

EPI research makes wages a key issue in the presidential election

American workers' stagnating wages grabbed the spotlight in the 2016 election, thanks in part to EPI research identifying the **causes of wage stagnation: the policy choices** that are driving the benefits of economic growth to an **increasingly tiny share of households**. This research, part of EPI's **Raising America's Pay (RAP)** initiative, has been amplified by top news sources, including the *New York Times*, *Wall Street Journal*, and *Washington Post*, and used by candidates such as **Hillary Clinton, who tweeted** EPI's graph showing how American workers' productivity has increased while their wages have flatlined.

President Obama's 2015 State of the Union address foreshadowed this key presidential primary campaign issue with his call to raise wages—a demand EPI has been making for years, noted the *New York Times*. This came on the heels of EPI's early January release of a report examining the **causes of wage stagnation** and a **chartbook** showing that the decades-long wage stagnation of low- and middle-income Americans was created not by immutable economic trends, but by policy choices favoring the rich and powerful.

Confirmation that the benefits of economic growth have been going increasingly to a tiny share of households came from *The Increasingly Unequal States of America*, an EPI paper examining state-level income inequality covered by the *Washington Post*, *Wall Street Journal*, *NPR*, *The Nation*, *CBS News*, and top regional outlets such as the *Cleveland Plain-Dealer*, *Miami Herald*, *New York* magazine, and the *Seattle Times*. Charts with the report's major findings reached nearly a million people through social media.

Subsequent EPI reports demonstrated that **restarting wage growth** is a key to solving pressing economic challenges, including fighting our **stubbornly elevated poverty rate**. NPR highlighted these findings, as did *The New Yorker*, observing that “the wage problem has emerged as one of the central economic quandaries of the post-recession era.” In an article in the *New York Review of Books* about how wage stagnation and inequality were emerging as crucial issues in the 2016 election, Michael Tomasky identified EPI’s leading role in researching wage stagnation and income inequality. Another *New Yorker* piece, about Hillary Clinton’s 2016 campaign, referenced EPI’s **Raising America’s Pay** initiative.

Indeed, in her **first major policy address** as a presidential candidate in July, Clinton put raising incomes at the center of her campaign, noted an *Inside Philanthropy* article on EPI’s success at setting the political agenda. Shortly after the July address, Clinton **tweeted** EPI’s graph showing how American workers’ productivity has increased while their wages have stagnated. Throughout their campaigns, Clinton and Bernie Sanders have quoted EPI findings on wage stagnation, growing inequality, and the divergence between worker productivity and pay—and publications such as *The New Yorker* have identified EPI as a source of campaign ideas. According to a *New York Times* story featuring EPI President Lawrence Mishel, establishment Democrats are defining wage stagnation as the central economic challenge of our time. And the *Washington Post*, citing Mishel, called economic mobility “a defining theme of the 2016 campaign” for both parties.

Republican candidates have **also engaged in the debate on how to raise American wages**. In the **November 10 GOP debate**, moderator Gerard Baker of the *Wall Street Journal* posed a question to the candidates about income inequality that used EPI’s finding that CEOs earn about 300 times more than average workers.

EPI also spotlighted stagnating wages in information sessions with campaign advisors to Hillary Clinton, Bernie Sanders, and Martin O’Malley, and in petitions and research sent to Republican candidates’ campaign staff.

EPI’s *New York Times* op-ed and 11-point policy agenda move wage conversation from problems to solutions

EPI President Lawrence Mishel’s *New York Times* op-ed calling for wage-raising policies to replace “tried-and-failed” trickle-down policies led to EPI’s *How To Raise Wages* report and the accompanying “**Agenda to Raise America’s Pay**.” The agenda—a series of concrete, achievable policies such as updating overtime rules and raising the minimum wage—was hailed by *The Washington Post* as “**the liberal plan to save the middle class**.”

EPI President Lawrence Mishel started to shift the wage conversation from identifying the problem to proposing solutions in February, with **testimony** before the U.S. House of Representatives and his *New York Times* op-ed. The testimony and op-ed urged replacing “tried-and-failed” trickle-down economic policies with policy initiatives to lift wages, including updating overtime pay rules, raising the minimum wage, rebuilding our collective

bargaining system, and avoiding trade deals such as the Trans-Pacific Partnership. This laid the groundwork for EPI's *How To Raise Wages* report and the accompanying "Agenda to Raise America's Pay." *Salon* called the plan "smart economic policy," and Paul Waldman of *The Washington Post* said it is "worth paying attention to" because something like it will probably become Hillary Clinton's economic plan." EPI's timely influence on the Democratic agenda prompted the *Post*'s Jim Tankersley to observe, "The liberal wonks at the Economic Policy Institute are having a moment right now." Indeed, in September the *Wall Street Journal* reported that "Hillary Clinton ... has clearly leaned on EPI research in calling for policies that boost wages." And *Washington Life Magazine* named Mishel one of Washington's 100 most influential people, citing the *Raising America's Pay* initiative and EPI's outspokenness and data on economic inequality.

