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P R O C E E D I N G S

(9:10 a.m.)

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3 MR. SECRETARY: We'll turn it over to our first
4 moderator, who is Dr. Jennifer Poole. Her panel concerns
5 research value added of access to restricted use data for
6 distributional effects analysis.

7 Welcome, Dr. Poole. We appreciate you joining us
8 today. I turn the floor over to you.

9 DR. POOLE: Thank you very much. Just to let you
10 know, I don't know if I'm the only one, but I did not have
11 the lock participant in this position when I hovered over the
12 clock. Also, you are still currently sharing your screen, so
13 if you wouldn't mind. Thank you. Wonderful.

14 Nevertheless, let me take this opening to thank
15 everyone for being here, welcome everyone for being here, and
16 particularly to give a congratulations to the organizers for
17 a nice event.

18 Let me introduce at the beginning our panel. I am
19 Professor Jennifer Poole from American University. We also
20 have Professor Wolfgang Keller from the University of
21 Colorado at Boulder, Professor Dave Donaldson from MIT,
22 Professor Teresa Fort from Dartmouth, and Dr. Cristina Tello
23 Trillo from the U.S. Census Bureau presenting today on our
24 work using restricted use data for studying the
25 distributional effects of international trade.

1 I am the first presenter, so I will share my screen
2 now to kick us off. This is joint work with my colleague,
3 Austin Davis, I'm getting my Austins at the university mixed
4 up, on the influence, the implications of multinationals on
5 possibly transmitting gender equality around the world.

6 So I don't have to say much to, I think, many in
7 this room and in the audience and on the panels about the
8 research investigating the benefits of potentially a foreign
9 direct investment to local host economies, importantly among
10 them that there are transfers of technology, productivity,
11 higher wages, new export markets, interesting avenues for
12 labor training and employment opportunities.

13 Beyond that, anecdotally, we actually hear quite a
14 bit about other transfers, not purely economic transfers.
15 For example, at restaurants, washing your hands, a simple
16 smile to greet your customers when they come to the counter,
17 or, of course, business attire. These what you might call
18 cultural norms have also anecdotally been suggested to be
19 strongly transmitted through foreign direct investment.

20 And so, in this paper, we think as another form of
21 culture potentially to be transferred, can multinationals,
22 through their foreign investment abroad, also potentially
23 transfer practice and policy toward women in the workplace
24 and then, by extension, enhancing female empowerment,
25 reducing poverty where women continue to be the gross portion

1 of the world's worth.

2 And so we're thinking about this paper sort of on
3 several different levels, and I think this is one of the very
4 unique aspects of being able to use very detailed
5 administrative data is that we can think about these
6 questions on several dimensions.

7 We know that multinational firms and domestic firms
8 tend to be different along several dimensions, productivity,
9 size, skills. We also know from previous research that
10 they're different in terms of their female employment
11 composition and gender wage gaps.

12 And so, the questions then become sort of
13 threefold. First, do multinationals, when they locate in
14 foreign countries and host countries, might they transfer
15 their gender policies, their gender practices, lower or
16 perhaps higher gender earnings gaps to their subsidiaries
17 abroad, that would be the direct effect, and then indirectly,
18 as we know for many papers on productivity or wage effects,
19 might those subsidiary effects then spill over potentially
20 into the domestic economy.

21 And then the final question that we can ask, I
22 think one of the main benefits of having such highly detailed
23 and disaggregated data is we can begin also thinking about
24 the mechanisms at play, and in this particular case, we're
25 going to think about, well, if there might be spillovers of

1 gender equality best practices towards women being shared by
2 foreign firms, how does that happen?

3 There are several different hypotheses and theories
4 about how that might work. We're going to focus on one in
5 particular which is the labor mobility channel, and that is,
6 when workers move from a multinational firm to a domestic
7 firm, do they potentially transfer the knowledge that they
8 gained in that multinational firm on their domestic
9 workplaces.

10 So we're going to be focusing specifically on
11 Brazilian domestic-owned firms and considering across those
12 firms, only domestic firms, so we're not worried about the
13 typical endogeneity concern of which firms are receiving
14 foreign investment necessarily, for domestically owned firms
15 across different shares of workers with previous experience
16 in a multinational, in their employment history backwards,
17 did they work for a multinational, how does that then impact
18 the earnings gaps in that firm.

19 We think this is a great; --we make several
20 contributions, in large part because of the data we have
21 access to. Let me touch on that since it's the main part of
22 what we're thinking about here.

23 We're going to be relying on data from the Ministry
24 of Labor in the Brazilian economy. This data is collected
25 for formal sector workers. This data is collected largely

1 for unemployment or Social Security-like reasons, documenting
2 every job that the worker has, even if they have multiple
3 jobs within one year across many different sectors.

4 The richness of the data, including characteristics
5 of the worker, demographic characteristics, age and
6 education, and the occupation at a fairly disaggregated five-
7 digit level, all of these allow us to understand the worker,
8 and then we also know the firm and establishment in which the
9 worker works, the industry, the location, and all of these
10 characteristics about the firm in terms of its employment
11 composition, for example.

12 So, the main benefit here is being able to trace
13 these workers over time across different types of firms. We
14 match this worker level administrative data to publicly
15 available, though cumbersome in its own effect, data from the
16 Brazilian Central Bank on firm level foreign investments from
17 abroad. Does the firm receive any foreign investment inflows
18 and from where? One of the main downsides of this data is we
19 don't know the level, the amount, the value of the foreign
20 investment, just yes or no whether you received some.

21 We're also going to be using some data on the
22 source country from where the FDI comes, the gender equality
23 from publicly available United Nations data, but given the
24 time, let me skip to some of the other sort of key ideas and
25 decisions we have to make.

1 First of all, what is a multinational enterprise at
2 the firm level? This is data that we get the inflows at a
3 firm by month. We made the decision to think that once you
4 receive some foreign investment, you maintain that
5 relationship for the purposes of policy within the firm. We
6 thought that was the best decision.

7 Then all workers that ever receive foreign
8 investment, all workers in those firms that ever in the past
9 receive foreign investment are considered to be how many
10 workers, workers who have any experience.

11 Then, when they leave their jobs and are new
12 employed, rehired by new domestic firms, they're considered
13 to be part of the domestic firm's share of workers with
14 experience at a multinational company.

15 This gives you a bit of a recap of where Brazilian
16 FDI is coming from and the kinds of countries that are
17 sending FDI in terms of the gender equality in those
18 countries.

19 I'm going to skip to our main results. In Brazil,
20 gender earnings gaps are still quite large and persistent,
21 though with a small marginal improvement over our time
22 horizon in the mid 2000s. Women still earn roughly 30
23 percent less than men across all workers in the Brazilian
24 context.

25 We are able to use our data to really think about

1 what is a fairly classic wage regression in that we can have
2 worker characteristics and firm characteristics, several
3 fixed effects to control for any other time and variance and
4 some time varying effects. What we're really interested in
5 here is this data too, right, the differential effect more
6 workers from a multinational in your firm on the wage gap for
7 women.

8 I will skip through all this and give you the main
9 guts of it since we're finally ending in our last minute. It
10 does look like marginally I will be very clear to say that
11 the effect is positive and significant though economically
12 small, right. This is, first of all, few multinational firms
13 in Brazil, few workers then moving on beyond the
14 multinationals, and, frankly, FDI is not out there for the
15 purposes of expanding and enhancing gender equality, yet I
16 think it's nice to know that it is not harming it as well.

17 I'll end by saying that some of our works suggest
18 that managers, the workers who are in managerial positions in
19 the multinational, those best poised to understand gender
20 practice, are even better at transferring those effects.

21 We do think, though, that because the effects are
22 so small, policymakers should continue to prioritize domestic
23 policies with respect to enhancing gender equality around the
24 world. Thank you.

25 I will -- oh, let's see, stop share -- at this

1 point turn the floor over to my colleague and co-panelist,
2 Professor Wolfgang Keller, who will talk to us about
3 "Globalization, Gender, and the Family."

4 DR. KELLER: Thanks very much, Jennifer. Can
5 everybody see my slides? Does this work?

6 MR. SECRETARY: We sure can.

7 DR. KELLER: Very good. So, hi, everybody, and
8 thanks for coming. I'm going to talk here about joint work
9 with Håle Utar at Grinnell College.

10 Now let's start with the child penalty. That's the
11 well-known result that if you compare otherwise similar men
12 and women, childbirth has a more, much more, dramatic
13 consequence on the labor earnings of women.

14 Here's a graph with data for Denmark, and we see
15 it's at about a 20 percent long run earnings difference. Now
16 there are several explanations for that, and I'm going to
17 pursue in the next couple of slides one of them.

18 So, in this paper, we will first have a gender
19 neutral shock to labor earnings potential, and we're also
20 going to study Denmark here, Danish data. And then second,
21 there will be a gender adjustment difference. Simply put,
22 men that are experiencing job loss they will tend to retrain
23 and re-employ maybe in a new industry, new occupation;
24 they're going to be back into the labor market.

25 On the other hand, affected women faced by job loss

1 they will to some extent shift from the labor market to
2 household, or the way I call it, family, and that includes
3 the childbirth, and so they will do several things, parental
4 leave, childbirth activities, and essentially new babies.

5 And the reason for that, that's the third point
6 that I want to make, is to a significant extent a woman's
7 biological clock.

8 So, putting this all together, we have a
9 gender-neutral shock that through this labor market household
10 margin translates into gender inequality, gender earnings
11 inequality.

12 Now where was the shock that we're studying here in
13 this paper? That was very familiar rising import competition
14 in Denmark's textile and clothing industry from China, and
15 this is depicted in this graph here, and in terms of timing,
16 that rising import competition started to occur in the year
17 2002 as China entered the WTO, and this is a trade crowd
18 here. So this has to do with the quasi-experiment we're
19 exploring as the textile quota removal of the multi-fiber
20 arrangement.

21 Now the first thing I want to do is we want to know
22 whether this shock was indeed gender neutral or whether women
23 were perhaps hit harder by this labor shock. And the way I
24 would look at this is to ask whether import competition
25 affected jobs held by male and female workers that were

1 present in the year '99, 1999, three years before the shock
2 hit, differently.

3 Okay. So what we see here in this time event type
4 of graph is that indeed import competition lowered employment
5 of these exposed workers in terms of their employment at the
6 1999 firm, and so that's natural because, to some extent,
7 this import competition destroyed the jobs. That's the
8 lowest series here with the full circles, so there is in
9 employment a negative employment effect due to rising import
10 competition.

11 But what the upper series here with the hollow
12 circles shows is that this was not differentially the case
13 for men or women. Okay. So all of these here are
14 statistically pretty close to zero and also quantitatively
15 close to zero.

16 So, to summarize, the shock that was experienced by
17 these female and male workers through rising import
18 competition in the Danish textile and clothing sector was the
19 same. The difference, if anything, is in the gender
20 adjustment, the labor adjustment to the shock.

21 Okay. So what kind of adjustment did they take?
22 Well, that's shown in this graph here. Some exposed women
23 decided to drop out of the labor market and had babies. So
24 what's shown here is the childbirth response. The upper
25 series with the hollow circle is the differential effect for

1 women, and that tends to be positive, whereas men, affected
2 men, had, if anything, fewer, you know, children.

3 And this kind of response that we see in this graph
4 is confirmed if we look at, for instance, the parental leave
5 response. Again, the upper series here is the effect on
6 women, and that's positive, as was, you know, the childbirth
7 picture.

8 Now, so why do we see this response? It has to do,
9 we argue in the paper and we show in the paper, with the end
10 of a woman's fertile period or her biological clock.

11 Now, generally, a woman can have babies until her
12 low 40s, and so the way we're looking at this biological
13 clock explanation is we're looking at the response of women
14 to this labor shock by age.

15 And so this is shown in this picture here. Here,
16 we have women's childbirth responses to import competition by
17 age, and as we see, this is an inverted U-shape picture. So
18 the inverted U -- so the highest points -- the response is
19 highest for women that are around 39 years old when the shock
20 hits.

21 Okay. So these type of -- these women at that age
22 of 39, they have about two or three years remaining on their
23 biological clock, and after job loss they can either retrain,
24 reinvest to go back into the labor market, or they can have a
25 baby, which is female-labor-intensive childbearing, child

1 rearing, but they cannot do both, and so that is the dilemma
2 that we're seeing here.

3 And so the inversed U comes because, if you go to
4 the left to the ages in the earlier 30s, now these women in
5 their lower 30s, they feel less pressure on their biological
6 clock, and, therefore, there's a lower response, a lower
7 differential response. And if you go to the right to the
8 ages in the 40s, now these women have a lower response
9 because typically they cannot have babies anymore.

10 Okay. So the bottom line is the argument that
11 we're making here is that biological clock effect is
12 strongest for women, and that's what's shown in the paper a
13 little bit more, for two types of -- in particular, two types
14 of women.

15 First of all, those that aim to switch to the most
16 demanding jobs because these jobs -- you know, and that's
17 typically highly educated women, high earnings women. They
18 would require the highest commitment and the highest levels
19 of investments. And so, for those types, the dilemma is sort
20 of essentially strongest.

21 But there's a second set of women for which this
22 type of biological clock response is really, really not as
23 binding, the constraint is binding. Those are women that
24 require the most retraining because of loss of industry
25 occupation-specific human capital.

1 So it's not just highly educated but also machine
2 operators or something that are switching from manufacturing
3 to totally different industries. And as a result then, as a
4 result of this shift from labor market to family, we have
5 earnings gender inequality emerging as a result.

6 So this is the picture here, the lower series is
7 the differential effect on women, and as we see, this is
8 substantially below the series that applies to men.

9 So I think I'm almost out of time here in terms of
10 what I can do in a relatively short presentation, so let me
11 conclude with a couple of discussion points that are, you
12 know, food for thought type of things.

13 The first is that to the extent that this
14 biological clock explanation that we're proposing here really
15 matters, it's going to be the case that having
16 family-friendly workplaces is not enough for eradicating
17 gender inequality.

18 So, even if we have very -- so we're thinking about
19 that biological clock as a little bit of a technology type of
20 explanation. And so, while childcare and family-friendly --
21 and, you know, every job is sort of a pharmacy-type job, that
22 certainly helps, but it's not going to fully work.

23 The second point I would like to raise is that
24 knowing about that family market margin that I've been
25 mentioning here requires having data on non-market

1 activities. And, in particular, that would be in this
2 particular case data on women, and the best that we currently
3 have in the U.S. and in many other countries is time use type
4 of data, but, you know, that's the kind of data that we
5 probably need more for.

6 The third point is that any welfare analysis would
7 require valuation of these non-market activities both
8 private, as well as social costs and benefits, and in
9 international trade, we maybe can learn something here in a
10 way from development economics because the share of
11 non-market activities in developing countries tends to be
12 relatively high, and there's methods and approaches that we
13 can perhaps take.

14 And last, not least, policy choices, it's also
15 interesting to ask whether every country in the world should
16 have Denmark's social safety net. If you compare this, for
17 example, with the United States, then in the United States,
18 women with job loss can afford childbirth much less than in
19 Denmark because there's a lot of income -- essentially income
20 replacement.

21 We actually show in the paper that there's no
22 personal income loss for women or men for that matter in
23 Denmark that are negatively impacted by rising import
24 competition. But it might have unexpected consequences to
25 have these type of social safety nets, as we show in the

1 paper.

2 So this is pretty much all I wanted to raise here
3 and I think all we more or less have time for. Thanks very
4 much. So let me stop sharing.

5 DR. POOLE: Thank you. Thank you, Wolfgang. We'll
6 now turn the floor over to our next presenter, Dave
7 Donaldson, who will be speaking on international trade and
8 earnings inequality, or maybe something different.

9 DR. DONALDSON: Do you see that?

10 MR. SECRETARY: We sure do.

11 DR. DONALDSON: Thanks a lot. So, right, I'll be
12 talking about a recent paper I've been working on with
13 Rodrigo Adão, Paul Carrillo, Arnaud Costinot, and Dina
14 Pomeranz. This paper, you know, starts by, you know, placing
15 emphasis, like the other papers in this session, on, you
16 know, unique administrative data sources from countries
17 around the world.

18 I'm going to be focusing on Ecuador over this time
19 period, and what we're going to kind of see about Ecuador's
20 economy from their administrative data is quite amazing, I
21 think. So this is a picture of the data if you like.

22 So letting L index kind of different people, you
23 know, humans, and as employees in the economy, we have a
24 fairly standard Social Security data set that links different
25 types of people to the firms where they work. Not even text

1 people, different people, to the firms where they work.

2 A second thing that's quite unique to Ecuador,
3 however, is this thing we call an ownership registry, which
4 lets you link individuals, capitalists, people who own firms
5 or shares of firms, to the firms that they, you know, own and
6 that they're implicitly supplying their capital to as an
7 input.

8 Third, more standard, is, you know, kind of we can
9 link imports. I'll index that by sort of P star, imagine
10 arbitrary different types of goods and from countries in
11 which this country imports. Those go into the firms as well
12 as inputs. And then, of course, the firms sell to each other
13 as inputs. This is value-added tax administrative data that
14 allows us to see every time a firm sells something to another
15 firm, we see those trades as well.

16 Finally, then these firms in Ecuador will export to
17 the wider world, that's standard customs data, and they'll
18 also sell to the final Ecuadorian consumer; that's these
19 arrows here.

20 So this is, you know, a fairly complete picture of
21 the movement of goods and services among all types of firms
22 and all types of factors and all types of buyers, foreign and
23 domestic, in this slice of the world economy centered around
24 Ecuador.

25 You know, I stress the obvious point that this is

1 going to be excellent coverage of the formal economy but, you
2 know, not have any coverage of the informal economy. The
3 paper discusses some survey data that one can bring in to try
4 to catch that important gap.

5 Anyway, so, along with that data, we sort of asked
6 ourselves, well, what can we learn from this data about the
7 impact of trade on earnings inequality, and I'll define that
8 as kind of, you know, this relative factor prices, you know,
9 someone's earnings is just there, number of hours worked
10 times their factor price, and this will always be sort of
11 relative to two factors at home, you know, two different
12 people in the home economy, which would be Ecuador.

13 So, you know, we start with a proposition that we
14 believe is novel that sort of highlights extremely general
15 conditions about technologies, preferences, and market
16 structures under which the following very intuitive thing
17 will hold, which is this sort of, you know, labor market
18 clearing will, of course, say that labor demand on the left
19 here is equal to labor supply, but it's an adjusted labor
20 supply. So let's let L bar be the actual labor supply, take
21 it as exogenous to make things simple here, of factor type F
22 in Ecuador.

23 And so one needs to adjust that labor supply as in
24 think of like how much labor is being supplied to the
25 domestic economy, and so that, of course, requires that we

1 subtract off the amount of labor the F factor is supplying to
2 the foreign economy, which I'll call the factor content of
3 exports, as Leontief famously did.

4 So the factor content of exports, you know, it's
5 very intuitive, it sort of factors both direct exports but
6 also all of their indirect exports. So we see that, in case
7 we haven't seen this sort of thing before, you would sort of
8 multiply a matrix of how factors are actually hired inside
9 firms in Ecuador. And then, you know, that sets a direct use
10 of factors. And then we feed that through the Leontief
11 inverse matrix to sort of get all the indirect demands for
12 those factors inside the domestic economy. And then,
13 finally, multiply that by, you know, the extent to which
14 final firms using those factors directly or indirectly are
15 then exporting their goods and services, which would be how
16 these factors implicitly are being exported.

17 Okay. So that's the right-hand side, is sort of an
18 adjusted factor supply to the domestic economy. The
19 left-hand side is very standard. It's just the factor demand
20 in the domestic economy, which, of course, will be a function
21 of two things. One is the factor prices in this domestic
22 economy drawing this WT for at an observed trading
23 equilibrium, and another thing that will matter for factor
24 demand, of course, is the price of those imported
25 intermediate inputs or final goods imports, call that price

1 vector P star.

2 Okay. So this is sort of factor demand equals
3 factor supply but with an emphasis on the domestic economy.
4 So another way of writing that is so that the relative
5 domestic demand for any two factors, this would be like
6 factor F relative to some other factor called factor zero or
7 something, has to be equal to the relative exogenous supply
8 of those factors divided by sort of relative export exposure
9 if you like where we define relative export exposure as this
10 sort of transformation of the factor content of exports. So
11 it's basically asking is factor F more relatively exported
12 than factor zero.

13 So why does that matter? Well, you can sort of
14 picture the impact on trade in this picture thanks to that
15 sort of equation that summarizes things, you know, and hence,
16 summarizes all implications of trade for inequality because
17 those will just put pressure on these factor prices, which
18 are what matter for inequality, as follows.

19 So, if we had an economy starting out with a
20 trading equilibrium here, remember, the as if supply to the
21 domestic economy is just this line, and the demand in the
22 domestic economy for factors is given by this arbitrary kind
23 of function or curve here at the P star, meaning the price of
24 imported inputs when they're actually coming in under a
25 trading scenario.

1 So, when you're going to study the effect of trade,
2 like, for example, a move from openness to Autarky in the
3 following kind of four steps, hopefully all very intuitive,
4 you know, the first is very, very simple and very, very easy
5 to measure, as I'll get to in a second, that connects very
6 tightly to new available data sources, which is what we call
7 just sort of an export exposure effect, which is that
8 obviously, when we move to Autarky, that relative export
9 exposure for any two factors has to be one because neither is
10 exporting. So the relative extent to which they're exposed
11 to exporting is just neutral, it's one. So that would sort
12 of shift that as its supply curve from the one that prevails
13 under openness to this one that prevails under closeness
14 under Autarky.

15 A second step is to ask, well, what's the incidence
16 of that shift in the supply, the as if supply curve. That,
17 of course, requires you just to sort of know what the shape
18 of domestic demand is, and we call that effect this kind of
19 one plus two, a so-called export channel because it's all
20 about exporting.

21 The other side of trade, of course, is importing,
22 and that can have implications for factor inequality, as you
23 can see in this example. So, in this example, when we take
24 the price of foreign goods to infinity, that acts like a
25 shift in the relative demand curve in the home economy.

1 This, of course, depends on cross-price
2 elasticities between the price of foreign things and the
3 relative price of two domestic factors, but in this picture,
4 I've drawn it as a shift to the right.

5 And then, of course, the final question is, well,
6 what's the incidence of that, and that's all about, again,
7 knowing the shape of factor demand. So, in some sense, what
8 the paper does is sort of try to calculate those four
9 ingredients, those four steps. I obviously don't have time
10 to talk about all of our conclusions about those four steps,
11 each of those four steps, but I can show you a few pictures
12 to give you a sense of things.

13 So this is what that first step, the export
14 exposure effect, looks like when you sort of project it
15 across the income distribution. So the blue line here is
16 that export exposure for a factor's entire income, both labor
17 income and capital owner's income. And, you know, what
18 surprised us most about this is that it's very pro middle
19 class, you know, sort of peaks here at the middle of the
20 income distribution and bottoms out at the top of the income
21 distribution, which, to be honest, I was really surprised.

22 I imagined that in Ecuador, and like in many
23 countries, it would be the case that sort of rich people,
24 high-skilled people, you know, and owners of the biggest
25 firms in the economy will be the ones most involved in

1 exporting either directly or indirectly, but that just isn't
2 the case. You know, it's the middle class that are most
3 involved in exporting, that are most export-exposed in the
4 raw data.

5 The second thing that I can share with you very
6 quickly is sort of a notion of import exposure. This is a
7 little bit, you know, this full caveat, this is more
8 complicated, and this one is model-dependent. And the nice
9 thing about export exposure is all you have to do is turn off
10 this relative extent to which factors are exporting, the
11 factor content of exports. It's kind of raw, raw, raw data
12 if you can measure it, you know, which thanks to these kind
13 of administrative data sets one can start to do.

14 Import exposure, however, is more complicated. It
15 just depends on this cross-price elasticity effect, which, of
16 course, depends on everything in the economy, but, you know,
17 you'll sort of have to trust me on some of the details there.
18 We calculate this, and we find that import exposure is very
19 pro poor, highest for the poorest, and that import exposure
20 is a bad thing in this context. It means you're competing
21 with imports. And so, in some sense, the effect of this is
22 relatively good for the rich.

23 So, if one were to put all those things together,
24 one can sort of add the export channel, which depends on
25 export exposure, plus the import channel, which depends on

1 the import exposure I showed you, feed those through
2 incidents, which depends on the shape of the demand that I
3 didn't have time to talk about, but, you know, it's fairly
4 standard, and one can arrive at this kind of estimate of the
5 total impact of trade.

6 And what we are finding is that it's relatively pro
7 rich, you know, that import channel effect dominates. So,
8 even though the rich aren't relatively involved in exporting,
9 they're relatively sort of helped in a relative sense by the
10 importing, and the gains from trade, in other words, in
11 Ecuador are largely accruing to the top.

12 And as you can see, the difference between blue and
13 red here implies that those gains for the top are -- you
14 know, the difference at the very top is largely accrued to
15 capitalists, you know, their return on capital income,
16 because the red is sort of showing for everybody's labor
17 income only, and blue is showing their total income, i.e.,
18 their capital income as well.

19 And the last thing I'd just mention is that, you
20 know, this does really matter in the following sense that if
21 we were to sort of completely replicate everything in the
22 paper via the famous Deardorff & Staiger approach to these
23 questions, very intuitively connected, but lots of stronger
24 assumptions being made about the structure of the economy.
25 One would arrive at something, you know, quite completely

1 different. You know, the shape would be different, it would
2 be pro middle class instead of pro poor, and the magnitudes
3 would be completely different.

4 So we've learned from this that, you know, the
5 detailed structure of the data, the detailed structure of how
6 we model the economy does really matter at least relative to
7 this benchmark. Thank you. I'll stop there.

8 DR. DONALDSON: Appreciate that. Everyone's
9 attention here.

10 DR. POOLE: Thank you, Dave.

11 We'll turn the floor over now to Teresa Fort who's
12 going to tell us some new perspectives on the decline in US
13 manufacturing employment.

14 DR. FORT: Thank you so much. I'm going to say
15 that I'm not going to actually present one specific paper
16 because I was going to talk about data sources from the US
17 Census Bureau, so that's what I'm going to do. I'm going to
18 motivate it with some work that I've done with a number of
19 co-authors -- Xiang Ding, Justin Pierce, Steve Redding and
20 Peter Schott.

21 Okay. I'm going to post these slides, I've got
22 links in these slides for people who might be interested in
23 the data and how to access them, and these are posted on my
24 web site. I'll have to go quickly, but those are there as a
25 resource for people.

1 All right. I want to start with this symposium
2 motivates us with something that we did in the JEP with Pete
3 and Justin. Trade and technology and are intricately linked.
4 I think this symposium is very focused on trade and it's
5 really important to keep in mind that trade and technology
6 are not necessarily separable. So here's this kind of cool
7 article that we found for the JEP. Drew Greenblatt bought a
8 small Baltimore maker of wire baskets. He knew nothing about
9 robotics, 1998. They're using 1950's equipment. They get
10 really pushed to the edge of bankruptcy by Chinese import
11 competition. They upgrade their technology to probably much
12 less labor intensive technology, and then now all of a sudden
13 they're booming and exporting.

14 So is that trade or technology that's the cause?
15 What about changes in their competitors that are now
16 competing with this higher skill equipment? And what if they
17 had been importing these robots, right?

18 These are kind of questions that I think is
19 important to bear in mind and I'm going to tell you a little
20 bit about the data and how we think about using that.

21 I just want to emphasize one other key point that I
22 think this symposium needs to think about, which is if we
23 notice there's loss aversion and how we evaluate or how we
24 feel about things in human behavior. I would say there's
25 almost loss aversion built into our methods for identifying

1 the impasse. It's very easy to see that we lost certain
2 manufacturing jobs in which Chinese imports surged. It's a
3 lot harder to see where we may have had potential gains. And
4 I'm going to argue that I think there's a big strong role for
5 trade and technology to have facilitated increased U.S.
6 specialization and non-comparative advantage activities. And
7 I'm going to show you how I think the microdata are a step
8 towards getting at some of those things that are less
9 obviously easy to identify.

10 All right. Here is a giant page on all the firm
11 level data or a lot of the firm level data at the Census
12 Bureau that I think is relevant and I know Cristina's going
13 to talk about the linked employee/employer data so I've left
14 that off.

15 The Census has this giant business register. It's
16 all private non-farm employer establishments are in there.
17 That's the Business Register. The Business Register is used
18 to produce a whole bunch of different data sources including
19 some public ones I'll tell you about at the end. At the
20 Longitudinal Business Database is kind of a key micro dataset
21 where we track establishments really well over time and firms
22 very well as a cross-section. And longitudinal citations if
23 you want to go see. We actually just data infrastructure
24 project.

25 We also have the Economic Censuses that provide a

1 ton of information every five years that are specific to the
2 particular sectors in which plans operate. So I'm going to
3 show you some stuff on technology adoption that I pulled out
4 of the economic censuses. There's sales, there's material
5 purchases, lots of different rich data from those surveys.

6 Then there's a Longitudinal Foreign Trade
7 Transactions Database which is Customs data starting in '92,
8 so you can see what firms are actually importing, what
9 they're exporting, the countries and products. And there's a
10 new reference by Fariha Kamal and a co-author on those data.

11 Finally, very exciting, we have a recently linked
12 in an internal project the BEA multinational data to the
13 Census data. So now we can also start to see how the US
14 activities of firms relate to their foreign activity. Also a
15 cite there by Fariha and co-authors on those data.

16 Why are these data important? First, I'm just
17 going to show you concurrent increases in importing and use
18 of technology. So first I'm showing you a share of firms
19 that are launching new import penetration for firms, and then
20 I'm showing you Chinese import penetration by firms, and you
21 can see that kind of growing. You can see number of
22 importers going up a ton, especially you see that big kick-up
23 from China right around when China joins the WTO. But you'll
24 see that - look at use in computers -- establishments and
25 purchasing of computers, that is rising dramatically around

1 that same time period, right? That's when the internet
2 explodes. And you'll see electronic networks to control or
3 coordinate shipments also going up.

4 This is just to show these things are going on at
5 the same time and we have ways to measure them in the data.

6 All right. Something else we did, and this is
7 something we did in the JEP, is to get a sense of what is
8 going on, what are driving the employment losses? Is it
9 trader technology? You can decompose margins of adjustment.
10 So let me just go to the figures.

11 This is a well-known figure, the decline in US
12 manufacturing employment. And we can take this and we can
13 break it apart by margin. So what do I mean by margin?
14 Well, this black line shows you total losses over the period
15 at continuing firms, continuing plants. These are pretty
16 stable. There is not a lot of employment decline here.
17 Okay?

18 Then we can say what about firm burnout? Well,
19 that actually rises during the '90s until the 2000's that you
20 get some employment loss in the aggregate from net death of
21 firms. Right? And the majority, some 63 percent of the
22 decline over this period from '77 to 2012 is accounted for by
23 death of plants within firms. So this is kind of a different
24 story from all the firms just disappearing. Instead it's
25 that they're shutting down, big guys are shutting down their

1 manufacturing plants.

2 Why would that matter? Well, because it actually
3 turns out that we saw this in the JEP and now Xiang Ding and
4 Steve Redding and Pete and I have followed up with those
5 co-authors showing that manufacturing firms are actually
6 opening a lot of non-manufacturing establishments. In fact
7 in aggregate they account for 16 percent -- this is now from
8 '77 to 2019, of the growth in non-manufacturing employment in
9 the United States, and here you can see I'm showing you an
10 employment in payroll terms. They're growing a ton in
11 wholesale/retail, but really payroll terms is business
12 services. Again, these are mostly going to be like
13 innovative activities, pre-production designed phase of
14 manufacturing as they're growing in. So we think that's
15 pretty interesting and potentially getting lost. And here
16 that microdata gives you a new angle to see how some of the
17 declines in manufacturing employment might be related to our
18 concurrent rise in non-manufacturing.

19 Then in the JEP we also broke this stuff down by
20 margins. So you know, David Autor and co-authors have shown
21 a lot about how declines have been spatially concentrated.
22 And so we did that, and we're going to find this area here
23 really had big declines, not just in the continuing firm
24 plant margins, but also the firm margins.

25 So here is the manufacturing employment margins and

1 how they differ across regions. So you can see, look in the
2 mid-Atlantic, this red now, this area here, that's net firm
3 births. So this is, here it's all negative. So it's firm
4 deaths. There was a lot of firm exit over the entire period
5 in this region.

6 This region did not actually have nearly as much
7 firm death until the very end, the east north central.

8 Then here you see some regions are actually growing
9 their manufacturing employment throughout much of the period.

10 So the Census data allows us to tease that out.

11 Non-manufacturing employment margins also, you can
12 see that differed of course there's not much adding in those
13 regions where the firms were dying. You don't get a lot of
14 non-manufacturing employment growth, but you do in those
15 regions where a firm may be contracting.

16 This is just some examples. Details on the data,
17 examples of how they can be used.

18 Now I'm going to conclude. How can people access
19 the data? I'm going to, my next slide has multiple links.
20 I'm going to say they're very helpful. You can go and find
21 from the Census web site the surveys and the questions that
22 are put there. I'll give you the link too, for how to submit
23 a budget proposal. Any nationality can apply to use the
24 Census data, just the BEA data you need to be a U.S. citizen
25 for. And there's actually also quite a lot I think of

1 underused publicly available versions of these datasets on
2 the U.S. Census web site. There's the Business Dynamics
3 Statistics, the BDS. This can be by firm size and age.
4 There's Statistics of U.S. Businesses. The County Business
5 Pattern data. All of these all come from the Business
6 Register which is the same underlying data source that's used
7 for the LBD.

8 Then I'll give you joint work I have with Pete and
9 other co-authors where we have imputed values in the non-way
10 not to hurt disclosure at all, from the posted County
11 Business Pattern data, making it easy for folks to use.

12 Then there's also public versions of the Economic
13 Census data available that gets really under-used because
14 people just don't necessarily know it exists. So those are
15 all here. This is posted and I'm happy to answer more
16 questions about the processes of getting access to these
17 data.

18 I will stop there. Thank you so much. Now I have
19 to just figure out how to unshare again.

20 DR. POOLE: Thank you, Teresa.

21 Continuing our discussion in shift towards U.S.
22 data, Cristina Tello-Trillo telling us about trade
23 liberalization and labor market outcomes in the U.S.

24 DR. TELLO-TRILLO: Thank you. Thank you so much
25 for the invitation. This is a great symposium, so I'm going

1 to present my joint work with Justin Pierce and Peter Schott
2 about trade liberalization and labor market outcomes.

3 Why are we doing this paper? We're going to use a
4 plausibly exogenous trade shock, which is a U.S. extension to
5 PNTR to China. And we examine the fact of these permanent
6 normal trade relationships on areas unemployment trajectory
7 for U.S. workers between, a long period of time from '93 to
8 2014. So 22 years of data.

9 The cool thing about this data, we'll see that on
10 a slide in a minute, is that we can track workers over time.
11 Workers who have in 2000, we can see the workers' outcome up
12 to 2004 and even nowadays more years.

13 We're going to investigate the direct effect. We
14 have the industry of the worker employment, workers in
15 manufacturing that will be directly affected.
16 Non-manufacturing workers will be indirectly affected. And
17 we will also going to investigate the indirect county affect
18 via the location of the worker.

19 So like a horse race between the understood
20 industry effect and county effect, and see which effect
21 dominates for each type of work.

22 Later we're going to explore the role of firm and
23 worker characteristics in analyzing this trade liberalization
24 with China.

25 So I'm going to talk a little bit about the data.

1 So the PNTR shock I'm sure you're all familiar with so I'm
2 going to talk about this really quickly. This is from Pierce
3 and Schott, 2016. The idea was that in October 2000 the US
4 extended the permanent normal trade relations to China. This
5 essentially locked in this low WTO-member tariff rate from
6 China. Before 2000 China has already this low tariff rate
7 starting in 1980s. But this low tariff rate requires annual
8 presentation of Congressional approval. After PNTR happened,
9 this rate was locked in, so basically was a reduction in
10 uncertainty from goods coming from China.

11 So this reduction in uncertainty of course
12 increased Chinese trade exposure, increased U.S. firm
13 incentives to source from China, and Chinese firms expanding
14 to the US market.

15 So we measure this exposure as the difference
16 between the non-NTR rate. This is the high tariff rate say
17 for the (technical interference), will be the high tariff
18 rate for the car industry versus the low MFN tariff rate that
19 was locked in by PNTR. So the higher this gap between these
20 two rates, the higher decreasing uncertainty which means more
21 trade exposure for that particular industry.

22 Then we're going to compute the county NTR gap
23 which is just the weighted average of the industry gap
24 weighted by the employment in that county in that particular
25 industry in the year 1990.

1 So the main dataset that we're going to use is the
2 LEHD database. This LEHD database is based on unemployment
3 insurance records. It covers around 96 percent of all
4 private sector employees. It's a worker establishment,
5 worker level database. This time starting in '93. So we can
6 track workers over time by each establishment, therefore by
7 each firm too, for each quarter.

8 So for each quarter for the workers we have
9 earnings which for most states includes salary, bonuses and
10 tips. And we also have employment which basically means that
11 if earnings are positive, the workers employed in that period
12 of time, that quarter. If earnings are zero, the worker's
13 not employed.