EPI's pay–productivity graph proves Americans aren't being rewarded fairly for their work

Those pushing to give American workers a well-deserved pay raise often display EPI's annually updated graph *comparing pay and productivity growth*, which shows that Americans are increasing their productivity—they just aren't getting any of the benefits. Clinton has *tweeted* the graph more than once, and, along with the accompanying

EPI's web and media reach by the numbers

EPI's impact derives in part from our expanding reach to policymakers, opinion leaders, and regular citizens through traditional news and social media. EPI is one of the *15 most-cited think tanks in the country*. In terms of *press hits per budget dollar*, EPI is the second-most cost-effective think tank in the U.S.

Here are some highlights from 2015:

- EPI was cited in six *New York Times* editorials. In the past year, EPI has been mentioned 179 times in the *New York Times*, *Washington Post*, and *Wall Street Journal* alone. EPI is also frequently mentioned in such national media outlets as *Vox*, *Huffington Post*, *The Guardian*, MSNBC, CNBC, PBS, NPR, and CNN Money.
- There were 5,195,601 visits to epi.org in 2015, a 79 percent increase from 2014.
- On average, visitors in 2015 stayed on the site longer, and viewed more pages per visit, than in 2014.
- EPI received 7,798,561 individual pageviews on our site in 2015, up 82 percent over 2014.

research report, it has garnered headlines in *Politico*, *Vox*, the *Fiscal Times*, the *Seattle Times*, and the *Boston Globe*.

EPI's pay–productivity graph shows that in the decades immediately following World War II, inflation-adjusted hourly compensation for typical American workers rose in line with productivity, but since the 1970s, typical workers' pay has lagged far behind productivity growth—due largely to rising inequality. Simply put, the economy has generated lots of income, but it has not flowed through to the vast majority. Rather, wages and benefits have stagnated because income has been redistributed to the top 1 percent of earners and to higher profits.

Clinton tweeted the pay–productivity graph after her first policy address, and **tweeted** it again in July when presidential candidate Jeb Bush remarked that “**people should work longer hours**” to spur economic growth. Clinton's response—that “anyone who believes Americans aren't working hard enough hasn't met enough American workers”—was covered by online media such as *Politico* and *Vox*.

After EPI released a new **briefing paper** in September updating the data underlying the pay–productivity chart, the *Wall Street Journal* wrote, “There's a chart making the rounds that has come to represent, for some, all that is wrong with the American economy.” According to the report, worker productivity grew 72.2 percent, or 1.33 percent per year, between 1973 and 2014. Meanwhile, median workers' hourly compensation increased just 9.2 percent, or 0.2 percent annually. “The gap between them more or less symbolizes the big empty space in workers' wallets,” the article said. “How one interprets the mass of historical data we have on workers' productivity, wages and growth has profound consequences for which economic policies one might pursue.”

The paper documents “the almost total failure [of productivity gains] to trickle down,” wrote Paul Krugman of the *New York Times*. Other media covering the report included the *Fiscal Times*, the *Seattle Times*, and the *Boston Globe*.

The report and its coverage effectively countered those trying to argue that productivity and pay have not diverged. The report establishes the break between productivity and pay, explores the factors driving the wedge, and rebuts various criticisms.

CEO pay graph shows why economic gains aren't trickling down

In August, following EPI's update of its **influential CEO pay report**, the Securities and Exchange Commission (SEC) voted to require the nation's 4,000 public companies to each disclose the difference between their CEO's salary and their median worker pay, starting in 2017. Top media such as the *New York Times* **editorial board** criticized the huge CEO pay levels identified by EPI that are helping fuel rising inequality.

EPI research demonstrates that workers' wages have remained stagnant because “the benefits of better productivity have nearly all gone to corporations, shareholders and top executives,” wrote United Steelworkers President Leo W. Gerard in the *Huffington Post*. EPI

has been tracking the gap between CEO and worker pay for more than 20 years. The Institute's [2015 CEO pay report](#) released in June shows that the typical big company CEO made more than 300 times as much as the typical worker in 2014, up from just 20 times as much in 1965. These findings were cited not only by the [New York Times editorial board](#), but also the [Pittsburgh Post-Gazette editorial board](#), *New York Times* columnist [Nicholas Kristof](#), and [Ralph Nader](#). These data were also cited by Rep. Chris Van Hollen (D-Md.), who used EPI's charts showing stagnating wages in the face of rising productivity and CEO pay to argue against corporate tax provisions and call for a vote on his [CEO-Employee Pay Fairness Act](#).

In August, after the SEC announced its CEO pay disclosure requirements for the nation's 4,000 public companies, EPI President Lawrence Mishel released a [statement](#) calling the rule "a win for the American people" because it sheds light on the contribution skyrocketing CEO compensation makes to inequality. The rule also drew attention to EPI. EPI's data on CEO pay were cited by national media anticipating the SEC ruling (such as the [Wall Street Journal](#), the [New York Times](#), and [USA Today](#)) and covering the ruling after the fact (including the [Boston Globe](#), [Fortune](#), [New York Times](#), [Washington Post](#), [Bloomberg](#), and [The Atlantic](#)). The [Los Angeles Times](#) predicted that the rule would "stoke an already heated debate about income inequality in the broader economy." The [New York Times](#) editorial board used EPI's CEO pay data in its Labor Day editorial, "[You Deserve a Raise Today](#)."