14 We match this data to some worker demographics
15 data. So for the Individual Characteristics file from the
16 Census Bureau, and therefore we can obtain worker's gender,
17 worker's age, race, ethnicity and also worker's education.
18 Also education is imputed for a lot of the observations.

19 We also match this data to what Teresa already
20 talked about which is the LBD database, like establishment
21 and the firm level database. And the LFTTD database which is
22 trade level database and data we use to obtain the trade
23 pattern of the firm.

24 We have two samples of workers. One is the high
25 attachment sample of workers. These are workers that work in

1 the same firm in the pre-period; and then a low attachment
2 sample of workers is workers that have positive earnings in
3 the pre-period but they could be switching firms suspected if
4 they're in the same firm or not.

5 So what we do in the regression, we do a simple
6 panel, difference-in-difference specification where we are
7 going to control for the NTR at the industry level. This is
8 the direct exposure via the industry of employment where you
9 have the indirect exposure be the county of employment, and
10 then we'll have some worker attributes here from attributes.
11 Then we're going to control for these counter-manufacturing
12 here in '99 to solve the critique by Borusyak and Jaravel,
13 that they have that shift-share might not be capturing the
14 whole picture here. So we control for them in the
15 manufacturing share.

16 And then we have worker year effects.

17 On the left hand side is going to be earnings. We
18 also do employment in the labor force if not but for this
19 presentation I'm just going to focus on earnings.

20 Okay. So what do we find here?

21 If we put, I'm just going to show this two
22 quotations of industry and county gap. I'm going to delete
23 the others because it's too many.

24 The first thing that we find here, that when put a
25 horse race, we put both of them together. So these are

1 workers that are initially in manufacturing, pre-shock. What
2 happened?

3 So it turns out that the county gap seems to be
4 much more significant than the industry gaps. So this means
5 that the location of the workers, how the location was
6 affected is more even important than the direct industry
7 effect for these workers.

8 The magnitude is quite high. So interquartile
9 shifts in the county exposure implies an earnings reduction
10 of around eight percent of each hour's earnings for these
11 workers.

12 So these are just for manufacturing workers. And
13 we do the same for non-manufacturing workers, just like this.
14 The non-manufacturing workers, they don't have industry gap
15 because they're non-manufacturing pre-shock. They only are
16 affected through the county of employment. These are, think
17 about restaurant workers in Detroit. That is like more car
18 manufacturing. Was really affected. So it will be
19 indirectly affected because the county as a whole is doing
20 worse. The county where he works is doing worse.

21 And the magnitude is also quite high, it's about
22 the same, like similar to before around county gap affects
23 around 8 percent decline in earnings for these
24 non-manufacturing workers.

25 If you want to take a look at a year by year

1 effect, we see that the effects not only in the short period.
2 This will be 2000 where the shock begins. This is the first
3 year after the shock, the great financial crisis. So we see
4 shock magnified by the great financial crisis. And then we
5 see the workers that are affected starting to come back in
6 2004.

7 But this is saying that even after four years after
8 the shock, workers that were affected by the county gap still
9 are worse off than the workers who were not affected via
10 their location.

11 And then we go to some demographic and firm
12 characteristics. What we do here is to do a triple
13 interaction of the post shock period, the industry gap and
14 some worker-level-firm characteristics to see if for example
15 a female is more affected than a male in manufacturing or
16 non-manufacturing, into the industry gap or due to the county
17 gap. Okay?

18 So here I'm just going to show in this presentation
19 all the county gap coefficients because the industry gaps are
20 insignificant.

21 Okay. So this is a triple interaction with our
22 county gap and female. It turns out that for manufacturing
23 we see, do not find any statistical significance, different
24 effects for being a female in manufacturing relative to being
25 a male that is affected by this county gap.

1 Whereas for non-manufacturing we do find a positive
2 and significant effect of being a female. This means that
3 any decrease associated with these trade shocks were less
4 severe for female workers than for male workers in
5 non-manufacturing.

6 This is because, if you think about it, the
7 non-manufacturing, health, and educational sector was rising
8 post 2001. And females are more inclined to go to those
9 sectors which are high paid jobs in non-manufacturing. So we
10 tried to study if that's what happened with labor
11 reallocation matrix.

12 The income distribution, the shock effect. People
13 at the bottom, people at the top, for here, we see that the
14 shock, this is by income quartile, we see that the top income
15 quartile, so people at the top of the distribution are
16 actually worse off than the people at the bottom of
17 distribution for manufacturing workers.

18 This might be the case because the high attachment
19 sample, the sample that is there for all the (technical
20 interference), we mention that this might be the case because
21 manufacturing workers may have some firm or manufacturing
22 sector specific human capital. Those are the top, that is
23 difficult to transfer to other sectors.

24 I'm going to stop there.

25 We do the same for importing only. Importing firms

1 do better off. Workers for import firms are better off than
2 workers in non-traders.

3 I'll stop there.

4 MR. SECRETARY: Thank you so much to this panel.

5 Dr. Poole, I just wanted to note to you that we'll
6 go ahead and have a 20 minute question session with your
7 panel and we would invite those from our audience, if you do
8 have a question or comment, please send it to DE@USITC.gov
9 and we'll try to get to all of them.

10 I'll go ahead and put that in the chat.

11 Dr. Poole, please.

12 DR. POOLE: Thank you, thank you, great.

13 We can continue to have our 20 minute conversation.

14 Let me direct the first question to Dave Donaldson.
15 The title of our session is value-added of restricted use
16 data, to study the distributional implications of
17 international trade. I think I'll couple this question with
18 another one which is about what other data might you have
19 wanted to use? Because you highlighted the differences,
20 particularly when we're studying lower income countries or
21 developing economies like Ecuador, of an informal economy and
22 the extent to which that also is distributed across income
23 groups.

24 So would you like to take that question first?

25 DR. DONALDSON: Sure.

1 On the value-added part, I mean for me I think just
2 focusing on the simplest point with reiterating something I
3 said. We want to measure who is exporting. Which people are
4 having their sector services being exported. Conventional
5 datasets don't measure that. In Ecuador, big firms, big oil
6 firms export. Big oil firms make parts that get involved in
7 exporting. But big law firms sell their law services to
8 those oil firms. So the big law firms are also exporting big
9 time too.

10 So obviously the standard datasets wouldn't see
11 that. I guess we can try to fix that with big aggregate and
12 input-output tables that tell us that oil firms use lawyers,
13 but those big IO tables tell us that all firms use lawyers,
14 so they don't tell us like the extent to which exporting
15 firms are using lawyers, and maybe they use the richest,
16 fanciest, highest paid lawyers too.

17 So I think it's quite important that we find ways
18 to find new and interesting data sources that let us link,
19 kind of multiple linkages I guess is the way I would say it.
20 So not just sort of people to firms or firms to exporting,
21 but people to firms to firms to firms to exporting.

22 I think that was something one can start to do, and
23 I think there's value in countries where that's possible
24 around the world.

25 The same comment would apply to importing. It's

1 just more of a highlighted, the effects of that are more
2 subtle, but that doesn't mean they're any less important.
3 It's just that the exporting one is very clean to see.
4 Ideally with the data we would just measure it right off the
5 data.

6 As to your second point, I think the three things
7 that I think are missing are, that I would love to have on my
8 wish list, would be actually studying the implications for
9 the consumption side. You know, consumers that are
10 differentially exposed to these firms, and they all have
11 different preferences. That is a major part of inequality
12 that earnings in equality didn't study.

13 The informality point that you raised, I kind of
14 have nothing to add other than I think it's good that we can
15 study well half the economy. It would be better if we could
16 study well the entire economy. But caveats obviously need to
17 apply.

18 And then third would be, just echoing your talk,
19 multinationals. So major ways in which firms engage with the
20 global economy and hence there are factors. Again, exported
21 and in some sense and connected to the global economy is
22 through multinational activities, and that was missing from
23 everything I presented.

24 DR. POOLE: Excellent.

25 Do you have any different experiences using U.S.

1 data Cristina, on the value-added?

2 DR. TELLO-TRILLO: Yes. Sure. I want to point out,
3 I attended the symposium yesterday and one of the things that
4 Ann Harrison and John McLaren point out about the main
5 drawbacks of the quarantine (phonetic) trade literature is
6 lack of access to high quality worker level data that, where
7 we can follow a worker over time and see that worker move
8 from Establishment A to Establishment B, like Teresa was
9 pointing out. Maybe it's not establishments that are closing
10 that are driving this decreasing employment.

11 So all these things can be done with the LEHD
12 database, right? Access, it holds true, but talking about
13 this database, not only we can track workers, but also we can
14 attach characteristics of the workers. So we can study the
15 distribution aspect of trade on gender, on race, on
16 ethnicity, and also attach all the firm characteristics.

17 So a lot to explore and I encourage all researchers
18 here to ask for this data, and I know it takes time. Ask for
19 the data and explore more the LEHD database. Yes.

20 DR. POOLE: Excellent.

21 Teresa, I was wondering if you could offer any
22 follow-up questions, given your access to the data that you
23 and your colleagues are hoping to answer, particularly
24 referencing under-served communities and the distributional
25 implications of trade.

1 DR. FORT: Great. Thanks. I think I'm going to
2 follow up with two points here. So, first, I love what Dave
3 said, and I totally -- I want to reiterate that. I think we
4 really do need these data. And then I'm going to give you,
5 Dave, a specific example of what you presented that I was
6 thinking, wow, here's something you might want to look at in
7 the data and just to highlight.

8 So, you know, you had those very different
9 implications of exporting versus importing, in terms of
10 exporting was kind of benefitting the middle class and
11 importing was hurting the poor folks. You know, something
12 that we have seen in the Census data -- many people, but I've
13 got papers on this too -- is the firms that do a lot of
14 exporting are also importing, right, and then that access to
15 those imported inputs is a crucial part of what makes them
16 competitive. We saw big effects on their ability to export.
17 So I think for Fariha Kamal and co-authors, Kyle Handley and
18 Ryan Monarch have a cool paper showing their Trump effects on
19 that. So I think, by having, you know, the firm-level data,
20 we can get at that and understand those links better.

21 And then I'm going to say, you know, here's an
22 example of something where, I think, the data's, kind of,
23 missing, but there is some potential with the Census data to
24 get at it. So Andy Bernard and I have some work on
25 factoryless goods producers, Fariha Kamal has some really

1 cool work on factoryless goods producers. So these are guys
2 that are involved in manufacturing because they control,
3 coordinate the production process, they do the design and
4 invasion, and they're kind of absent from our setting. We're
5 not looking to see how much these guys enter into the economy
6 because now it's so cheap to make goods, you know, in China
7 or other lower-wage countries. And so we're kind of missing
8 the fact that, now, a lot more ideas can be brought to the
9 market in the U.S. It's potentially a way of promoting
10 innovation here.

11 Of course, Jennifer, to your point, there could be
12 big distributional consequences to this. It may not be the
13 same workers. But I think technology has a very similar
14 redistributional consequences, and nobody's talking about we
15 should ban or stop technology. And so, probably, again, I
16 would just push this symposium to think about the dangers of
17 let's use tariffs or trade policy as a way to stop, right,
18 this movement towards U.S. comparative advantage activities
19 when there's all these potential benefits from trade that we
20 aren't necessarily measuring as well but which these data
21 open the door to be able to see.

22 DR. POOLE: Wolfgang, for the Denmark context, are
23 there follow-up questions you and your coauthors would like
24 to explore to study women or other under represented
25 communities?

1 DR. KELLER: Yeah. So thanks very much for
2 bringing this up. I'm following -- you know, following up on
3 what I heard from Teresa and also from Dave. My sense is
4 somehow that, you know, there's a bit of a -- there's a bit
5 of gap between what we have for a country like Denmark
6 already in terms of data and where we're still heading, to
7 some extent, with U.S. data. And so it seems like -- so
8 these ideas that we can follow workers and how they're
9 attached to their firms, they, of course, are existing in a
10 country like Denmark or also in Norway and some other parts.

11 So then, from that level on, the questions then
12 become how can we push in a way, and that's where I see our
13 paper fitting in. How can we push, sort of, the more
14 traditional economic analysis into -- well, maybe with a lot
15 of carrybecka (phonetic) but into what is generally thought
16 to be less the way homeopathic (phonetic) analysis, such as
17 the household margin; so that the labor, the formal and
18 informal sector.

19 But as we see from the discussion of your paper,
20 Brazil and also what -- what Dave was mentioning, this
21 informal sector can be probably thought as a little bit like
22 the issues that exist when we talk about household --
23 intrahousehold allocation of time and family margins. And so
24 in our particular case, the key step was, essentially, to
25 combine these employer-employee data sets with growth

1 registers, which basically -- and, you know, marriage -- we
2 also study marriage in this paper to some extent. So it
3 turns out that import competition shocks also lead to changes
4 in marriage behavior, divorce behavior.

5 And so I kind of think that that's sort of the
6 direction in which the research would be going. And as I
7 mentioned in my talk already, I think it has a lot of
8 overlap, in a way, what people have been trying to do in
9 development economics, trying to, essentially, analyze
10 non-market activity and also value non-market activity. And
11 I think that's an interesting area of where this research
12 could be going.

13 DR. POOLE: Wonderful. Excellent.

14 I see we have some questions from the audience.
15 But let me take one minute.

16 Teresa already did a wonderful job describing a bit
17 about the access to U.S. data. I thought I might share a bit
18 of my experience accessing an international data set, in that
19 much of the process is still the same. You need to write a
20 proposal and submit it through the appropriate channels. I
21 suspect, though, of course, I don't have the experience using
22 the U.S. data, that connections matter a lot and persistence.
23 It required more travel, being local, connecting with
24 individuals, and, ultimately, we also suffered a bit of
25 political turnover in the country to gain access to the data,

1 though transparency is such an important issue that some of
2 the data -- for example, the Central Bank data, over time,
3 has become public -- a bit cumbersome to use because, still,
4 the requirement to match the data sets that we all face is
5 imperfect. But once you can figure out the firm identifiers,
6 then you can match these multiple -- multinational data to
7 the worker data.

8 So I suspect the process is quite similar. It
9 takes time and connections, and persistence matters even more
10 so, perhaps, in the international context.

11 So let me pose the first question to Teresa. This
12 is a very data-oriented question from Laura, the Trade
13 Partnership Worldwide. She says, for studies using data pre
14 and post '97-2002, when the U.S. switched the data
15 classification from SIC to NAICS, how do you account for
16 these differences?

17 I'll stop there, and she has some follow up, but I
18 think that's a great topic that many of us who are actually
19 handling the data have on our minds.

20 DR. FORT: I love that question. If you know me,
21 you know that it took a massive amount of willpower not to
22 mention that SIC to NAICS transition, in 1997, although it
23 plays out differently in different data sets, it's actually
24 -- I usually joke in seminars and say it was like five years
25 of my life to put the LBD on a NAICS basis consistently

1 throughout the whole time period, but I realized recently
2 that's a lie. I think I've been working on that for the last
3 15 years.

4 So that is a huge issue. I have a paper with Shawn
5 Klimek on -- we call it the effect of this transition on U.S.
6 employment composition because there's a big change and it
7 affects manufacturing, which has been a big focus. It
8 actually affects retail, even, and more, in terms of where
9 employment is classified or how it's classified. And so, you
10 know, an establishment is -- all the employment within an
11 establishment is classified under the industry of the
12 establishment. NAICS is all about what the establishment
13 does. SIC had a whole bunch of different principles and
14 then, think about it, SIC was developed in the '40s. Right?
15 I mean, it did not -- there were no semiconductors. So as
16 technology evolved, we needed a new system to capture those
17 changes as well.

18 So the LBD, I can say we did a -- non-profit -- but
19 a pretty good job of trying to fix those changes, in terms of
20 using the longitudinal nature of the data, and I describe
21 this in great detail in this paper, and it's also in the new
22 LBD paper. So I encourage folks to go there. If you're
23 using the LBD, we have now taken what -- well, Shawn and I,
24 brazenly call these the Fort-Klimek codes, the F.K. NAICS
25 codes, but the Census Bureau we couldn't keep calling them

1 that. So they're now called the VC NAICS, vintage-consistent
2 NAICS. That's actually in the LBD directly.

3 And then I've also got -- on my website, I've got
4 some concordances posted from the publicly available Census
5 data because, in the economic years, in 1997, they actually
6 recorded activities on the SIC basis and on the NAICS basis.
7 So we were able to build some concordances for people to use
8 outside of Census as well.

9 So that's all there, really important, totally
10 agree, and I know Kyle Handley, yesterday, said we have got
11 to be analyzing stuff now on a NAICS basis. If you're still
12 concording things back to SIC, you are just missing so much
13 of what's going on because technology, you know, evolves and
14 these classification systems change indigenously to capture
15 the new activity.

16 Anyway, I'll stop there.

17 DR. POOLE: That's great. Let me just ask you
18 directly: All of these concordances that you've drawn up, the
19 question is, are we worried a little bit about attributing
20 too much credit to China for WTO accession that may, in fact,
21 have to do with the classification changes?

22 DR. FORT: I mean, look, the hope is that everybody
23 knows you have to concord this stuff before you do an
24 analysis. I do know that Bloom and coauthors have a paper
25 where they replicate ADH internally with the LBD, and they do

1 find some differences in what they analyzed when they
2 switched from SIC to NAICS. I think that's more about the
3 shock. Yeah, I do think it matters. Of course, if you
4 blindly did it without concording, you would be in trouble;
5 but I think most people recognize there's a need to concord.

6 I will also say we haven't published or posted it
7 yet, but I've worked with Melissa Chow on these NAICS codes.
8 It's not random who gets switched out of manufacturing and
9 into non-manufacturing. They have different pre-period
10 growth rates and stuff. So, you know, this is an important
11 issue that we often just kind of ignore because it's
12 inconvenient or annoying.

13 DR. POOLE: Thank you. Thank you. Great.

14 I'll move on now. I received a question from a
15 colleague, Fariha Kamal, at the U.S. Census. She's saying,
16 thinking about the small -- economically small effect I
17 found, you know, maybe some of what we're seeing -- or could
18 be, in fact, enhanced by, also, the different firms -- or
19 destinations to which Brazilian farms export. If you're
20 exporting to a more gender-equal country, perhaps you have to
21 maintain more gender equitable policies and practices in the
22 firm as well.

23 So I entirely agree. Yes, just like the United
24 States, there's also customs data that we could match at the
25 firm level, both on the export and the import side. We did

1 not do that for the purposes of this paper. Something that I
2 couldn't go into detail on is there are many different, I
3 suppose, conceptual, theoretical possibilities for mechanisms
4 by which gender equality could translate into -- through
5 foreign exposure, whether that's exports or multinationals.

6 In this particular paper, we just focused on the
7 one labor mobility channel, but another channel that I've
8 been speaking with colleagues in South Africa about, where
9 they also have very similar data, matched employer-employee
10 with the exports and imports, firm level co-variates to think
11 about that export market access and the influence that those
12 standard reputational effects might have as well.

13 Finally, a question for Teresa -- or sorry. Not
14 Teresa. Cristina. Excuse me. I'm looking at Cristina.

15 The question is how long should a researcher expect
16 to gain access to the U.S. data and might it be easier for a
17 government employee? This is coming from Kim at GAO.

18 DR. TELLO-TRILLO: This is hard to answer this
19 question because I would say it varies. It varies a lot
20 depending on the data set that you are asking for sometimes.
21 So, in particular, the LEHD data set that I presented today,
22 it's -- it's a little bit harder. The access to all the
23 states that LEHD because a state has to give approval for
24 their data to be accessed about external researchers. And
25 only about a handful of the states have given approval. I

1 don't know the exact number. I think it's around 15 to 25,
2 but not all the states have the approval.

3 But I would say, from my calter affect (phonetic)
4 more about that. I would say between six and -- up to six
5 months to up to a year. Yeah.

6 DR. POOLE: Teresa, did you want to follow up with
7 any of that and whether you are if government researchers
8 might have any differential access?

9 DR. FORT: I would not care to comment on
10 differential access. I think they're trying to judge these
11 things based on the quality of the proposal and all that and
12 to be fair in how they evaluate things.

13 I would say, just for more details, there is a
14 process of, first, going through an RDC admin, then the admin
15 submits the project to the Census Bureau, then the Census
16 Bureau submits the project to the IRS for approval. And as
17 Cristina said, there's even more steps involved with LEHD
18 because the states sometimes -- if we -- anyway, I won't go
19 into that.

20 So what will affect how long it takes is the
21 quality of your proposal, how responsive your RDC admin is,
22 and how quickly you respond with information. So --

23 DR. POOLE: Well, let me take this opportunity -- I
24 think our time has run out -- to thank all of the audience
25 for their great questions as well as the panelists for their

1 time and really insightful research, and I'll toss it to the
2 organizers, if there's any other final comments.

3 MR. SECRETARY: Thank you so much Dr. Poole, and
4 thank you to all of the panel members. We really, really
5 appreciate all of your input and responses to the many
6 questions.

7 We're going to go ahead and take a short
8 five-minute break at this point. So we're going to set the
9 timer for five minutes, and we'll see everybody back here at
10 10:33.

11 (Whereupon, a brief recess was taken.)

12 MR. SECRETARY: I'd like to welcome Stephanie
13 Fortune-Taylor, moderator of our next panel.

14 DR. FORTUNE-TAYLOR: Good morning, everyone. If
15 you're like me, you're interested to learn more about these
16 data resources that many of us use or, in the case of some
17 restricted data sets that we got a chance to hear about in
18 the last session, would like to use, in order to estimate the
19 distribution affects of trade and policy on U.S. workers. As
20 you know, this academic symposium is one facet of the USITC
21 year-long ongoing investigation on the aforementioned topic
22 of the distributional effects of trade.

23 Throughout this investigation, we have heard from
24 numerous stakeholders, including our in-house modelers
25 working on part two of the investigation, activists and labor

1 union representatives at our roundtables, and researchers
2 from yesterday's symposium -- day one -- about the clinical
3 role that data breadth, depth, linkages, and accessibility
4 play in our attempt to quantify the distributional effects of
5 trade.

6 Today we have a stellar lineup of representatives
7 and government data sources who will present information and
8 answer questions about the data sets they are representing.
9 For those of you in the audience, this is your chance to ask
10 the burning data questions that have kept you up at night and
11 irritated your loved ones at Thanksgiving dinner. When you
12 have a question, make sure to e-mail de@usitc.gov. Someone
13 will be standing by to record your question, and we will get
14 to as many audience questions as we can.

15 Because we will be hearing from so many
16 representatives, this panel will be divided into three
17 groups. Group one will include what we're calling hyper data
18 sets. These are composite data sets that may pull from
19 multiple sources, including administrative and restricted
20 data. Group 2 will feature individual and household data,
21 and Group 3 will feature industry and firm-level data.

22 We'll start Group 1 with Keith Bailey from Census,
23 who is representing Longitudinal Employer Household Dynamics.
24 And then we'll move on to Fariha Kamal, also from Census,
25 representing Business Dynamic Statistics-Goods Traders.

1 After their presentations, we will have 15 minutes
2 for Q and A before transitioning to Group 2. So let's get
3 started.

4 Keith, the floor is yours.

5 MR BAILEY: Thank you very much. I appreciate the
6 opportunity to share about the LEHD program with this group
7 of the Longitudinal Employer Household Dynamics program. The
8 reality is I'm going to try to cover a 22-year-old program,
9 covering the basics, as outlined, and I'm going to try and do
10 it less than eight minutes. That is my goal here.

11 So we'll just begin here. What is the Longitudinal
12 Employer Household Dynamics program? As the slide shows you,
13 it uses administrative data to produce information about the
14 work force in the nation at really no or little cost to those
15 individuals providing the data. Our primary partnership, it
16 is -- I'm sorry -- note: It is a voluntary partnership. Our
17 primary partnership is with state labor market information
18 bureaus. They provide, to us, on a quarterly basis, the
19 employer -- detailed employer information from the BLS, or
20 the Bureau of Labor Status Quarterly Census of Employment
21 Wages program, or QCEW. And they also provide, to us,
22 detailed, individually identifiable wage record information,
23 which is those individuals working in a state that are
24 covered under that state's unemployment insurance program.
25 I want to clarify this is not claimants' data; this is

1 information that must be reported on a quarterly basis to the
2 Unemployment Insurance Agencies within each state that has an
3 unemployment insurance program. Sorry that is not supposed to
4 be forward on me.

5 So we also include other administrative data to
6 cover the federal work force from the Office of Personnel
7 Management. We are negotiating with the Internal Revenue
8 Service, and we are always open to additional opportunities
9 for administrative data. Again, the LEHD program is unique
10 in that we have worker demographics and firm characteristics.
11 We have five core programs, which are listed here.

12 Moving on, these next two slides, they will be in
13 the slide deck provided to you later. I will not read them
14 to you, but we have some core products, and we have two
15 experimental products, where we are leveraging the LEHD
16 infrastructure data, which is, essentially, as much as
17 possible, the national repository of jobs data. For our
18 purposes, a job is an individual linked record between an
19 employee and an employer. So if you have multiple jobs, you
20 have multiple records in the LEHD infrastructure data.

21 Getting to choose from among your products, here we
22 have a little matrix that shows you what the options are to
23 acquire the information. You will see that there are
24 hyperlinks here. We are expanding on two fronts here,
25 primarily. That is our visualizations or our application.

1 The LEHD data can be a very complex dataset, which is
2 challenging to navigate, even by experienced data users.
3 These visualizations attempt to create user-friendly
4 applications through which individuals can answer their
5 questions about the work force or look at economic and
6 work-force trend information.

7 The raw data downloads are always a perennial
8 favorite with the true data geeks among us. I am actually
9 not one of them. I consider myself more an administrative
10 user of the data. I much prefer the application; however,
11 for those who really want to get their hands super dirty with
12 the data, the raw data downloads are the path to take. Note
13 that anything you download from the Census LEHD website is
14 already publicly available data. There's no need to check
15 with us whether you can use the data. It is all for public
16 use.

17 The third column, we are developing our API
18 capabilities at Census. We are starting to roll out these
19 data for those individuals who want to incorporate this
20 information into their own applications or use it for other
21 purposes. So, again, just a short matrix to help you make
22 the best decision based on your abilities on the information
23 desired.

24 I do want to spend some time on the nature of the
25 microdata. I caught the tail end of the last presentation,

1 where, I believe, Teresa Fort was talking about LEHD and its
2 microdata access. LEHD microdata is a restricted use data
3 set. The confidential LEHD data is accessible through the
4 Federal Statistical Research Data Centers. I'm not going to
5 go through their process. We have a wonderful website that
6 describes their process. I will note here: You see the
7 projects require data provider consent. Teresa briefly
8 mentioned this at the tail end of the last presentation.

9 The information that we receive from our state
10 partners -- and the map shows you who is currently a partner
11 and who is not -- that information is their data. We respect
12 their ownership. We respect their control of that data.
13 Yes, once Census has it, it is Title XIII protected, and we
14 do have some capabilities to use that data internally. When
15 it comes to external research or access, our agreements with
16 the state explicitly spell out the process, and if you are
17 interested in using a particular state's microdata, we, at
18 Census, have a process by which we ask the data providers and
19 LEHD, do you consent to the use of this data or do you
20 decline participation. Please know that a decline is, in
21 most cases, not personal. Many states have state laws and
22 state regulations that prohibit or limit who can access what
23 microdata. So in many cases, the responses are necessarily
24 declined depending on the association of the researcher or
25 the nature of the data being requested or, in some cases,

1 what the researcher intends to do. Again, it's not a simple
2 follow this pathway, you will get access to the data; it is a
3 very individualized project-specific approach.

4 More details about the restricted-use data -- I've
5 provided another hyperlink here for the information.

6 Just a quick snapshot -- screenshot of our LEHD
7 website. We do have information where we highlight the
8 public use information. So you will see here, we have an
9 LEHD and action tab on our website, and we try to scour the
10 environment, and where we find instances of utility of public
11 use data, we like to highlight those use cases here in this
12 link.

13 The research that is available that is produced by
14 external researchers -- I should back up one slide -- is
15 available, also, at the restricted-use data site. There is
16 sources of information on where you can find published
17 results of external researchers.

18 I will end my slide with my traditional contact
19 slide. You will notice here, that we have our landing page.
20 We have a toll-free number. We also have some general and
21 dedicated e-mail addresses. If you have a particular
22 question on a particular LEHD product, I encourage you to use
23 the respective "mail to" address. If you do not know to whom
24 your question should be directed, please use the "general
25 questions." They all come to my fabulous team at LEHD, and

1 they're prepared to answer any questions and also open to the
2 idea of partnerships. In particular when it comes to
3 external research, I try to make myself available to the
4 researcher community to help them understand how best to
5 develop a proposal in order to maximize and leverage the
6 availability of the LEHD data.

7 With that, I'm ten seconds to the good, and I will
8 turn it back. Thank you.

9 DR. FORTUNE-TAYLOR: Keith, we will not hold it
10 against you that you do not like to get dirty with data
11 because you were extremely efficient. Thank you so much for
12 that presentation. We'll now move on to Fariha Kamal.

13 DR. KAMAL: Hello, everyone. Give me a quick
14 second. Let me share my screen.

15 So hello again and thank you for the invitation to
16 discuss with you, today, about the new set of statistics that
17 the Census Bureau released this past December, describing the
18 Business Dynamics of U.S. Goods Traders.

19 Before proceeding, the usual disclaimer applies.
20 All views are my own and all results passed disclosure
21 review.

22 So the broader research agenda at the Census Bureau
23 that makes the statistics possible is the agenda that centers
24 around measuring the business dynamics of globally engaged
25 firms. And by business dynamics, I mean annual measures of

1 job creation and destruction, establishment breadth and
2 depth, towards entries and exits.

3 And we define firms global engagement along three
4 main dimensions. So firms can be exporting or importing
5 goods; these are goods traders; firms can be exporting or
6 importing services; these are services traders; and/or firms
7 can be engaged in foreign direct investments. These are
8 multinational firms.

9 So the broad goal of this project is to understand
10 how do firms participation in international markets shape
11 domestic job growth. And BDS-Goods Traders is the first set
12 of statistics from this broader research project.

13 So the BDS-Goods Traders is a public-use set of
14 statistics. So this is available to anybody on the Census
15 Bureau website, that I have listed here. And these are
16 experimental statistics in the sense that we are still
17 soliciting feedback from the data-user community to improve
18 the scope of these products.

19 In order to construct the BDS for goods trading
20 firms, we need to identify the goods trading status of firms
21 in any given year. And so we categorize firms into these
22 four mutually exclusive firm types. A firm can be only
23 exporting goods in a given year, only importing goods, both
24 exporting and importing goods, or not trading in goods. So
25 these are categorized as "non-traders." And the statistics

1 are currently available starting in 1992 through 2019, and
2 the plan is to make annual updates.

3 And we provide these business statistics for these
4 four distinct firm types, not just for the whole economy but
5 also by three broad firm size categories, three broad firm
6 age categories, detailed four-digit NAICS categories -- so
7 there's about 280 of those -- and nine Census divisions.

8 So today, I certainly will not have the time to
9 show you all aspects of the data. So the statistics I'll be
10 sharing today will rely on the first four set of tables, but
11 I certainly encourage you to go and check out the data since
12 I really won't be able to do it justice today.

13 So in order to give you a sense of the types of
14 questions one can answer using this public-use statistics,
15 I'm going to be sharing, with you, findings from a working
16 paper that I have with Kyle Handley at UCSD and Wei Ouyang at
17 the Census Bureau, where we analyze these newly released
18 statistics. And the working paper also provides detailed
19 information on the underlying microdata that are used in
20 order to create these public-use statistics and other
21 information, in terms of comparable or related Census Bureau
22 products where you might find overlapping information.

23 So having said that, let me get right into the two
24 sets of results that I want to highlight from this paper.
25 The first is that we find one out of two jobs in the U.S.

1 economy are at trading firms. However, the average firm is
2 actually a non-trader. So what this means is that employment
3 tends to be especially skewed towards trading firms but
4 trading itself is a rare activity, and I'll show you some
5 statistics along these lines.

6 We also find that goods traders have been shifting
7 their employment increasingly over time from goods-producing
8 sectors -- so think manufacturing, agriculture, mining,
9 construction -- to more services-providing sectors of the
10 economy, like wholesale, like retail, utilities, information.

11 And, finally, we document that U.S. goods traders
12 contribution to overall ledge uproad (phonetic) job growth
13 has been increasing over time, especially in the decade after
14 the global financial crisis.

15 So let me start very quickly by showing you a
16 snapshot, in terms of the average share of firms in dark
17 blue, share of establishments in light blue, and share of
18 employment in gray across these four distinct firm types over
19 this entire '92 to 2019 period. And what we can see here is
20 that if we were to clump together these three distinct
21 trading type of firms, that these firms account for about 6
22 percent of all firms in the U.S. economy but 49 percent of
23 total employment. And within these categories, what you can
24 see is that exporter/importer firms are especially very
25 different, for less than 2 percent of all firms in the

1 economy but over a third of employment.

2 So this is a point that we just heard from Teresa
3 Fort and then again yesterday from Kyle Handley that firms
4 that both export and import are especially large and
5 especially important in the role they play in the economy.

6 In the interest of time, let me dive right into
7 answering questions regarding domestic job growth and how
8 much do traders versus non-traders contribute to overall job
9 growth and then take a look to see do we find a good
10 straighter growth premium even after we control for firm age
11 and size and sector.

12 So, before I get into the statistics, let me just
13 define a few terms. So the Business Dynamics Statistics, as
14 the name implies, we're looking at changes in employment over
15 time. And we define employment at the establishment level,
16 which is then aggregated up by these firm types and other
17 cuts of the data. So firms, establishments can be binned
18 into three bins essentially, so establishments that are there
19 in both the existing year and the prior year are incumbent
20 establishments. Births are defined as for establishments
21 that are present in the current year but not the prior year,
22 and then analogously, deaths are described as establishments
23 that were present in the prior year but not the current year.

24 And this sort of binning is important because then
25 it allows us to essentially measure job creation and

1 destruction in a very straightforward manner. Job creation
2 is essentially increases in employment at incumbent
3 establishments plus employment at newly born establishments,
4 and then job destruction are the decline in employment at
5 existing establishments, as well as employment loss due to
6 establishment deaths.

7 And then net job creation is nothing but the
8 difference between job creation and job destruction. And
9 these can be converted into rates using the Davis,
10 Haltiwanger, Schuh growth rate measure where, essentially,
11 these measures are taken and normalized by the average
12 employment in the two periods.

13 So now let's take a look at these net job creation
14 rates and traders versus non-traders contribution. So what
15 this table is showing here in the first three rows are the
16 net job creation rates, and the last row is showing the share
17 accounted for by traders. And what I have done here is that
18 the last column is showing the net job creation rate across
19 all years in the time series, '92 through 2019, but then I've
20 also broken it up by these three periods which coincide with
21 the three business cycles during this time series.

22 And so what we can see here is that overall, goods
23 traders accounted for about 40 percent of aggregate net job
24 growth. However, there's a lot of heterogeneity if we were
25 to look at this contribution over time. In particular, we

1 find that between '92 to 2000, traders accounted for about a
2 third of total job growth, but this declined to about 10
3 percent between 2001 and '07 but then grew to about 60
4 percent between 2008 and 2019. So what we discuss further in
5 the paper and the pattern we find is that there's the sort of
6 survive-and-thrive pattern for traders in the data where, in
7 this period, 2001 and '07, again, something discussed in
8 yesterday's morning session, the U.S. economy was hit by
9 several large global shocks, like the China shock, and what
10 we find is that traders that survived these shocks
11 essentially were better able to weather the Great Recession
12 and had very strong performance in terms of net job creation.

13 So now let's take a look at whether there's
14 evidence that goods traders tend to exhibit higher net job
15 creation rates. Is there this net job creation rate premium?
16 So what we're doing here is just running simple regressions
17 where we're taking the net job creation rates and regressing
18 it on a set of indicators, whether it's an exporter only
19 firm, importer only firm, or exporter/importer firm relative
20 to non-traders, and we're doing this for the whole economy,
21 as well as controlling for size and controlling for firm age.
22 And then, in this last column, we tried this hybrid approach.
23 Because we do not have size by age tables, we essentially
24 take the size tables and create these synthetic age controls
25 to then look at these differences. And the reason we do this

1 is it's been established in the literature that age is a very
2 important factor to control for when looking at the
3 relationship between size and job growth.

4 And what we find here, really, the main takeaway is
5 that goods traders tend to exhibit higher net job creation
6 rates relative to non-traders, all these sets of goods
7 traders, particularly once we control for age. And within
8 the category, importer-only firms exhibit the highest net job
9 creation rates and exporter/importer firms have much smaller
10 net job creation rates, but this is not surprising given
11 these firms tend to be the largest and oldest firms in the
12 economy.

13 And I want to end by showing you if we were to even
14 control within detail four-digit NAICS sectors, we find that
15 this hierarchy persists. So this picture if we look at all
16 sectors in the economy is showing this net job creation rate
17 premia, where importer only firms tend to have the highest
18 net job creation rates, followed by exporter only and then
19 exporter/importer.