EPI chart on union membership featured in Smithsonian museum

Extravagant CEO pay isn't the only cause of rising inequality. [EPI's chart mapping rising inequality against declining union membership](#) is featured in the Smithsonian National Museum of American History's "[American Enterprise](#)" exhibition that opened in July 2015.

[EPI research](#) "has traced a direct line between the fall of unions and some of the foremost problems in the US economy, including [rising inequality](#) and stagnant wages," reported the [Boston Globe](#) on Labor Day. "As unions have lost power, income has increasingly flowed up to the top 10 percent earners." [EPI's chart mapping rising inequality against declining union membership](#) shows that in 2013, the share of income going to the top 10 percent hit 47 percent, the second-highest level since 1917, while union membership was just 11.2 percent. The chart was featured in many Labor Day news reports, including the [Huffington Post's](#) Jonathan Cohn's piece on "[Five Ways to Help Labor](#)." And it is part of the Smithsonian National Museum of American History's "[American Enterprise](#)" exhibition. The exhibition uses the chart to illustrate how unions help workers bargain for higher wages and better benefits.

EPI connects wage stagnation to the hostile environment for collective bargaining

In 2015, EPI's research on the wage-depressing effects of [declining unionization](#) and right-to-work (RTW) laws led to calls by the [New York Times](#) editorial board and others to claw back policies that weaken unions. Through [testimony](#) and [reports](#), EPI spread the word that wages in RTW states are 3 percent lower than in other states.

EPI's drumbeat on the need to claw back policies making it harder for workers to form unions and bargain collectively began in January with the report [The Erosion of Collective Bargaining Has Widened the Gap Between Productivity and Pay](#), which found that as collective bargaining density has declined in states, so has median hourly compensation. At the same time, the gap between productivity and median compensation has risen. Publications ranging from [Salon](#) to the [New York Times](#) to the [New York Times Magazine](#) covered the report.

A February [New York Times](#) editorial on the anti-unionism that has fueled inequality cited EPI data and specifically singled out state efforts to outlaw fair-share fees, which allow unions to assess fees on some of the workers they represent in collective bargaining. Union opponents support such laws, which they call right-to-work (RTW) laws. In his February testimony before the West Virginia Senate, EPI Vice President Ross Eisenbrey said that an RTW law could lower annual wages in the state by an average of \$1,500.

In March, Eisenbrey appeared on NPR's "[Diane Rehm Show](#)" to discuss RTW legislation and the future of unions, and the [New York Times](#) featured an op-ed by EPI's Elise Gould showing that workers in RTW states have lower wages and fewer fringe benefits. Gould expanded on that theme in [testimony](#) before the U.S. House Committee on Education and the Workforce, and in an April EPI report, ['Right-to-Work' States Still Have Lower Wages](#), which showed that wages in RTW states are 3 percent lower than in other states. EPI's research was cited by a number of opinion columns calling for the end to RTW, from the [Bangor Daily News](#) to [The Hill](#) to [Bloomberg View](#).

In October, at the [White House Summit on Worker Voice](#), EPI's Lawrence Mishel led a discussion about why collective bargaining is indispensable for raising American workers' wages. Also in October, U.S. Rep. Bobby Scott (D.-Va.) cited EPI's research in a House Education and Workforce Committee study making a case for the value of unions.

EPI fought right-to-work (RTW) legislation in Wisconsin, New Mexico, and West Virginia

EPI has taken an active approach to state action on RTW, ensuring that lawmakers considering RTW are not misled by false promises. State-level policy analysts [have used EPI data](#) and material to warn legislators of the pitfalls of potential RTW laws.

In 2015, EPI research and testimony debunked dangerous claims that jobs and wages increase in the wake of so-called right-to-work laws, which restrict the ability of unions to

collect dues from workers whose interests they represent. RTW laws outlaw fair-share fees, fees non-union members pay the union to cover the costs of bargaining, contract administration, and grievance processes that unions undertake on behalf of all (union and non-union) members of a collective bargaining unit. EPI research has long shown that such laws are associated with lower wages while having no proven links with employment growth. In April, a report by EPI's Elise Gould and Will Kimball highlighted serious statistical flaws in a Heritage Foundation report claiming that RTW laws improve wages.

After the West Virginia legislature directed the West Virginia University (WVU) business school to study the likely effects of an RTW law, EPI helped prepare a letter to WVU from Professor Richard Freeman of Harvard and Professor Paula Voos of Rutgers. The letter documented the very strong consensus among independent researchers that RTW lowers wages and benefits, and outlined what the study methodology must include to be deemed rigorous and reliable. When WVU released a study that did not meet the standards of rigorous, reliable research, EPI was quick to issue [a report](#) that outlined the flaws that should cause "serious researchers and conscientious policymakers to disregard the WV study results."

(The Freeman/Voos statement was also shared with state-level policy analysts from many states at EPI's Economic Analysis Research Network conference in Los Angeles, some of whom have presented it to their legislators to warn of the pitfalls of potential RTW bills. EPI also maintains an updated database of state-by-state wage data that allies can use when responding to claims about RTW benefits.)

In Wisconsin and New Mexico, EPI Research Associate Gordon Lafer conducted in-depth briefings for state legislators, combining national-level findings with state-specific analyses of RTW's likely impact on their states' economies. The presentations led to EPI reports, *"Right to Work" Is the Wrong Answer for Wisconsin's Economy*, and *"Right to Work" Is the Wrong Answer for New Mexico's Economy*, both of which were covered extensively in the media and reached over 10,000 union members, community allies, media, and legislators. Lafer testified on the states' RTW bills, publicized the methodological flaws in competing reports (for example, in a column in the *Milwaukee Journal-Sentinel*) and worked with local allies such as Tamara Kay, a sociology professor at the University of New Mexico, who used EPI data in her own testimony and [op-eds](#). Following publication of the report and Lafer's visit, EPI remained engaged with the New Mexico debate through the end of the state's legislative session in late March. Wisconsin enacted its RTW law, but New Mexico did not.

EPI plays crucial role in new overtime pay rule benefiting millions

Hardworking, middle-class Americans have seen their wages stagnate as the benefits of the economic recovery have gone to the wealthy few. This weakening of the middle class is associated with the weakening of labor standards that protect workers, including overtime standards. EPI played [a major role](#) in the administration's plan to raise the salary

threshold for overtime pay, “one of the most consequential regulations of Obama’s second term,” noted the *Washington Post*.

In June the U.S. Department of Labor issued a proposed rule to raise the salary threshold below which even white-collar managers are entitled to earn time-and-a-half overtime pay from \$23,660 to \$50,440. EPI supplied much of the economic analysis to support the idea of raising the overtime salary threshold to that level. The increase, which essentially restores the threshold to where it was in 1975 in terms of purchasing power, helps millions more workers get the pay they deserve. And it was actually EPI’s Ross Eisenbrey and former EPI Senior Economist Jared Bernstein who first proposed the idea. There were fears that the administration would propose a smaller increase in the face of business opposition. In an article called “*Who’s Watching Out for Workers*,” *Inside Philanthropy* recognized EPI along with the National Employment Law Project for their “crucial roles in advocating for the new rule.”

The success was hard-fought. In addition to coauthoring what the *New York Times* described as a game-changing paper released in 2013, in 2015 EPI’s Ross Eisenbrey briefed Hill staffers on how a meaningful raise in the overtime pay threshold would benefit working families and lift wages for millions of eligible Americans, testified before the U.S. House Subcommittee on Workforce Protections, and joined an amicus brief in a U.S. Court of Appeals case concerning denial of overtime pay to workers. Numerous EPI papers and blog posts countered misinformation by opponents of the proposed rule and amplified important points that needed attention. And EPI provided fact sheets and data for a coalition of progressive groups, including women’s groups, civil rights organizations, and unions. After the rule was proposed, the coalition launched FixOvertime.org to channel comments supporting a higher threshold to the Department of Labor directly. The EPI-reinforced coalition succeeded—delivering more than 72,000 comments in favor of the rule to the administration.

Meanwhile, EPI supplemented these efforts with new research on the impact of raising the overtime threshold. In July, EPI released an interactive map comparing the shares of salaried workers in each state covered under the current overtime salary threshold and the proposed threshold, demonstrating that the share covered would increase by 30 percentage points or more in nine states. In August, EPI released new research showing an estimated 13.5 million workers—including 6.9 million women, 1.6 million African Americans, and 2.1 million Hispanics—would directly benefit from the Department of Labor’s proposed overtime salary threshold of \$933 per week. EPI’s research on updating overtime rules was covered by several top national media outlets, including the *Associated Press*, *USA Today*, *Reuters*, *Bloomberg*, *Huffington Post*, *The Nation*, *Politico*, and the *Wall Street Journal*.

Calling the proposed rule the “biggest boost for work-life balance” in a while, *Huffpost Business* quoted Eisenbrey’s observation that the rule “would be a very big deal for the middle class...giving them back the time they need to spend with their families.” Eisenbrey and Mishel submitted a comment on the proposed rule rebutting various claims against it. In October 2015, Eisenbrey testified before the U.S. House Committee on Small Business, defending the proposed changes to overtime pay rules, noting that the number of salaried

workers guaranteed overtime pay has plummeted since 1979. “It’s one reason that Americans’ paychecks are not keeping up with their gains in productivity,” Eisenbrey explained to the *Dallas Morning News* in December. The rule will most likely be completed in 2016.