20 And then looking within broad sectors, and I'll end
21 in just hopefully 10 seconds, retail wholesale manufacturing,
22 which account for a third of total employment in the U.S.,
23 this hierarchy not only persists, but these net job creation
24 rate premia tend to be especially large. So just in
25 conclusion, what we can learn from our analysis is that goods

1 traders tend to be associated with higher net job creation
2 rates relative to non-traders. And a result that I wasn't
3 able to show you in much detail is that a large share of the
4 service sector jobs are supported by goods trading firms. So
5 thank you so much for your attention.

6 DR. FORTUNE-TAYLOR: Thank you so much, Fariha.
7 And so I have a few questions for both you, Fariha, and for
8 Keith. And I'll go ahead and start off with the questions,
9 and then I'll remind the audience if they have questions to
10 go ahead and send those to de@usitc.gov.

11 The first question is a question for both of you,
12 asking for you to tell us a little bit more about the level
13 of detail that we can get. And for Keith would be kind of
14 occupation/industry/geographic data in the public datasets.
15 So, for Keith, this would be something like, could we look at
16 a production worker in the manufacturing sector, like, in a
17 four-digit NAICS manufacturing sector in a given Metropolitan
18 Statistical Area? Could we do that with the public data?
19 And then, Fariha, this question, the same kind of industry
20 question for you would be, can we look at, for example, all
21 the firm closures in a quarter binding score in a given
22 county? That's just a general question of, what's the level
23 of detail that we can get to in this public sphere? So
24 whichever of you wants to start.

25 MR. BAILEY: I'll jump in first while it's on my

1 mind here. First and foremost, the LEHD data does not
2 contain any occupational information at present, and that is
3 because there is no universal source of occupational data. A
4 distinction between LEHD and other potential data sources
5 available, it is not a survey, it is actually a complete
6 accounting by state of jobs. So the occupational data that
7 is available is largely derived via surveys. We just do not
8 have the comfort level with imputation strategies to
9 incorporate survey-type data into a product that is not a
10 survey-based product.

11 That said, as far as geographic and industry
12 detail, the level of detail varies by product. The Quarterly
13 Workforce Indicators generally look down to, like, the
14 metropolitan statistical area, in some cases, smaller areas
15 of geography. The LEHD origin destination employment
16 statistics data does look down to the census tract level for
17 information. The industry detail varies between like a
18 three-digit and four-digit level. And then, on one case, the
19 post-secondary employment outcomes is actually still at the
20 sector level of industry data. I'm sorry, it's below that,
21 my apologies. It is available below the sector level.

22 So, again, going back to the matrix I shared
23 before, I would encourage you to explore the LEHD website.
24 The descriptions of all the datasets are readily available,
25 and they outline the geographic levels, the industry levels,

1 and the public data is generally the finest level of detail
2 that we can produce without violating the confidentiality and
3 privacy of either Census guidelines and/or the raw data
4 itself. So the quick answer is it varies by product, but
5 there is a lot of information available. I would encourage
6 you to do a little bit of homework and look at those various
7 products and determine which one is the best one for your
8 particular utility and then reach out to us if something more
9 as needed.

10 (Simultaneous comments.)

11 DR. KAMAL: So the first thing to mention or state
12 is that these Business Dynamic Statistics are annual
13 measures. So there's certainly no quarterly information
14 here. And as I had previewed in I think the second or third
15 slide, we have these tables for the whole economy. So,
16 right, we have these Business Dynamics Statistics for these
17 four types of firms. Then we have these statistics by three
18 broad firm size categories. So these are firms that employ
19 between 1 to 19 workers, 20 to 499, and then 500-plus
20 workers. So think of this as small, medium, large size
21 categories. Then we have the statistics separately by three
22 firm age -- I'm sorry, five firm age categories and then
23 these detailed four-digit NAICS, so there are about 281 of
24 them, and nine census divisions.

25 So there is no cross between sector by region or

1 sector by age. So these are all these sort of
2 one-dimensional tables. But the novelty here is that you
3 have the detail in terms of the goods trading status of the
4 firms in the economy.

5 DR. FORTUNE-TAYLOR: Got it. Thank you. All
6 right, Keith, I'm going to go back to this question about
7 level of detail. And I specifically am asking this in the
8 context of this investigation that we're doing on the
9 distributional effects of trade. Wondering about some of
10 these demographic indicators, for example, for race and
11 ethnicity or, like, race and gender. If we wanted to look
12 at, for example, job-to-job transitions for black women in a
13 certain state, is that something that could be captured in
14 the public dataset? Would it stop there? Do we then have
15 industry too? Like, can you give us an idea of what we can
16 get at?

17 MR. BAILEY: Yes, and I'd actually like to address
18 this also by way of sharing the screen here. So what I'm
19 sharing with you now, this is our LED extraction tool. This
20 is an application that specifically looks at the Quarterly
21 Workforce Indicators. But I'm specifically looking here at
22 the worker characteristics, and you will notice that you --

23 DR. FORTUNE-TAYLOR: Excuse me, Keith, just to
24 interrupt you a second. I can't see you sharing something.

25 MR. BAILEY: Oh, that's right. I forgot to press

1 the button that says share, my apologies. Okay, let me
2 start. Let me go back there. Are we good now? Yes, I
3 forgot the two-step process for Webex. So, here, I'm looking
4 at the LED extraction tool, which specifically looks at
5 Quarterly Workforce Indicators, I jumped to worker
6 characteristics, you will see that you can select
7 male/female, we also have an age distribution, you can also
8 look at sex by education. And then, in race and ethnicity,
9 we have the standard OMB categorizations of race and
10 ethnicity, we're looking at the firm characteristics, that
11 is, the employer characteristics. You can see you can get at
12 the sector level, three-digit sectors, four-digit industries,
13 you can also look at firm age and size, or you can look at
14 private ownership versus public and private ownership total.
15 So that's the Quarterly Workforce Indicators.

16 If I go back here and as I try and navigate this
17 environment, the job flows data, again, is a slightly
18 different data set. The job-to-job flows are through the J2J
19 explorer, the application listed here, and you will see that
20 this opens up to a guided entry of analysis. And I'm just
21 going to click on one of the examples to kind of just show
22 information. So down here we have worker characteristics.
23 So, again, you can look at the sex of individuals, you can
24 look at age, race. So the publicly available data does
25 provide a lot of this data to address those questions.

1 The one area to piggyback on Fariha, her comments,
2 is there are some opportunities for the matrix of
3 information, but when we look at these data, again, we're
4 trying to provide the most information at the finest level of
5 detail. And if you consider if you're looking at a very
6 distinct industry, at a very small geography, and you're
7 looking at characteristics of an employee, your slice and
8 dice gets very thin. So, generally speaking, that
9 information would not be available, again, because of privacy
10 and confidentiality. Does that help?

11 DR. FORTUNE-TAYLOR: That's super helpful, thank
12 you so much.

13 I want to transition a little bit, Fariha, to talk
14 a little bit about since you are so conversant in the BDS
15 data, what we can think about in terms of some distributional
16 effects things? So some recent work that we've been doing at
17 USITC looking at women and minority-owned businesses shows
18 that these businesses often struggle to weather shocks due to
19 limited access to capital. And even though the BDS goods
20 traders doesn't have access -- doesn't have demographic
21 markers, is there anything that we can say using these
22 statistics about distributional effects, whether it might be
23 related to like rural counties in counties or regions where
24 it might have been disproportionately affected by trade? Is
25 there anything that we can say based on your knowledge of the

1 statistics?

2 DR. KAMAL: That's a great question. So one thing
3 to iterate is that these statistics, we're looking at this
4 business dynamics or essentially employment changes by these
5 different trading types. So we cannot look at distributional
6 consequences of workers. There's no workers here, right?
7 We're tracking jobs. So that is definitely something we are
8 not able to do with the BDS goods traders. But, on that
9 note, I'm just going to make a quick plug for a data product
10 where you are able to do that. And Aneta Erdie might be
11 talking, she is going to be talking about the Annual Business
12 Survey, and they published in 2019 demographic
13 characteristics of people who essentially export. So there
14 are additional sources, although those are cross-sectional
15 data, they're not looking at business dynamics, where you
16 could potentially look at the differences in worker
17 characteristics in association with trade.

18 But what the comment I'll make here is that even
19 though we cannot look at worker distributional impacts, what
20 is the most readily -- what can be done most readily is
21 compare the performance of firms that trade and do not trade
22 and within trade, the interactions between importing,
23 exporting, and those that do both, which has been highlighted
24 before. And one thing, obviously, I didn't really get a
25 chance to show you in the interest of time is that we find

1 that traders, particularly folks that export and import, are
2 better able to weather shocks, so you got a flavor of that.
3 And non-traders essentially perform or have a harder time
4 recovering from these crisis periods.

5 DR. FORTUNE-TAYLOR: Great. And I want to continue
6 just with you a second, Fariha, to ask you a little bit more
7 about small businesses. On one of your slides, you showed
8 how small and medium-sized businesses are the
9 disproportionate employers of a lot of workers. But I'm
10 wondering about whether job creation and destruction varies
11 by business size, if jobs to small businesses are more at
12 risk for creation or destruction, if there's anything you can
13 say about that?

14 DR. KAMAL: Mm-hmm. Sure. So there was one slide
15 that I didn't get a chance to share, but one thing I just
16 want to say up front, and we saw that, was that most firms in
17 the economy are small firms, right? There about 5, 6 million
18 firms in the U.S. Over 95 percent, and maybe I'm even
19 low-balling it, are small-sized firms, so these would be like
20 employing between the 1 to 19 workers. So, while it is true
21 that most firms are small firms, most employment tends to be
22 concentrated at large firms. So this is something that's
23 been established not just the BDS for goods traders, but the
24 Business Dynamics Statistics program, which shows the
25 statistics for all firms in the economy and has been around

1 for over two, three decades. So that concentration we see
2 here because we see that traders tend to be the largest ones
3 in the economy. Most employment tends to be at these trading
4 firms. Well, I shouldn't say most. Half of employment are
5 housed at these trading firms.

6 Having said that, thinking about job destruction
7 and creation by firm size, again, this has been looked at
8 using just the Business Dynamic Statistics where small firms
9 tend to create a lot of jobs but also destroy a lot of jobs.

10 But let me focus on the goods traders given that
11 that's the new set of statistics and given we find that goods
12 traders tend to be large, you can sort of think of these
13 large/small as goods traders tending to be large and
14 non-traders tending to be small, where we find that goods
15 traders, especially importer-only firms, tend to create a lot
16 of jobs, and they also destroy very little jobs. On the
17 other hand, smaller firms, particularly non-traders, do both.
18 So, on net, they do not create as many jobs as goods traders.

19 So there's a lot of interesting dynamics that you
20 can look at the data through these tables. But the bigger
21 takeaway is that goods traders tend to be long-lived and
22 survive for a long time. So, in terms of firm deaths, for
23 instance, they tend not to shut down relative to non-traders,
24 and then within the establishments of these firms, there's a
25 lot of both going on, but traders tend to destroy less jobs

1 than non-traders.

2 DR. FORTUNE-TAYLOR: Thank you. And, Keith, in the
3 last minute or so that we have, I want to ask you about your
4 exciting restricted data, and I appreciate that information
5 that you gave us kind of helping us to understand more about
6 how we know that there's 50 states and their territories, but
7 the average researchers want to get all 50 and just be able
8 to walk out the door with a passel of states. What I did
9 want to know is a little bit more about what's included in
10 terms of variables. So something that we heard from one of
11 our roundtables is about the need for data for LGBTQIA+
12 persons. And just, as you mentioned, you talked about
13 occupational things, more maybe employer variables. What
14 type of information can you give us about the type of
15 demographic indicators that we might be able to get in that
16 restricted dataset?

17 MR. BAILEY: Yeah, so, essentially, the simple
18 answer is the demographic data that's available in the public
19 set is what is available in the micro dataset; it's just at
20 an individual level. Much of the information we get from the
21 businesses and from the state partners does not contain the
22 demographic data. That's where we rely on a lot of
23 additional administrative datasets, including but certainly
24 not limited to the Decennial Census, the American Community
25 Survey, and other sources of information about demographics

1 of individuals.

2 So, generally speaking, if there's a resource
3 available that contains that information that we can link to,
4 we certainly want to explore that opportunity. But,
5 generally speaking, the demographics that are listed in the
6 public data are what's available in the microdata for
7 research purposes. I will say also that as many individuals
8 know who asked us through the FSRDCs, you are permitted to
9 link and bring in your own datasets into that environment.
10 So, if you have a particular area of focus and you happen to
11 have an source of information that has identifiable
12 information, there is the possibility of linking that to the
13 LEHD infrastructure data through Census's process to identify
14 individuals.

15 DR. FORTUNE-TAYLOR: Well, Keith, you just left us
16 like -- you left me wanting more. So thank you so much for
17 that information that you provided on the last slide so that
18 we can reach out. Thank you so much to both you and Fariha
19 for your presentations. We're certainly appreciative. We're
20 going to transition now into Group 2, which includes
21 individual and household microdata providers. We will start
22 with Patrick Carey from BLS will be presenting about the
23 Current Population Survey. We also have on this panel Adam
24 Safir, Adam Smith, and we'll hear from the Adams, Daniel
25 Carroll and Robert Hoekstra. So we'll start off with you,

1 Patrick Carey, when you're ready.

2 MR. CAREY: Okay. Can you see my -- can you hear
3 me first of all?

4 MR. SECRETARY: We can hear you, but we're not
5 seeing the screen yet. There we go.

6 MR. CAREY: Okay.

7 MR. SECRETARY: Can you make it full screen?

8 MR. CAREY: Yeah, that's what I'm -- there we go.

9 MR. SECRETARY: Thank you.

10 MR. CAREY: Okay, so hello, and I'm happy here to
11 join you and this conversation to speak about the Current
12 Population Survey. Hopefully, data from the CPS is useful to
13 this group and your research. I'll start by talking about
14 the basic CPS, which is a monthly household survey of about
15 60,000 households. Each household in the sample is
16 interviewed for four months, out of the sample for eight
17 months, and then back in the sample for four months. So this
18 is represented here with that 4/8/4 sample scheme. The
19 sample scheme allows for a high degree of continuity from
20 month to month and year to year, and I mention this because
21 it allows for some longitudinal analysis, which I know is of
22 interest to this group.

23 I also want to mention that the CPS allows for
24 proxy respondents, so a person in the household could be
25 answering for other members. In 2015 to 2017, we determined

1 that self-reports and proxies, the split was really about 50/
2 50. As you're probably aware, CPS contains a wealth of labor
3 force information, as well as information for those not in
4 the labor force. Data on household members is included. I
5 want to mention that CPS is sponsored jointly by the Census
6 Bureau and the BLS. Census Bureau really takes the lead with
7 the microdata. So you'll see later on in my contact
8 information many of the links direct you to the Census
9 Bureau.

10 Census does collect monthly occupational and
11 industry information as part of its labor force information
12 for multiple jobholders. In terms of occupations, the
13 occupation and industry data will reflect their main job.
14 That's the job with the most hours. Note that CPS does
15 capture occupation and industry information for second jobs
16 in the outgoing rotation group. So those are those month end
17 samples for when they leave. And then they come back in and
18 then month end sample eight. Those are the outgoing rotation
19 groups. Also, for people unemployed, the survey collects
20 data on industry and occupation information for people that
21 completed their last job.

22 Always a good reminder, I think this was just a
23 couple sessions ago, as I caught the very end, that industry
24 and occupation data are subject to change with their SOC, the
25 Standard Occupational Classification and the NAICS codes.

1 I've included a link here with information on these changes
2 in the CPS in case that's helpful. Earnings data is also
3 collected in the basic CPS. It's collected for one fourth
4 the sample for the outgoing rotation units.

5 And there is some family income information, I know
6 that was of interest to this group, in the CPS, but that data
7 should be used with caution. I'm told that it didn't test
8 very well. A better source maybe when looking at CPS data is
9 to go to the ASEC supplement, which is the Annual Social and
10 Economic supplement to the CPS. I'll talk about that in a
11 minute or two.

12 There is some substate information that is
13 available through the public use files. There are data
14 suppressions. I believe the suppression level is at about
15 100,000 in terms of population, census 2010 population.
16 Recently, you may be aware that Census announced some changes
17 due to confidentiality reasons that they were going to
18 implement maybe a higher threshold for the geographies. I
19 think they were going to -- they've been discussing moving
20 the threshold from 100,000 to 250,000. But right now they
21 are reviewing these decisions and listening to data users, so
22 we'll have to stay tuned to see what comes back.

23 Data variables that I think this group is
24 interested in includes race, ethnicity, and disability,
25 they're all included in the Current Population Survey. I've

1 also included a number of other variables here that weren't
2 specifically called out in the communication that I received
3 but may be of interest to this group. Two elements that I
4 believe that this group is interested in were religion and
5 SOGI, and at this time, that information is not collected in
6 the Current Population Survey.

7 So why the CPS? Well, CPS is timely. Estimates
8 are issued about three weeks after the reference period.
9 It's very comprehensive. It has a rich source of demographic
10 and other characteristics. I probably don't need to tell you
11 this, but CPS is the source for the nation's unemployment
12 rate. I mentioned earlier that with the 4/8/4 sample scheme
13 there is some longitudinal capabilities. You can see people
14 who have moved in and out of the different categories of
15 employment, unemployment and not in the laborforce, otherwise
16 known as flows, the flows data. I also want to mention too
17 that CPS has been around for decades, so there's a lot of
18 opportunities to do some historical comparisons when looking
19 at different elements.

20 I did mention the CPS supplements. There are a
21 number of them. I've included just a handful here. So we
22 have the ASEC I mentioned before, Annual Social and Economic
23 supplement, that contains a lot of good information on income
24 and earnings. I think poverty measures are derived from the
25 data from the ASEC. Contingent workers, a contingent worker

1 supplement, that is a hot topic these days. We are looking
2 to field another version of the contingent worker survey in
3 the next couple years.

4 Disability, there's a separate disability
5 supplement, a displaced worker, veterans supplement. The
6 veterans supplement gets at things like service-connected
7 disability and its effect on the labor force.

8 And I should say to that, with the public use data
9 files, that there are opportunities to link between the basic
10 CPS and the supplements, as well as the American Time Use
11 Survey, which is another program that's derived from the CPS.

12 So where can I find CPS public datasets? I've
13 included a bunch of links here. There's a homepage. Again,
14 these are all residing at the Census Bureau. You have one
15 for the basic CPS, I call out one for the ASEC, and then
16 there are a number of public data sets for the CPS
17 supplements here.

18 I did want to say that I believe there is
19 information, NBER has information on CPS, microdata files, as
20 well as the IPUMS site. People may be familiar with that.
21 That's run out of the University of Minnesota, so there may
22 be some good information there that researchers can use.