By connecting the dots, EPI research increased support for minimum-wage hikes

EPI Economist Elise Gould’s February report, *2014 Continues a 35-Year Trend of Broad-Based Wage Stagnation*, made a debate-changing connection between public policies and the state of American wages. Specifically, efforts to raise the minimum wage got

EPI partnerships also help move the dial

We get our research into the hands of those who use it through a wide network of researchers and scholars at top universities, our Economic Analysis and Research Network (EARN), and strong partnerships with similarly committed foundations, unions, and advocacy organizations. In 2015 we also more than quadrupled our email list of engaged individuals from about 19,000 to nearly 84,000 through regular online policy campaigns in support of EPI’s mission. Here are some of the groups we worked with in 2015:

[AFL-CIO](#) / [Alliance for American Manufacturing](#) / [Alliance for Justice](#) / [American Constitution Society](#) / [Americans for Tax Fairness](#) / [Center on Budget and Policy Priorities](#) / [Center for Community Change](#) / [Center for Popular Democracy](#) / [Center for Progressive Reform](#) / [The Century Foundation](#) / [Centro de Derechos del Migrante](#) / [Demos](#) / [Farmworker Justice](#) / [Global Policy Solutions](#) / [Global Workers Justice Alliance](#) / [Institute for Women’s Policy Research](#) / [International Labor Recruitment Working Group](#) / [Jobs With Justice](#) / [Leadership Conference on Civil and Human Rights](#) / [Making Change at Walmart](#) / [MomsRising](#) / [MoveOn.org](#) / [NAACP](#) / [National Council of La Raza](#) / [National Employment Law Project](#) / [National Employment Lawyers Association](#) / [National Guestworker Alliance](#) / [National Partnership for Women and Families](#) / [National People’s Action](#) / [Oxfam America](#) / [Progressive Congress](#) / [Public Citizen](#) / [Restaurant Opportunities Centers United](#) / [Service Employees International Union](#) / [Social Security Works](#) / [Washington Center for Equitable Growth](#) / [Working Families Party](#)

Our unique partnerships with these organizations are essential to our continued success. Our partners help to disseminate and draw attention to our work, which gives us a much larger impact on the policy process. Indeed, these partnerships have helped make possible all the political achievements noted here.

important validation. Gould found that while hourly wages stagnated or declined for nearly all workers in 2014, those in the bottom 10 percent saw a 1.3 percent rise due to minimum-wage increases in 18 states, where 57 percent of U.S. workers reside. (EPI research had been used by proponents of minimum-wage increases in all 18 states.) This finding shows that public policies can be an important tool for raising wages—and that solid research can drive good policy.

In recent years, EPI's research has helped refute the myths cited by opponents of raising the minimum wage. For example, EPI has shown that raising the minimum wage would mostly benefit older workers, not teenagers. In 2015, the U.S. Department of Labor used many of EPI's findings in its "[Minimum Wage Mythbusters](#)" fact sheet. And publications such as the *New York Times* highlighted EPI data in their [coverage](#) of the national- and state-level movement to raise the minimum wage.

Injecting the correct information into the debate may be shifting public opinion. According to *U.S. News & World Report*, voters overwhelmingly agree the minimum wage should be raised. The September 2015 article also included assurances from EPI's Dave Cooper that "moderate increases in the minimum wage have little to no impact on employment whatsoever."

In April, in [We Can Afford a \\$12.00 Federal Minimum Wage in 2020](#), EPI confirmed that a \$12.00 national minimum wage by 2020 is an achievable and economically sustainable goal. The Raise the Wage Act to gradually raise the minimum wage to \$12.00 by 2020 was introduced in the House and Senate the same day the report was released. EPI was integral to the writing of the bill and provided research that substantiated the \$12.00 level, supported indexing it to growth in median wages, and supported the decision to phase out the subminimum wage for tipped workers. In July, EPI [released a report](#) showing that the act would lift wages for 35 million American workers, and also released its [Minimum Wage Tracker](#) showing the status of state- and local-level minimum-wage laws across the country. President Obama shared the tracker on [Facebook](#) and [Twitter](#).

By October five more cities had enacted local minimum-wage ordinances above their state minimums, three state minimum-wage increases had taken effect, and New York established a minimum wage for fast-food workers that will reach \$15 per hour by 2021. Many media outlets relied on EPI in their coverage of these developments, including the *New York Times*, *The Washington Post*, *Politico*, and New Hampshire Public Radio's "[The Exchange](#)."

EPI's Family Budget Calculator remains one of the best tools in the push to raise the minimum wage

In August 2015, EPI released the newest version of its [Family Budget Calculator](#), showing what it takes to make ends meet in 618 communities. Compared with the federal poverty line and the Supplemental Poverty Measure, EPI's family budgets provide a more accurate

and complete measure of economic security in America. The family budgets show how much it costs for families to attain a modest but adequate standard of living, accounting for costs such as housing, child care, food, transportation, and health care. EPI's [Family Budget Calculator](#) was featured in the *Wall Street Journal*, *Washington Post*, *Fortune*, *Time*, and *CBS Moneywatch*. It also garnered coverage in many regional and local media outlets, including the *Sacramento Bee*, *Pittsburgh Post-Gazette*, *Dallas Morning News*, *Fox 5 DC*, *WAMU-FM*, and *Philadelphia Magazine*.