23 These are just if you have questions or inquiries,
24 you can go to the links here, and I also want to point out
25 there's some microdata information, here are some links.

1 It's important to look at that footnote link when looking at
2 data because sometimes there are corrections that are made to
3 the datasets, and people should be aware of those changes.

4 Some other technical information that researchers
5 may find useful, Tech Paper 77, that's really our most
6 comprehensive document in terms of talking about the Current
7 Population Survey and its supplements. BLS also has some
8 good information up there, especially weighted to occupation
9 and industry information.

10 And tied to research applications, I mean, it's
11 hard to list all of the applications that are used for CPS,
12 so I've listed a number here that maybe people may be
13 interested in.

14 Okay. That was it.

15 DR. FORTUNE-TAYLOR: Thank you. Thank you so much,
16 Patrick, for your presentation. We'll now move on to Adam
17 Safir to talk to us about the Consumer Expenditure Survey.

18 MR. SAFIR: Great. Thank you. I'm going to go
19 ahead and try to share my PowerPoint, and then I will make it
20 full screen. Was I successful? Is it full screen?

21 MR. SECRETARY: Not yet.

22 MR. SAFIR: Hmm. Now my Webex tool, I seem to have
23 lost functionality.

24 MR. SECRETARY: Are you still in your program?

25 MR. SAFIR: I have a message that says that I am

1 sharing the content.

2 MR. SECRETARY: But are you seeing your program?

3 MR. SAFIR: Oh, now I see it.

4 MR. SECRETARY: Okay.

5 MR. SAFIR: Do you see it okay now?

6 MR. SECRETARY: Yes, but we're still -- we're
7 seeing a preview slide of the next slide as well. Can you go
8 up to that display settings?

9 MR. SAFIR: Sure.

10 MR. SECRETARY: And then click that and do
11 duplicate slide show.

12 MR. SAFIR: Okay. How about now?

13 MR. SECRETARY: Yep, perfect. Thank you.

14 MR. SAFIR: Okay. Great. Well, with that, we'll
15 pick up. Welcome. I'm Adam Safir, Program Manager for the
16 Consumer Expenditure Surveys Program. Today I'll provide a
17 high-level overview of CE, our major data products, and how
18 you can find and use some of our data.

19 So the mission of the Consumer Expenditure Program
20 is to collect, process, and disseminate information that
21 presents a statistical picture of consumer spending for the
22 Consumer Price Index, government agencies, and private data
23 users. This mission encompasses analyzing CE data to produce
24 socioeconomic studies of consumer spending and providing data
25 users with assistance, education, and tools for working with

1 the data.

2 So, in other words, our mission is not just to
3 collect, process, and provide data about spending to users,
4 it also includes assisting users to support good use of the
5 data. And why is that important?

6 Well, to take one example, consumer expenditures
7 make up almost 70 percent of GDP, so a huge share. And while
8 BEA calculates the consumption component of GDP using sources
9 other than CE, the strength of our surveys are that the CE
10 data is one of the only comprehensive data sources to provide
11 a complete picture of spending at the household level for
12 very detailed categories of spending along with the
13 socio-demographic characteristics of consumers.

14 So, when we see large economic shocks like the
15 Great Recession of 2008 with the collapse of the housing
16 market or the COVID-19 recession, it's CE data that are
17 relied upon to better understand from a spending standpoint
18 who is impacted, the severity of the impact on different
19 demographic groups of, for example, the elderly, families
20 with young children, the low income, and the effectiveness of
21 policies enacted to address economic suffering, so, for
22 example, most recently the stimulus checks and child tax
23 credits.

24 I should mention that CE data are collected by the
25 Census Bureau sponsored by BLS. The survey is sponsored by

1 BLS but collected by the Census Bureau across two different
2 surveys throughout the year. So the surveys are administered
3 to different samples, each designed to collect data on
4 household spending but at different levels.

5 The interview survey collects income and
6 expenditure data over the course of four quarterly interviews
7 spread out over a one-year period, and respondents are asked
8 to report large purchases that are reasonable to recall over
9 a three-month period.

10 In the diary survey, we ask respondents to maintain
11 a record of all expenditures over the course of a two-week
12 period, and the diary survey is designed to focus on
13 gathering an accurate depiction of household spending on
14 smaller, more frequently purchased items.

15 And so those two surveys together allow us to
16 estimate annual expenditures for the nation as a whole, and
17 we provide those estimates in several different data
18 products.

19 So, from an economic analysis standpoint, we
20 provide publications that provide information related to
21 trends and methods, and these publications include -- they'd
22 be on the number series, the monthly Labor Review Journal,
23 Spotlight on Statistic Series, and The Economics Daily.

24 We also have data tables that are released once per
25 year and contain expenditure and income data presented in

1 several different ways. Along with these estimates, we also
2 provide public use microdata files that have record level
3 information for individual respondents and households without
4 any information that could identify respondents, of course.

5 The centerpiece, if you will, is our news release,
6 so the news release is published in September alongside the
7 annual data release and contains notable changes in consumer
8 expenditures for selected demographic groups and for income
9 quintiles. It contains charts and tables that focus on
10 spending differences between the current and the prior year .
11 So an example headline, for example, is that average
12 expenditures per consumer unit for 2020 were \$61,000, a 2.7
13 percent decrease from 2019 levels.

14 As for the other items that were listed under the
15 economic analysis subheading on the earlier slide, they all
16 involve analysis of CE data at varying levels of detail, and
17 these next two slides will give you some idea of the types of
18 analyses that are being conducted in our office.

19 So this graph, for example, shows the annual
20 percent change in expenditures in income before taxes by
21 income quintile between 2019 and 2020. And what you see is
22 that overall spending increased in two of the five quintiles.
23 And what's interesting is that's there no visible
24 correlation, at least not here, between changes in income and
25 changes in expenditures.

1 Moving on to what the CE data can tell us about
2 travel during the pandemic, we published an Economics Daily
3 publication last month, and that article showed that the
4 average household spent about \$2100 on travel in 2019, and in
5 2020, with the pandemic raging in full force, this average
6 dropped to \$926 for the year, a decrease of 56 percent.

7 Now the tables are actually our most used and most
8 requested product that we make available on our website. The
9 tables look at many different subgroups of the population in
10 comparison to the nation as a whole. Listed here and
11 provided are 17 so-called bulletin tables, which provide
12 breaks for income, for geography, for household composition.
13 We use the term CU, which is Consumer Unit. There are also
14 reference person tables that look at age within the
15 household, selected age ranges, ethnicity, occupation, and
16 race. And we also include comparisons of different groups,
17 and we provide annual means averaged over two years of data,
18 categorized by two socioeconomic characteristics.

19 Moving on from the tables to the microdata, twice a
20 year BLS releases CE microdata for the previous data
21 collection period to the public, generally in April and in
22 September. The September release aligns with our annual
23 table production. Data are available going back to 1980, and
24 each release contains roughly 60 different files, each
25 catering to different types of analysis. So everything from

1 high-level total expenditures to analyzing trade-in allowance
2 and down payments on new cars. The sky is truly the limit
3 with what data users can pursue, and you'll get a little of
4 what those interests are here shortly. The files are
5 available in SAS data, SPSS, and CSB formats.

6 Prior to 2016, users were interested in building
7 weighted estimates that were -- users who were interested in
8 building weighted estimates were limited to building them at
9 the national level or for a number of metropolitan
10 statistical areas.

11 A few years ago, a team was formed to produce
12 experimental state weights, which allow users to develop
13 weighted means for specific states. And so what we have
14 available right now are state-level weights, experimental
15 state-level weights for California, Florida, New Jersey, New
16 York, and Texas, and we're looking at additional states to
17 determine feasibility of producing those experimental
18 weights.

19 And just by way of background, the Consumer
20 Expenditure Survey is a nationally representative survey, and
21 so there's some statistical adjustment that's needed in order
22 to provide valid state-level estimates for households in the
23 survey.

24 To give you an idea of the many different ways that
25 users have made use of the CE data in recent history, here,

1 I've just looked at a handful of research topics that were
2 discussed at last summer's public use microdata users
3 workshop, and that is what is the spending patterns of the
4 American --

5 (Technical interference.)

6 MR. SECRETARY: We're not able to hear you, Adam.
7 Can you hear me?

8 (No response.)

9 MR. SECRETARY: Adam, I'm going to go ahead and
10 turn off your video for now. Can you hear me? Adam, can you
11 hear me?

12 DR. FORTUNE-TAYLOR: Mr. Secretary, while Adam
13 is --

14 MR. SAFIR: Oh, no, I think I'm back.

15 DR. FORTUNE-TAYLOR: Yeah, there you are.

16 MR. SECRETARY: Okay. There you are.

17 MR. SAFIR: Yes, yes. I received a call and tried
18 to end the call, and it dropped both calls. I still have a
19 minute left.

20 DR. FORTUNE-TAYLOR: You still have your time.
21 Please go ahead. You left us at a precipice where it got
22 hard to hear. Please go ahead.

23 MR. SAFIR: Okay. Now I'm going through the
24 process of sharing the application again. Duplicate slide
25 show. Do you see my screen?

1 MR. SECRETARY: We sure do.

2 MR. SAFIR: Okay. Fantastic. So, here, I was just
3 sharing what were some of the topics that were most recently
4 discussed at the latest public use microdata users
5 conference, and as you can see, it's quite a diverse set of
6 areas of inquiry, and it's made possible by the fact that the
7 complete range of expenditures is captured within the CE
8 survey, which enables that sort of breadth.

9 Now, finally, I just wanted to provide some summary
10 information about the CE surveys that was requested by the
11 session organizers. I wanted to reiterate that from a
12 coverage standpoint the CE reflects estimates for the
13 civilian non-institutional population.

14 It is an annual survey, so we release annual
15 estimates, but within the microdata you can look at quarterly
16 estimates as well as monthly spending for the respondents.

17 Is that the bell for my time?

18 DR. FORTUNE-TAYLOR: Please go ahead and finish,
19 Adam. Go ahead.

20 MR. SAFIR: Okay. Thanks, yeah. And there is a
21 longitudinal component to the survey, so we follow interview
22 survey respondents over a four-quarterly period; however, our
23 sample unit is actually the sample addressed, not the
24 respondents themselves.

25 So, if, for example, a sampled unit participates

1 for two quarters and then the respondents at that address
2 move to another location, if someone else moves into that
3 household, we will interview those new residents for the next
4 two quarters. And so that's something to consider if you're
5 looking at the CE survey for a longitudinal component.

6 Lastly, we do collect information on race,
7 ethnicity, and race status. We don't ask any questions about
8 religion, sexual orientation, or gender identity. The only
9 disability item that we have is related to someone who
10 reports that they are not working, and we ask why.
11 Disability is one of the options for reporting why they're
12 not working.

13 We also don't ask about the poverty level of the
14 surrounding community, but we do provide a variable with
15 respect to the poverty threshold of where the sampled
16 household is according to the poverty threshold for that
17 particular unit.

18 I've listed here some URLs for gaining access to
19 restricted use microdata. The process for gaining access to
20 restricted use microdata is not easy, but it's not that
21 difficult either, and so, if folks are interested in looking
22 at the unblurred, untop-coded data with full geographic
23 information, they would want to go with the restricted use
24 microdata route.

25 And then, finally, as I've mentioned a few times,

1 from a value-added standpoint, I would just reiterate that
2 the Consumer Expenditure Surveys provide information on the
3 complete range of consumer expenditures, as well as their
4 incomes and demographic characteristics, and it's fairly rare
5 to find a data set that contains all those elements. There
6 are a lot of the aggregated data sources for spending
7 information but very few that relate that spending
8 information to the demographic characteristics of individual
9 households.

10 And so, with that, I'll just say thank you and wish
11 everyone a great rest of this symposium.

12 DR. FORTUNE-TAYLOR: Thank you so much, Adam. And
13 now we have Adam Smith, who is going to talk to us about the
14 Survey of Income Program Participation.

15 MR. SMITH: Hello. I'm getting my slides up.

16 MR. SECRETARY: We see them, Adam. Thanks.

17 MR. SMITH: Thank you. So good morning, everyone.
18 My name is Adam Smith with the U.S. Census Bureau, and I'm
19 going to give a brief overview of the Survey of Income and
20 Program Participation, also known as SIPP.

21 So SIPP is a nationally representative longitudinal
22 survey that provides comprehensive data about the income and
23 government program participation of individuals and
24 households in the U.S. Chiefly, it allows us to evaluate
25 things like annual and sub-annual income and earnings

1 dynamics, movements into and out of government transfer
2 programs, the family and social contexts of individuals and
3 households, and the interactions among these and other
4 dynamics.

5 SIPP data can help us answer questions such as how
6 do changes in program eligibility rules or benefit levels
7 affect recipients, how do changes in eligibility rules affect
8 a program's target population, how does income from household
9 members affect labor force participation and their reasons
10 for working or not working, and something like how do wealth
11 and income patterns differ for various age, sex, and racial
12 groups.

13 And because SIPP is a longitudinal survey, it can
14 also be used to address questions like what factors affect
15 household and family structure and living arrangements, how
16 do changes in household structure affect the distribution of
17 income, what effects do changes in household composition have
18 on program eligibility, and something like what are the
19 primary determinants of turnover in programs like SNAP, the
20 Supplemental Nutritional Assistance Program.

21 The survey can be used to answer, you know, many
22 more questions, but these are kind of the foundational topics
23 that the survey was created for.

24 So SIPP samples the civilian non-institutionalized
25 population of the United States, like many other surveys

1 we've seen. In 2020, SIPP sampled over 50,000 living
2 quarters from across the nation, and the survey usually
3 oversamples low-income households in order to increase
4 coverage of program participants.

5 And just a quick look at the wide range of content
6 in the survey. I put this whole list here as a reference and
7 just to kind of show the breadth of the data that we collect.
8 This includes numerous forms of income and program
9 participation, as you would expect, as well as details for
10 employment, wealth and assets, health and well-being, and a
11 variety of demographic characteristics.

12 One of SIPP's strengths is that interviewers fill
13 out a month-to-month event history calendar with respondents.
14 So you can use SIPP data to study precise transitions into
15 and out of many of these topics during the year. The survey
16 also collects data for up to seven different jobs during the
17 year.

18 Just a bit about the data files themselves, SIPP
19 data are microdata in person/month format, meaning each
20 record refers to a single month for a single person.

21 The data are available on our public website at
22 [Census.gov/SIPP](https://www.census.gov/SIPP). They are published annually and are named
23 according to their interview cycle year. So, for example,
24 the 2020 SIPP file refers to data collected during the 2020
25 interview cycle, and note that most questions in the survey

1 refer to the previous calendar year, so most data in a file
2 refers to a person's situation during the calendar year that
3 precedes the interview.

4 So that's a bit about SIPP. If you have any
5 questions in the future, please feel free to reach out to us
6 in the SIPP Coordination and Outreach staff at
7 Census.SIPP@census.gov.

8 DR. FORTUNE-TAYLOR: Thank you so much, Adam.
9 Everybody on the team is very excited by your name, and so we
10 are very appreciative of the presentation. Thank you.

11 Now we're going to transition to Daniel Carroll
12 from Labor, who's going to be talking to us about the
13 National Agricultural Workers Survey.

14 (Pause.)

15 DR. FORTUNE-TAYLOR: I think you still are muted,
16 Daniel. Daniel, I can't see your -- I saw your slides, but I
17 can't see your slides right now, and I don't hear you
18 talking, but I do see your cursor moving around on the
19 screen.

20 (Pause.)

21 MR. SECRETARY: Daniel, if you can hear us, go
22 ahead and just leave and come back in. We'll go to our next
23 participant and come back to you if that's okay. Oh, there,
24 we just saw something for a second.

25 DR. FORTUNE-TAYLOR: Okay. If Daniel --

1 MR. SECRETARY: Okay, yeah. He just left.

2 DR. FORTUNE-TAYLOR: He left? Okay. So, Robert,
3 you're up. We're going to go ahead with Robert Hoekstra from
4 Trade Adjustment Assistance Data. We'll get Daniel when he
5 comes back in.

6 MR. SECRETARY: Super.

7 DR. FORTUNE-TAYLOR: Thanks so much.

8 MR. HOEKSTRA: Hi, everyone. Hopefully, you can
9 see my screen fine.

10 MR. SECRETARY: We can. Thank you.

11 MR. HOEKSTRA: All right. So I'm Robert Hoekstra.
12 I'm with the Office of Trade Adjustment Assistance, that's
13 part of the U.S. Department of Labor. We are not a
14 statistical group because we are actually within the Agency
15 for Employment and Training Administration.

16 I'm going to talk about a couple different
17 datasets, one of which does speak to individual level data,
18 but it is specific to administrative data collected as part
19 of serving participants through a Department of Labor
20 training program.

21 So our program provides a number of services,
22 including comprehensive employment and case management
23 services, training, income support, job search and relocation
24 allowances, as well as wage supplements. But, as part of
25 that, we need to assess whether individuals were affected by

1 foreign trade, and in doing so, we develop a fair amount of
2 administrative data.

3 So, just so you can understand the flow within the
4 program, we get petitions filed. Those can be filed by
5 groups of workers, states, local American job centers,
6 company officials, unions, and also things like law firms,
7 and they file a petition with us, and we evaluate based on
8 statutory criteria whether that group has been affected by
9 trade.

10 So a group, so that you can understand what that
11 means, it is within one firm. It may be the entire firm at a
12 particular location, it may be, say, just the accounting
13 department in a particular firm or something like that. So
14 it depends on exactly what they file for the scope of what we
15 look at.

16 We then render a determination on whether or not
17 they were affected by trade according to the statute, and
18 then we provide that information to state agencies so that
19 they can collect worker lists and provide benefits, and we
20 get some data on who they serve.

21 The first dataset I do want to talk through is our
22 petition and determination data set. This is publicly
23 available on the website. It goes all the way back to 1974,
24 which is actually the second iteration of the Trade Act, and
25 it goes through the present. The older data is relatively

1 sparse, so you do get firm name and usually an address and
2 whether it was certified or not, but the more recent data,
3 particularly in the last decade, is very comprehensive.

4 Now, that being said, I do want to remind you that
5 this is administrative data, so this is not a survey or a
6 collection on all workers who are affected by trade. This
7 relies on petitions being filed and is a product of those
8 petitions being filed.

9 As such, whether or not we can certify and
10 determine a group as eligible or affected by trade depends on
11 how much states are identifying those firms and filing
12 petitions. Large firms are easier to identify, and the scope
13 of what is considered foreign trade has changed a couple of
14 times throughout the years, and so what we can certify or
15 consider a foreign trade effect has changed over time.

16 In that dataset, you do get what our determination
17 was, dates related to when we issued that, the earliest and
18 latest layoffs that are covered, the addresses, including
19 counties, Congressional districts, longitude, latitude,
20 industry codes, the number of workers, and data on which
21 countries some of those shifts went to.