EPI research highlights need for accessible, affordable child care

In October, EPI released a study showing that [high-quality child care is out of reach for working families](#), especially minimum-wage workers. “Child care costs would now devour at least 30 percent of a minimum-wage worker’s earnings in every state,” explained the *Washington Post*. The study also found that child care costs for a 4-year-old are more than the average cost of in-state tuition at public colleges in 24 states and the District of Columbia. Citing EPI’s findings, an op-ed in *The New York Times* speculated that the high cost of child care is a big reason why American women are falling out of the labor force.

EPI’s November report contrasting the [low pay of the country’s child care workers](#) (who have a median hourly wage of just \$10.31) with the [high costs of child care](#) appeared in top media outlets such as *The Atlantic*, *Politico*, *Slate*, *Fortune*, *Huffington Post*, and *Vox*. The report’s interactive maps show that in most U.S. communities at least 90 percent of child care workers are not paid enough to make ends meet.

EPI announces bold agenda to raise women’s wages

In November, Sen. Elizabeth Warren, Rep. Rosa DeLauro, and other progressive leaders joined EPI to release EPI’s [Women’s Economic Agenda](#). The agenda outlines 12 bold yet achievable proposals to close the gender pay gap and increase women’s economic security.

Though the situation has improved since President Kennedy signed the Equal Pay Act in 1963, when women made [59 cents for every dollar earned by men](#), women still earn a lot less than men. In 2014, the median woman earned 82.9 cents for every dollar paid to her male counterpart. Closing the gender wage gap is absolutely essential to helping women achieve economic security—and so is policy action to address the factors that have depressed worker wages generally, explained EPI’s Elise Gould at the agenda’s release event (and in an [accompanying blog post](#)).

The agenda calls for raising the minimum wage, making full employment a goal of monetary policy, providing paid family leave, and other policy actions. A companion research [paper](#) found that we could raise women’s wages by 70 percent—from \$15.21 to \$26.04 per hour—by closing the gender wage gap *and* eliminating the inequality that has

kept all workers' pay from rising with productivity. EPI's Women's Economic Agenda and research on the gender pay gap have been covered by top media outlets, including by the editorial board of the *New York Times* and in the *Wall Street Journal*, *Mother Jones*, NPR, the *American Prospect*, and *Elle*. Even *Entertainment Weekly* used EPI data to speak out against gender pay inequality in Hollywood.

EPI elevates fair scheduling as a policy goal for women and all workers

Among the policy proposals in EPI's Women's Economic Agenda is fair scheduling. Specifically, the agenda calls for requiring employers to provide more advance notice in setting and changing work schedules and to end uncompensated "on-call" scheduling. ("On call" scheduling is when shift workers are called to work on short notice, and aren't paid if they are sent home because it turns out to be a slow day.) As [an EPI report pointed out](#), more than one-third of women hourly workers in their prime childrearing years (age 26–32) receive their work schedules with advance notice of one week or less.

EPI research (by research associates Richard Rothstein, Leila Morsy, and Lonnie Golden) demonstrates that irregular/on-call and split work schedules afflict 17 percent of workers and lead to [income instability and work-family conflict](#), and that children of parents with irregular work schedules are more likely to have [cognitive and behavioral problems](#).

EPI reports on the consequences of irregular work scheduling—and the retailers that are [responding to public pressure by ending on-call scheduling](#)—have been covered in several top outlets, including the *Christian Science Monitor*, *Chicago Tribune*, NBC's "Today," *Washington Post*, *New York Times*, and *Business Insider*. Likening on-call scheduling to child labor and worker safety violations, the *New York Times*'s Teresa Tritch cited EPI research and called for [federal](#) and [state](#) legislation curbing the practice.

EPI makes clear link between the Fed, monetary policy, and ordinary Americans

Thanks in part to EPI's work explaining the complicated world of the Federal Reserve, 2015 may mark the year that ordinary workers recognized the role of Fed policy in their well-being and argued that their interests deserve a role in monetary policy.

Specifically, through reports, blog posts, testimony, and engagement with the Fed Up coalition, EPI has clarified the role Fed policy must play in raising stagnating wages and spreading the economic recovery to still-unemployed minorities.

The work kicked off in February with [Who Benefits from Federal Reserve Decisions?](#), a report by EPI research associate Tom Palley arguing that broadly shared prosperity is impossible without a change in orientation by the Fed to prioritize low unemployment rather than low inflation. The report outlined job- and wage-friendly monetary policies, including abandoning the 2 percent inflation target that traps the economy shy of full

employment. In March, EPI provided data to the Center for Popular Democracy and the Fed Up Coalition for a new report, *Wall Street, Main Street, and Martin Luther King, Jr. Boulevard: Why African Americans Must Not Be Left Out of the Federal Reserve's Full Employment Mandate*. The report details racial disparities in wages and employment in cities and states across the country. Also in March, Valerie Wilson, head of EPI's Program on Race, Ethnicity, and the Economy, wrote a report for the Center on Budget and Policy Priorities showing the outsized impact full employment can play in boosting wages and lowering unemployment for African Americans. Wilson's presentation of her research was broadcast on C-SPAN.