22 So it's a fairly useful dataset. This is our most
23 requested dataset. It has a lot of value because most
24 researchers rely on this as the best approximation of what
25 groups are being affected by trade, which is obviously

1 something that is difficult to identify. We do release it
2 monthly on a one month delay. So for example we just
3 released data through the end of March and it's downloadable
4 on our website. There's also a little dashboard if you want
5 to play with our statistics over time.

6 The second data set we get is participant data. So
7 this is data that gets submitted to us by states. They
8 submit data to us on a quarterly basis for all those who
9 received benefits.

10 What that means is the group was certified for
11 trade. The state workforce agencies were able to connect
12 with that person who came in for services. And then they
13 actually received funded services from our program. And
14 that's how they end up in that dataset.

15 We collect that mostly for determining what
16 services are provided and what their employment outcomes are.
17 So whether they're employed in a certain amount of time and
18 what their wages are and those kinds of things.

19 We release a couple of different aspects of that.
20 We unfortunately do not give access to individual records
21 because of privacy reasons. And our N is usually quite small
22 so it actually makes it very difficult. we don't have a
23 restricted data access program, although that is something
24 we're trying to figure out how to change.

25 We release annual data that is state-level

1 aggregates based on our fiscal year which runs October to
2 September. And it's usually timed with our annual report to
3 Congress. There's a dashboard and downloadable data there.

4 We also provide state-level aggregate statistics in
5 quarterly files. Those are all posted publicly. And that is
6 usually about 60 days after the end of the quarter. So for
7 example, the 3/31 quarter just closed. It will be basically
8 60 days from now that that will go up.

9 We do give some demographics in that, so we get
10 age, sex, gender. We get where they reside. We also get
11 disability status and we also get educational achievement.
12 However, we only release that in national level aggregates
13 annually because those counts get very small very quickly, so
14 just bear that in mind.

15 The third dataset that we do send out there is our
16 funding. This is how much funds we provide to individual
17 states. We do that, we provide money annually to states.
18 That is in three different groupings. One is what we use to
19 provide training, case management and those kinds of
20 services, and then our income support and our wage supplement
21 gets after the funding stream, so the total amount we give
22 out to states is provided in that as well. We only release
23 that annually and once again, there's a little dashboard that
24 you can play with that data on our website.

25 That's all I have. If you have any questions on

1 this you can email me directly or our general petition box.
2 All the data that we do release publicly is posted on our
3 website. If you submit a FOIA request it will add two weeks
4 of bureaucracy and the question will still come to me, so
5 feel free to email me. That's fine.

6 That's all I have.

7 DR. FORTUNE-TAYLOR: Thank you. I can attest to
8 the fact that Robert will reply to your email. He will get
9 back in touch with you and he's very helpful. Thank you so
10 much.

11 Daniel is back. So Daniel, if you are available to
12 talk to us about the National Agricultural Workers Survey
13 we'd love to hear from you.

14 MR. CARROLL: Thank you, Stephanie. I'm sorry for
15 the technical difficulties. Hopefully this will work this
16 time.

17 I'm happy to be with you here today to talk about
18 the Department of Labor's National Agricultural Worker
19 Survey. This is a specialized survey of hired crop workers.
20 Today I'm going to talk a little bit about the background of
21 the survey, what it contains, how to access the public and
22 restricted data files, research applications or how the data
23 are used. And if I can get to it, some sample findings.

24 This is a survey of hired crop workers including
25 those who are brought to farms by labor intermediaries. It

1 started in fiscal year 1989 in response to the Immigration
2 Reform and Control Act of 1986.

3 It's unique because we interview respondents at
4 their jobs, so it's an establishment-based survey. And the
5 crop workers are interviewed in person.

6 Every year we speak with between 1500 and 3600 crop
7 workers, depending on our budget, and as of the end of fiscal
8 year 2018 we have interviewed almost 70,000 crop workers.

9 It's a pretty rich data source. The survey
10 collects demographic employment and health information in the
11 public data file that are almost 400 variables and in the
12 restricted data file almost 2000.

13 So we're interviewing crop workers that employers
14 who are in NAICS 111 which is crop production or 1151,
15 support services for crop production.

16 It's considered a primary source of crop worker
17 demographic and employment data. The data are available
18 nationally and regionally and for California and Florida.

19 The survey does not include farm workers employed
20 in animal agriculture and it also does not include H-2A
21 workers although we're exploring the feasibility of including
22 H-2A workers.

23 This is a map of the sampling regions. There are
24 12. And we go or we dispatch interviewers to each of these
25 regions three times per year. So there are three data

1 collection cycles and 12 regions. So we have 36 strata. A
2 data cycle and a region constitute a stratum.

3 This is the map of our public use breakdown. Here
4 the 12 sampling regions are collapsed into six regions. And
5 here now California is the only single state region.

6 I'll talk a little bit now about the survey
7 content. Demographically we get information on age, marital
8 status, race, ethnicity, education, place of birth, all the
9 way down to the village where people were born. Language
10 ability, whether or not they speak an indigenous language,
11 for example. We also collect information on housing type
12 including a location and arrangement.

13 We get a lot of information on the characteristics
14 of the current farm job including average hourly earnings.
15 We also get a 12 month retrospective look at all jobs that
16 respondents have had whether it is in farm or non-farm
17 employment. We collect information on income, assets, and
18 use of assistance programs. We have a lot of data on health.
19 So we have information on lifetime health history, access to
20 health care and health insurance coverage.

21 Over the years we've collected lots of interesting
22 information. A lot of it has focused on health. The domains
23 with an asterisk indicate current supplemental questions, and
24 you can see that the survey has been used to collect a wide
25 array of information.

1 We have a full page of questions dedicated to
2 wages. So crop workers might be paid by the hour, by the
3 piece. They might be paid a combo wage or a salary. And we
4 collect all of that.

5 We also ask three questions on income. Total
6 personal income in the last year. This is U.S. income. How
7 much of that income was from agricultural employment. Then
8 we also have a question on total household income.

9 In the public data file there's a variable called
10 Wage G1 which is a variable that reflects all payment types
11 converted into an hourly wage. So this would be a variable
12 that you would use to look at how much a crop worker is
13 earning on average, or say in a particular crop or task. And
14 again, we have three questions on income.

15 Occupation. Again, we're talking to crop workers.
16 So we're looking at persons employed at agricultural
17 establishments. Within the crop workers you can drill down
18 and look at crop workers by the particular crop they're
19 engaged in at the time of the interview. And the tasks that
20 they're working in. Or you can look at crop and task
21 together, for example food harvesters.

22 In the public data the crop and task variables are
23 collapsed into five and six categories; and in the restricted
24 data file you have access to the non-collapsed crop and task
25 variables.

1 In terms of geography, in the public data file you
2 can look at the region of interview. There are six regions.
3 In the restricted data file there are 12 regions. You can
4 also get the state of interview. However, findings may only
5 be reported for California and Florida. For those states the
6 data user would need to pull several years of data.

7 If justified, we can also include the county of
8 interview in the restricted data file.

9 The NAWS website has the public data file for
10 download in various formats and here you can see the URL
11 that's highlighted.

12 You can download the data in Excel, SAS, or comma-
13 separated-values format. And there's lots of information
14 about how to use the data including analysis tips, point of
15 contact.

16 The questionnaire is not available on the website,
17 but I can send that to you if you send me an email.

18 Also available on the website are research reports,
19 data tables and presentations. The data tables, we currently
20 have tables for seven time periods that are listed here. And
21 for the United States and for each of the six collapsed
22 public access regions we have a table for demographic
23 characteristics and a table for employment characteristics.

24 Oftentimes the public data file are not sufficient.
25 Sometimes researchers need more detailed household or job

1 information. Or they might need a finer geographic breakout.
2 They might need data from questions that are no longer asked.
3 Or they might need the primary sampling unit which is a farm
4 labor area, to calculate the design track, it's standard
5 areas of estimates.

6 If someone needs the restricted data file they
7 would simply send an email to me and introduce the research
8 project and state why the public data file is not sufficient.

9 We also ask that the user or prospective user
10 identify or state when the resulting findings will be
11 disseminated. And a description of the analysis plan so we
12 can help you figure out if the NAWS is a good fit based on
13 what you want to do.

14 If the request is approved, we will ask you to
15 submit a confidentiality procedures affidavit and a computer
16 use form.

17 The data are used for lots of purposes at the
18 federal level. The data are used by each of the Big 4 farm
19 worker programs. I've listed those here. And again, at the
20 federal level here are some of the other uses: scoring
21 proposed immigration legislation; surveillance of
22 occupational injuries; excessive pesticide handling and
23 training. Just to name a few.

24 Survey directions. We have a study underway to see
25 if it makes sense to include H-2A workers. We might want to

1 return to the survey's Immigration Reform and Control Act
2 routes and add questions on labor supply. And I've started
3 collaborating with researchers in Mexico and Canada. There
4 might be an opportunity to make our surveys similar.

5 Thank you.

6 DR. FORTUNE-TAYLOR: Thank you so much, Daniel, for
7 your presentation and your persistence. We much appreciate
8 it.

9 Now I have some questions for the panel. My
10 co-presenter here with me -- okay, we have 20 minutes for
11 questions and we'll be listening for any type of questions
12 from the audience, and I have some questions here to ask the
13 panelists.

14 Let me go ahead and start. Basically what I'm
15 going to do is ask some questions. Most of these are
16 general. I might direct some to specific people, but feel
17 free to just go ahead and use the raise your hand function to
18 jump in here and to give an answer.

19 My first question is about transitions and how your
20 dataset captures transitions. This could be job transitions,
21 for example, employment into and out of employment, into and
22 out of unemployment, or being out of the labor force.
23 Occupation and industry transitions and geographic
24 transitions for example, moving to another state or MSA.

25 What can you all tell me about your dataset and how

1 it captures transitions?

2 MR. CAREY: I can go first here.

3 I think I mentioned that CPS, because of the
4 framework, the 4-8-4 framework, we would certainly have those
5 transitions as long as they were captured within that
6 framework. That would include employment, unemployment and
7 labor force, also the occupation and industry transitions.
8 So we would have that.

9 CPS would not have any geographic transitions.

10 DR. FORTUNE-TAYLOR: Patrick, to follow up on your
11 comment.

12 I noticed on the IPUMS website that there's a
13 longitudinal feature to CPS that's been added back to maybe
14 1970, that I noticed was added around the beginning of the
15 year.

16 Is that something new? Or is it something that's
17 just been recently added? Can you tell us a little bit more
18 about that?

19 MR. CAREY: I'm not familiar with the IPUMS site,
20 so I couldn't answer.

21 It would have to be looking within that 16 month
22 period, right? Between that, those 8 months that people
23 could be in the survey and then, but it's intervened with the
24 8 months that they're not in the survey. But I'm not
25 familiar with the new tool on the IPUMS site. It sounds

1 pretty cool though.

2 DR. FORTUNE-TAYLOR: Extremely exciting.

3 Let me go to Adam Smith. Adam, could you tell us a
4 little bit more about transitions in SIPP?

5 MR. SMITH: Sure. So like I mentioned, SIPP uses
6 an event history calendar to provide person month level data.
7 And so when a field representative is with the respondents,
8 they are kind of going month by month and capturing what's
9 changing during the year for many of the topics.

10 So, for example, for employment, again, we collect
11 data about up to seven jobs. So for each of those jobs if a
12 job change happens during the year, whether it be leaving
13 that job entirely or perhaps a new occupation, we capture
14 that down to the month level and in some instances the week
15 level. And because there's longitudinal for usually about
16 four years, you can kind of follow someone's journey for four
17 years from month to month.

18 That goes for occupation as well.

19 Industry, I think within a job has to stay
20 constant. But yes, if we see occupation changes, those are,
21 those transitions are captured. And in terms of geography,
22 we follow people who move, so you would be able to see moving
23 to a new residence. Our lowest geography in the public file
24 is generally just state. So unless they moved across state
25 lines, you wouldn't exactly kind of know where they

1 transitioned to, but you would know that they moved and then
2 you can see was that related to a job transition or marital
3 history transition or something like that.

4 DR. FORTUNE-TAYLOR: Okay. I want to follow up on
5 what you said, Adam, and then I want to jump back to Patrick
6 in a second.

7 Just to follow up, so say for example if you had a
8 worker who maybe lost one job or had reduced hours at one job
9 and picked up some gig work to supplement. You would be able
10 to capture that type of thing. Is that what I'm hearing from
11 you?

12 MR. SMITH: Yes. So we number the jobs out and
13 kind of lay it out in calendar form. So let's say you have a
14 job from January to March and then you have a reduce in hours
15 and you pick up some gig work, you would see a new job, let's
16 call it job two, that describes the gig work and kind of the
17 income from that.

18 DR. FORTUNE-TAYLOR: Thanks for that.
19 Patrick?

20 MR. CAREY: I just wanted to add, similar to SIPP I
21 think, we also have a survey called the National Longitudinal
22 Surveys, and that would have the geographic transitions. It
23 would also have the job transitions as well.

24 You had information about what you're doing in
25 between jobs. But the limitation there is you're limited to

1 certain age cohorts, so right now we have NLS 79 and NLS 97,
2 and we're looking to build another one right now.

3 DR. FORTUNE-TAYLOR: Thanks for that, Patrick.

4 I want to ask you Adam Safir a little bit about the
5 Consumer Expenditure Survey and a little bit along the lines
6 of historical indicators. By that I mean, I know you said,
7 you mentioned that you're following, you're getting quarterly
8 updates from respondents. Am I remembering that correctly,
9 that people, for people who are doing some of the diary
10 tracking for their expenditures, that you're getting some
11 type of regular updates. Am I remembering that correctly?

12 MR. SAFIR: Yes. The diary, we administer the
13 diary, two one-week diaries to our diary sample. So those
14 folks did not have very much of a longitudinal component at
15 all. Through the interview survey we do bring in each sample
16 address for four quarterly interviews. So respondent might
17 be interviewed in January and then again in April and then
18 again in July, so on and so forth.

19 DR. FORTUNE-TAYLOR: Thank you very much.

20 One more question for you, somewhat related to
21 that. You had a lot of different demographics, that Consumer
22 Expenditures had. Does it have an indicator for industry of
23 occupations? So if a person is a production worker, can I
24 tell if they're a production worker in automotive, like in
25 NAICS 4, automotives, versus something else?

1 MR. SAFIR: No, unfortunately we don't get to that
2 level of detail. We have essentially two questions around
3 employment. One is that the job category which has a very
4 limited high level set of response options, I want to say
5 around 15 total in terms of what their profession is. And
6 then we have a second question that asks about whether or not
7 they're in private industry, if they work for a state, local
8 or the federal government, or whether they're self-employed.
9 That's pretty much it as far as employment goes.

10 DR. FORTUNE-TAYLOR: Thanks.

11 Robert Hoekstra, we have a question for you from
12 one of our panelists, Fariha.

13 Robert, you stated that the definition of foreign
14 trade has changed over time under the TAA programs. Could
15 you discuss the current definition and main changes and
16 comment on whether certain definitions make it harder or
17 easier to demonstrate harm due to foreign trade?

18 MR. HOEKSTRA: I'm not going to go into a ton of
19 detail. The various program definitions are available on the
20 website to explain what's covered and what's not.

21 Broadly, it's a fairly narrow definition under the
22 2002 program that ran until 2009. Starting in 2009 it
23 included some other aggregate import impacts as well as
24 service sector workers. So prior, in the 2002 program it
25 could only cover manufacturing sector or those who were

1 related to the production of a product.

2 There was a slight change in definition between the
3 2009 to 2011 programs that for the most part is just a
4 nuance. There's an almost never used one that involves
5 public sector workers. But for the most part it was similar.

6 We've had program reversions in 2011, 2014, and
7 actually right now that refer our program back to the 2002
8 version temporarily and then when Congress reauthorizes the
9 program, we go back and reinvestigate the ones that were not
10 eligible under the reversion program. For example, if
11 someone filed something for a service sector firm that wasn't
12 eligible during the reversion period, we can then certify
13 them. So it will look in the data, you'll see an indicator
14 of that prior iteration and there will be a very long delay
15 between the petition filing and the deciding they're
16 certified because there was a period where we couldn't make
17 that determination.

18 That's the big difference. Under the 2002 program
19 it's just production sector and it was also limited to, for
20 shifts, it was limited to countries where we had free trade
21 agreements or were beneficiaries of free trade agreements;
22 whereas under the 2009-2011 and 2015 programs, it could be
23 net centric.

24 DR. FORTUNE-TAYLOR: Thanks for your answer.

25 We have a question from Kadee Russ, who was one of

1 our presenters and moderators yesterday. Her question is for
2 Daniel Carroll.

3 Daniel, does NAWS include information on migration
4 status of workers surveyed?

5 MR. CARROLL: It does. I'm not sure if the
6 question is asking about legal status or about movement.
7 From our 12 month look back, we collect information on all
8 the transitions that a crop worker has had. In the data you
9 can identify international migrants, domestic migrants,
10 follow the crowd migrants, and you're also able to identify
11 the work authorization status or the immigration status of
12 respondents.

13 DR. FORTUNE-TAYLOR: Daniel, I want to follow up
14 that question to ask a little bit about some of the details
15 of how the surveys are collected in the field for the
16 workers.

17 Do you all work with the employers to make sure
18 that the workers have time to answer the questions? I'm
19 wondering about how it actually happens in the field so that
20 the workers, of course, aren't losing income for stopping to
21 do the survey.

22 Can you give us a little bit of detail on that just
23 real quick?

24 MR. CARROLL: Sure, yeah. We must obtain the
25 employer's permission to pitch the survey to crop workers.

1 We either do a census of all, we either interview all the
2 crop workers at the establishment or do a random sample of
3 the crop workers. Crop workers are given now \$30 cash up
4 front prior to participating in the survey.

5 The survey cannot function were it not for the
6 goodwill of agricultural employers, so we try to administer
7 the survey at a time that will not interfere with the
8 business practices of the employer.

9 So oftentimes the interviews are either done during
10 their break, or at the beginning of the work day or at the
11 end of the work day.

12 DR. FORTUNE-TAYLOR: That makes sense. Thank you
13 so much. Let's see. We have another question for Robert
14 from Cristina Tello-Trillo, who is going to be on next, in
15 the next group. "Robert, can you track worker outcomes over
16 time after they receive the benefits? It would be very
17 informative if we could track the long-term benefits of the
18 program."

19 MR. HOEKSTRA: To some extent. So, in the
20 participant data, we received three quarters of employment
21 data that's really data on total earnings and what their
22 employment was for their major employment, so, you know, in
23 that quarter, what their industry was for their main
24 earnings, for three-quarters prior and four quarters after
25 they exit the program.