Initiated by the Center for Popular Democracy in late 2014, Fed Up members include the AFL-CIO, Demos, Campaign for America's Future, and other national groups as well as grassroots organizations from each of the Fed's 12 regions. EPI is the chief economic adviser to Fed Up. EPI research provides the evidence behind Fed Up's argument that widespread wage growth will not occur over the coming years if the Federal Reserve raises interest rates prematurely. Higher interest rates would slow the recovery in the name of fighting prospective inflation, which is not a threat.

In addition to holding protests outside of Federal Reserve district banks during its National Day of Action, Fed Up held a counter-conference that ran alongside the Federal Reserve's annual central bankers' conference in Jackson Hole, Wyoming, in August. EPI President Lawrence Mishel and Research and Policy Director Josh Bivens joined 100 workers and economists to advise Federal Reserve policymakers that full employment, higher wages, and more racial equity should reach all communities before the Federal Reserve raises interest rates. Their views earned coverage in media outlets ranging from *Black Enterprise* magazine to *Salon*. In September, Bivens joined NPR's "On Point" to discuss a potential interest rate hike by the Federal Reserve, and what it would mean for jobs, wages, and the economy. Bivens also wrote in the *New York Times* that higher interest rates will lead to more economic slack and rising joblessness. EPI's communications director Liz Rose was there to help with media outreach.

EPI's regularly updated *Nominal Wage Tracker* remains a key tool in demonstrating why the Fed should hold off on raising interest rates until nominal wages (wages unadjusted for inflation) are growing at a much faster pace. Media outlets using the tool have included American Public Media's "Marketplace." In December, Rep. John Conyers (D-Mich.) held a public briefing with EPI Research and Policy Director Josh Bivens and other progressive economists on the Full Employment Federal Reserve Act—Rep. Conyers's bill to strengthen the Federal Reserve's mandate to pursue full employment.

EPI's work on government-sponsored racial segregation framed the post-Ferguson debate and influenced Supreme Court

In March 2015, *The Making of Ferguson*—a 2014 EPI report by Richard Rothstein on how systematic government-sponsored racial segregation laid the groundwork for racial

tension in Ferguson, Mo.—was cited in the [U.S. Justice Department’s investigation of the Ferguson police department](#). Rothstein’s argument that we can’t fully address police violence against blacks without understanding how race-conscious public policy created segregation and concentrated poverty helped widen the debate.

Rothstein continued to expand on this theme in later reports, blog posts, media interviews, speeches and conferences, including the [National Fair Housing Conference](#) and the [Changing America One Community at a Time conference](#) in St. Louis.

One of the most visible opinion leaders amplifying Rothstein’s message is journalist and MacArthur “Genius Grant” winner Ta-Nehisi Coates. A series of tweets from Coates over the last year have referenced Rothstein’s work. And in October 2015, Coates published “[The Black Family in the Age of Mass Incarceration](#),” a must-read piece in *The Atlantic* recommending Rothstein’s [report on government-sponsored segregation](#).

Rothstein’s May [commentary](#) on the ongoing impact of racial residential segregation was featured in an article by [the Washington Post’s](#) Valerie Strauss, in a *Post* op-ed by Katrina vanden Heuvel, and in a *New York Times* editorial on the effects of poverty and racism. Rothstein also spoke with Terry Gross of NPR’s “[Fresh Air](#)” about residential segregation in America’s cities. Rothstein’s research on government-sponsored segregation was cited by bloggers for the *New York Times*, *Washington Post*, and *Washington Examiner*. And Rothstein’s own blog post on the [policies that led to Ferguson](#) has garnered over 130,000 page views so far, making it EPI’s most-read blog post of all time.

In July, the U.S. Supreme Court upheld an interpretation of the Fair Housing Act that allows federal enforcement and civil rights suits to ban policies that contribute to residential racial segregation, even in cases where racist intent cannot be proven. Writing for the majority, Justice Anthony Kennedy cited a “[friend of the court](#)” brief that describes a long history of public policies that purposefully segregated metropolitan areas by race, a history whose effects endure and require continued desegregation efforts. The brief was submitted on behalf of 61 housing scholars by the Economic Policy Institute and by the Haas Institute for a Fair and Inclusive Society. It was co-authored by Rothstein and Stephen Menendian, Haas Institute assistant director.

Rothstein has also argued [that “the nation’s racial legacy and ... obligation to remedy the effects of centuries of slavery and legally sanctioned segregation”](#) should be considered in *Fisher v. University of Texas at Austin*, the Supreme Court case challenging the university’s use of affirmative action in its undergraduate admissions process. The court has heard the case, and a decision is expected in 2016.

EPI’s education work highlights the important link between socioeconomic status and equality of opportunity

Socioeconomic status is the single largest factor influencing children’s school readiness, according to [Inequalities at the Starting Gate](#), an EPI report published in June. Examining a

group of students who entered kindergarten in 2010, EPI's Emma Garcia found gaps in cognitive skills such as reading and math, and in noncognitive skills such as persistence and social skills, between children in lower and higher social classes. *Education Week* cited several key findings from the report.

EPI data on trade and lost jobs weakens support for 'fast track' and TPP

In 2015, EPI's work on trade showed that past trade deals have been a bust for American workers, and that American jobs have been lost due to increasing trade deficits with China and other countries that manipulate their currency. Due in great part to EPI's work, a large and growing number of people are aware of the downward pressure on jobs and wages from ill-conceived trade deals such as the proposed Trans-Pacific Partnership Agreement (TPP).

In January, EPI's Robert Scott told Tom Raum of the *Associated Press* that "our experience in the past on free-trade agreements has not been encouraging." In February, after releasing his report on *Currency Manipulation and the 896,000 Jobs Lost Due to the U.S.-Japan Trade Deficit*, Scott joined public radio's "Diane Rehm Show" to argue that the TPP should not be enacted without strong measures to address currency manipulation by Japan (the second-largest currency manipulator) and other nations. Also in February, EPI's Josh Bivens spoke at a U.S. House briefing on currency manipulation and the necessity of enforceable provisions in trade agreements. He expanded on that theme in April with a [new EPI report](#) and accompanying [blog post](#) explaining that the TPP would likely increase protections for corporate interests and reduce wages for most Americans. An op-ed by Bivens in *The New York Times* lamented the Trans-Pacific Partnership's "blatant attack on labor," while Scott's piece in the *Huffington Post*, "[Fast Track to Lost Jobs and Lower Wages](#)," summarized how past trade deals have eliminated U.S. jobs.

Scott's May EPI report, *Stop Currency Manipulation in the Trans-Pacific Partnership*, and accompanying [Economic Snapshot](#), estimated that ending currency manipulation could create between 2.3 million and 5.8 million U.S. jobs. As the debate over the TPP escalated, Scott joined *WBUR's "On Point"* to discuss the debate over trade, globalization, and the TPP. Bivens wrote an article for the *Wall Street Journal* about how the TPP will not boost U.S. exports without a strong currency manipulation provision. EPI's work on trade got extensive press coverage, including in the *New York Times*, *The Washington Post*, *The Hill*, and the *Washington Post's Wonkblog*.

In October, *Inside Philanthropy* [recognized EPI](#) as one of the few think tanks injecting the voices of lower-income Americans in policy deliberations around trade. As another *Inside Philanthropy* article noted, such a voice is critical because "[global economic policy may be the single best example of upper class preferences trumping the views held by most U.S. citizens.](#)"

Thanks in part to EPI's efforts, support for "fast-track" trade promotion authority was weakened (the measure was narrowly approved in the [House](#) and [Senate](#) in June), and

Senate Majority Leader Mitch McConnell stated that the final TPP agreement should not be sent to Congress before the 2016 elections.

EPI exposes abuses of guestworker program that displaces U.S. workers

EPI Research Associate Ron Hira worked closely with *New York Times* reporter Julia Preston on her November [exposé of corporations that abuse the H-1B visa](#) to replace U.S. workers with foreign guestworkers who are paid much less for doing the exact same job.

Hira [testified before the Senate in March](#) on the commonsense reforms necessary to protect both Americans and skilled migrants, and was instrumental in convincing the U.S. Department of Labor to investigate abuses of the H-1B visa by Southern California Edison and its contractor, and by the Disney Corporation and its contractor, which displaced several hundred U.S. employees in California and Florida. Hira, the author of *Outsourcing America*, has studied the H-1B offshoring industry for many years, and EPI has published nearly two dozen briefing papers, commentaries, working papers and blog posts by Hira since 2007.

EPI provided the economic argument for repealing the Affordable Care Act's health excise tax

Through presentations at academic conferences, Hill briefings, op-eds, blog posts, and outreach to a variety of reporters and publications, EPI altered the debate about the Affordable Care Act's (ACA) excise tax on high-cost employer-sponsored health insurance plans, misleadingly called the "Cadillac tax." Due to EPI's work, the explicitly positive story spun on the excise tax turned into a more nuanced appreciation of its downsides, chiefly that the tax on expensive health insurance plans [could cut care along with costs](#) and [serves as an unambiguous cut in after-tax pay for workers](#).

Simply put, sick consumers should not bear the primary burden of figuring out how to achieve health care cost containment, [EPI argued](#). A blog post by EPI's Elise Gould and Josh Bivens appeared on the *Wall Street Journal's Washington Wire* blog, and another post by Bivens explained why defenses of the ACA excise tax did not sway EPI's position. EPI's argument was picked up by numerous media outlets, including [ABC News](#) in Washington, the [Fiscal Times](#), the [Huffington Post](#), [Vox](#), and [Minnesota Public Radio](#). Partly as a result of EPI's research, Congress voted to delay the implementation of the excise tax for two years.