1 We also get, obviously, information about their
2 specific layoff for trade as well as, since we can crosswalk
3 that with the petition data, industry data there. Now that
4 level of analysis isn't available in public files. If people
5 do have specific inquiries that don't have too small of an N,
6 we can certainly talk those through, but we do only track out
7 four quarters after exit.

8 DR. FORTUNE-TAYLOR: Thanks, Robert. And, Robert,
9 this is a question for you and for Adam Smith possibly. I
10 know that SIPP includes all types of program participation.
11 Robert and Adam, does SIPP include information about TAA
12 participation and help that survey respondents might be
13 getting from a source like TAA? Is that something that's
14 currently included in the dataset?

15 MR. SMITH: I'm sorry, I'm unfamiliar with TAA.
16 Which program is that?

17 MR. HOEKSTRA: So TAA is a Department of Labor
18 program. So you and I both work in the same agency, but we
19 are different groups. And, no, the SIPP data does not
20 include Department of Labor's Employment and Training
21 Administration's Trade Adjustment Assistance Program flags at
22 all.

23 MR. SMITH: Yeah, that's correct.

24 DR. FORTUNE-TAYLOR: Okay, I was just wondering
25 because I had a very lengthy list of different programs from

1 which people might be getting assistance. I just wanted to
2 check on that. All right. I think -- do we have any other
3 questions in the chat right now, Caroline? Because, if we
4 don't, I have another question I'd like to ask.

5 MS. PETERS: You do. Would you like me to read it
6 out?

7 DR. FORTUNE-TAYLOR: Would you, please?

8 MS. PETERS: Sure. This is another question from
9 Kadee Russ for Patrick Carey. "Do you recommend any
10 supplementary data to supplement our understanding of black
11 workers within CPS rural areas, and that black workers
12 observations in rural areas are generally not presented with
13 MSA or county identified? One person suggested for this
14 purpose using the REIS. Are there others that you would
15 recommend?"

16 MR. CAREY: Yeah, that's an interesting question.
17 I can't think of any -- I mean, I can't think of anything
18 offhand. You start getting into some questions of data
19 disclosure at these smaller geographies. If I think of
20 something, I'll chime in here, sorry.

21 DR. FORTUNE-TAYLOR: Thanks. Thanks so much. We
22 love those head-scratcher questions because that means that
23 we're getting a chance to get down to some nitty-gritty stuff
24 that will really evoke some good thought.

25 I have a question that I'd like to ask the whole

1 team, but I'd like to start with Adam Safir and hear from
2 anybody else. Adam, how does Consumer Expenditure Survey,
3 how does it play with other government datasets? Or, for
4 lack of a better way to put it, is there any way to link the
5 information that respondents for Consumer Expenditure Survey,
6 the information that they have, is there any way to link it
7 to other datasets or even administrative products? And so
8 that's a question for Adam, and then I'll open it up to
9 everybody.

10 MR. SAFIR: Yeah, that's a great question, and,
11 actually, we've, as a program, looked into record linkage and
12 record matching to a number of different datasets. One of
13 the obstacles is that our address file comes from the master
14 address file that is maintained by Census and protected under
15 Title 13 and some other regulations.

16 And so any matching that occurs generally happens
17 at the Census Bureau itself. We have to form separate
18 memorandums of understanding and, in some cases, IAs with the
19 Census Bureau in order to match our data at the Census Bureau
20 to other datasets like, for example, the IRS, some of the
21 housing datasets. We've also matched to the Economic
22 Research Service out of the USDA, and it really extends the
23 power of the data.

24 The process of doing so for a private data user, I
25 think, would be prohibitive. You really need to be part of a

1 federal agency and be in a position to enter into those types
2 of agreements that I've mentioned, and even then, the process
3 is somewhat lengthy but I think ultimately rewarding in the
4 end.

5 DR. FORTUNE-TAYLOR: That sounds good, and what a
6 fitting statement to end with, "ultimately rewarding,"
7 because this has been an extremely rewarding panel. It was
8 very difficult for me to restrain myself and not ask a
9 million of my own personal questions, but thank you so much
10 to all of our panelists for this Group 2.

11 And now we're going to transition into Group 3, and
12 for Group 3 on industry and firm-level data, we have Cristina
13 Tello-Trillo, who we've already heard from in questions and
14 in previous talking, and we also have Aneta Erdie.

15 Cristina will be talking about the Longitudinal
16 Business Database, and she will also be talking about the
17 Longitudinal Firm Trade Transactions Database. She has quite
18 a task ahead of her, and Aneta will be talking about the
19 Annual Business Survey. So, Cristina, whenever you're ready,
20 you can get started.

21 DR. TELLO-TRILLO: Perfect. Let me share my
22 screen. Can you see my screen?

23 MR. SECRETARY: Yep, looks great, thanks.

24 DR. TELLO-TRILLO: Great, thank you. Great, let me
25 get the clock here. Okay, great, perfect. So I'm going to

1 first start talking about the Longitudinal Business Database,
2 the LBD, what is the purpose of the LBD from Census
3 perspective but also from a researcher's perspective.

4 So the LBD has been used plenty, I would say, in
5 this past symposium, you've seen a lot of papers, you've seen
6 the LBD or the public versions of the Business Register,
7 which are using the CBP, for example, or as Fariha had just
8 presented, the BDS global exporting firms.

9 But what is the LBD? So the raw LBD file is a set
10 of data files that provide longitudinal information about
11 business establishments operating between the period of '76
12 and the present. We have a unique longitudinal identifier to
13 track establishments over time, and there is also a unique
14 firm identifier that shows connection between establishments
15 and the company or the firm/organization.

16 These are one of the several characteristics that
17 the LBD has. So we track employment at establishment level,
18 payroll, revenue -- we start tracking that in 1997,
19 unfortunately, solely at the firm level, not at the
20 establishment level.

21 We track industry, thanks to Teresa Fort and Shawn
22 Klimek, we have this bin that's consistent, NAICS industry
23 that goes back starting in '76. We also track location of
24 the establishment, the legal form of organization and
25 establishment start and end year.

1 What is the agency or the Census purpose of the
2 LBD? So mainly right now our main purpose is to provide
3 public product with these data, and, currently, we are
4 providing the Business Dynamic Statistics that you can find
5 on this website. It's basically an annual publication of job
6 creation and job destruction for all sorts of establishments.

7 So we can look at job creation for a continuing
8 establishment, we can look at job creation for births or job
9 destruction for establishments that are dead, and we can do
10 that within a particular geography, we can do that by
11 industry, by firm size and firm age categories, and also by
12 trade status, as Fariha has presented.

13 This is, for example, one graph that we can do with
14 the data. This is all public-level information again. This
15 is the percentage of workers employed at startups, and we can
16 see that this is starting in '78. We can see that the
17 percentage of workers that are employed at startup firms have
18 declined from the '70s up to, currently -- well, this is in
19 rough terms 2014 -- over time.

20 So we can do these longitudinal effects in routine
21 analyses using the LBD database. We can also derive some
22 analyses at the geographic level. For example, this map
23 shows you the percentage of total metropolitan employment
24 that come from startups. We're interested in that.

25 So we see, like, California, there are a lot of

1 MSAs' employment that come from startups. There in Florida
2 in the East Coast, a lot of MSA employment come from startups
3 too.

4 So that's for the Census purpose, to produce these
5 BDS product, and the purpose for the researchers, research
6 community, this being a clinician portion, well, there are
7 plenty of purposes and mainly is to do, like, really great
8 analyses with very detailed data, so we can make sure
9 relationship between firm age and job destruction, job
10 creation, or the relationship between firm age and
11 exporter/importer status.

12 We can talk about patterns here, we can think about
13 distinguishing the relationship by industry levels, and in
14 particular, because we care about trade in this symposium, we
15 can think about, like, how a trade shock that affects certain
16 industry or certain community affects different firm
17 outcomes, like employment, payroll, firm exit and entrance,
18 right? That's a typical question that we can answer with the
19 LBD database.

20 And in addition, we can link the LBD database with
21 other databases at Census. For example, the paper that I
22 present in the morning session was about how does workers in
23 different type of firms, maybe firms that export or import,
24 do they have different outcomes after a trade shock, right?
25 So that's linking the LEHD database with this LBD database.

1 There are some limitations of the LBD database.
2 One of the main limitations is that we only have employment
3 as of March 12. So the frequency of employment, it's not
4 great. It's only at a certain point in time. Then I'm going
5 to skip a little bit, but missing revenue is another
6 limitation. Around 50 percent of firms have missing revenue,
7 so we don't have revenue for the other for this 50 percent of
8 firms, but we're building an imputation model to solve for
9 that.

10 Okay. And due to time constraint, I'm going to
11 skip to the LFTTD, which is a Longitudinal Firm Trade
12 Transactions Database. And so the LFTTD, it's a very rich
13 database. It's the daily levels -- we have daily transaction
14 of trade goods data with firm-level identifiers, comes from
15 administrative data.

16 It's merchandise goods only, so we don't track
17 services, only goods that are traded, and it starts in '92.
18 The last year that we currently have is 2019. It's typically
19 produced with a two-year lag. And regarding the export
20 database that we have from the LFTTD, so we have all the
21 export transactions that are valued at \$2,500 or more. So
22 any export transaction value above that threshold, we should
23 have that in the data. Below that threshold, unfortunately,
24 we don't track this.

25 And we have several key variables in the data. We

1 have export value, EIN, the business name, for Canadian
2 exports only, the HS-10 code, the destination country, the
3 origin state of the good, the port, and if it's a related
4 party transaction or not. So, overall, we have 13 million
5 transactions in '92, and then it jumps, like, three times
6 more in 2016, around 37 million transactions by that time.

7 And regarding the import transaction level data,
8 very similar to exports. The only difference is that we have
9 a lower threshold for the import values. So we track all
10 import values that are at or above \$2,000 in terms of value,
11 and we have pretty similar key variables for the import
12 transaction database. We have import value, the HS-10 code,
13 origin country, and related party transaction too.
14 So we have an average, again, 60 million transactions in '92,
15 and then it jumps to around 81 million transactions in the
16 year 2016.

17 The limitation of the LFTTD is, unfortunately, it's
18 not a universe; it's almost a universe, I would say, but it
19 does not contain low-value traders. Again, there's a
20 threshold of \$2,000 and \$2,500 for import and export,
21 respectively, but we can supplement these with the Census of
22 Manufacturing if we're interested in low-value trading. But
23 the Census of Manufacturing doesn't have this, or ASM does
24 not have this destination product information.

25 Also, sometimes we cannot match all the

1 transactions to a given U.S. firm because some of the data
2 that we obtained has missing EIN or missing name information,
3 so it's harder to match. But I would say this is a minimal
4 issue in the LFTTD.

5 And, finally, some data that I already highlighted
6 before with the LBD, we don't have the contemporaneous
7 database. Usually, the data is available with a two-year lag
8 for both the LBD and the LFTTD, and the LFTTD only covers
9 merchandise transactions of goods traders, not of service
10 trade. Okay, I'm going to stop there.

11 DR. FORTUNE-TAYLOR: Thank you so much, Cristina.
12 I had to prevent myself from asking you questions during your
13 presentation because there was so much good information.
14 Thank you. All right, Aneta, it's your turn. Please go
15 ahead.

16 MS. ERDIE: All right. Let me start my
17 presentation. Can you guys see my presentation?

18 MR. SECRETARY: Yes, but it's not full screen.

19 MS. ERDIE: It is not full screen?

20 MR. SECRETARY: If you go up to "slideshow."

21 MS. ERDIE: "Slideshow"? Okay.

22 MR. SECRETARY: Yeah, and do "from beginning."

23 MS. ERDIE: From beginning. Okay.

24 MR. SECRETARY: Yep. Perfect. Thank you.

25 MS. ERDIE: Okay, great. So good afternoon. My

1 name is Aneta Erdie. I am the Assistant Division Chief for
2 Business Owners and Government's Program in the Economic
3 Reinvestable Surveys Division. I oversee the business
4 demographics program for both employer and non-employer
5 businesses, and today I'm here to discuss the Census Bureau's
6 federal business ownership program.

7 So the goal of the program is to provide total
8 business ownership by demographics, and this is done by
9 asking for two components. The employer component consists
10 of the ABS, or the Annual Business Survey, which is a
11 mail-out survey we send to our respondents on annual basis to
12 collect demographic characteristics.

13 The second component is the non-employer component.
14 That consists of the Non-Employer Statistics by Demographic
15 program, or we call it NES-D, which is a combination of
16 administrative records only to determine owners demographic.

17 So together these two parts provide comprehensive
18 economic and demographic business data for our uses. It's an
19 annual program that replaces our quintennial SBO, or the
20 Survey of Business Owners. Users are still by, you know,
21 government officials, industry leaders, economic and social
22 analysts, entrepreneurs.

23 Today, I will most be focused on the ABS or the
24 employer components, but I will show a little bit about
25 non-employers and how we link our data. So, as I just

1 mentioned, the ABS is the employer component of the business
2 ownership program. It's a simple survey that mails annually
3 to employer businesses in an effort to collect business owner
4 demographics.

5 But the survey also measures other topics, such as
6 research and development for microbusinesses; those are
7 businesses with employment from one to nine. We have other
8 business and owner characteristic topics. We collect number
9 of owners, type of workers, age of owner, those sort of
10 characteristics.

11 And on top of data such as owner demographic of the
12 survey respondents, we also use in the final product data
13 from other sources, from our Business Register, from the
14 Economic Census. Those are things like NAICS classification,
15 geographic classification, sales, employment, payroll. And
16 this survey, ABS, is sponsored by the National Center for
17 Science and Engineering Statistics within NSF.

18 ABS has a mandatory authority under Title 13 of the
19 United States Code. It's conducted on a firm entire-company
20 basis rather than, you know, individual establishment basis.
21 The sample sizes vary between 300,000 to 850,000 employer
22 businesses. So, every five years, the sample sizes increase
23 to provide more detailed demographic characteristics by more
24 detailed industry and by more detailed geography.

25 In the other four years between Economic Censuses,

1 the sample size is reduced to 300,000 in an effort to reduce
2 the burden on the respondents but still provide valuable
3 summary information on the owner demographics annually.
4 Because the primary goal is to measure demographics, the
5 sample is specifically designed to measure women- and
6 minority-owned businesses, and like I mentioned, it excludes
7 the non-employers because we derive this from our NES-D
8 program.

9 Although the primary goal of the survey is to
10 measure owner demographics, we also design ABS in such a way
11 that we can measure value-added topics by incorporating new
12 content each survey year. This allows us to be flexible and
13 measure what is determined to be relevant in a given year.

14 Each year, we collaborate with our sponsor, NCSES,
15 but also with other internal and external stakeholders to
16 develop new content. Some content, such as the owner
17 demographics, are questions about the business structure we
18 ask each year. But some content, what we call "module
19 content," you know, we rotate from year to year. We produce
20 data products that focus on these topics each year, and I
21 will discuss these in the upcoming slides.

22 So here's our data products. The ABS produces, as
23 I mentioned, the core demographic table, as well as selected
24 module data each year. So these two on the left-hand side
25 are solely produced from the ABS, but we also have hybrid

1 data products, and the two primary examples of our hybrid
2 data products are the total business ownership by
3 demographics that combines our ABS and NES-D for the total
4 business ownership.

5 But we also produce U.S. exporting firms by
6 demographics. This a combination of the results from the ABS
7 for demographic characteristics with the results from the
8 profile of U.S. importing and exporting companies for the
9 exports.

10 Let me briefly go over each program's data
11 products. So this shows more in full of the ABS core
12 demographics table. Data are provided for the number of
13 employer firms, receipt payroll employment by sex, ethnicity,
14 race, and veteran status. These data are available at the
15 U.S. MSA level for all years.

16 During the larger sample, we also provide county
17 and economic place. Next level, we have two- and three-digit
18 NAICS for all years and then two- through six-digit NAICS for
19 the larger sample year. Additional owner characteristics are
20 also published annually. Here are a couple of example of,
21 like, owner characteristics examples include, you know, age
22 of owner, highest level of education, field of highest
23 degree, place of birth.

24 And the business characteristics include things
25 like type of workers and whether it was family-owned and

1 operated. The module table -- so, as I previously mentioned,
2 there are a few data products resulting from rotating module
3 content on the ABS. I have listed three examples here for
4 you guys on innovation, technology, and financing.

5 For the innovation, the survey provides data tables
6 on products and process innovating companies for the U.S. and
7 states. Innovation data are also shown by industry,
8 demographics, and employment size. Innovation particularly
9 in these tables are produced on behalf of our sponsor and are
10 officially released by NCSES. Technology is another example.

11 We also have, you know, data specific to automation
12 and digital technology. These data are for the U.S., states,
13 with additional cross-tabulation by industry, demographics,
14 and employment size. And I have listed here a last example,
15 which is financing. We actually have recently in March
16 established preliminary findings on the impact of COVID on
17 businesses, collected from the financing module on the 2021
18 ABS for 2020 reference year.

19 Also included are data on credit-seeking activities
20 during 2020, and, of course, these are crossed by demographic
21 characteristics. These were preliminary results. We are
22 working on the final results that are expected a little later
23 this year, and those will be more detailed results, including
24 state, industry side, and employment -- industry detailed
25 unemployment side.

1 So let's move to our hybrid data products very
2 quickly. So here's the, as I mentioned, ABS measure
3 employment businesses combined with our non-employer
4 businesses, which is ABS and NES-D. Sorry, I'm going quickly
5 because I'm looking at the clock.

6 So I just wanted to mention the geography levels,
7 which is U.S., states, and MSAs, and the NAICS levels are
8 two- and three-digit NAICS. So the results obviously allow
9 us to produce total firms for business demographics.

10 And, finally, because ABS produces data by
11 demographics, we are able to add value to other data products
12 from the Census Bureau. So, as a result, we have a data
13 product that provides exporting firms by demographics. This
14 is done by combining data from the ABS with the data from the
15 profile of U.S. importing and exporting companies. The
16 tables show the number of exporting firms, value of exports,
17 as well as the export destination by sex, ethnicity, race,
18 and veteran status. There's no additional geo or NAICS
19 details, but the dataset provides valuable information on
20 the, you know, demographics of exporting firms.

21 Very quickly, last slide, lastly, so information on
22 the microdata available from the ABS. Currently, only
23 restricted use microdata are available. In order to access,
24 researchers need to have an approved project via FSRDC. You
25 know, I ran out of time. That was my last slide and the

1 contact information.

2 DR. FORTUNE-TAYLOR: Thank you so much, Aneta.
3 We're not going to let you leave yet. You might get some of
4 those extra words in because I have some questions for both
5 you and Cristina. And my first question is -- it's kind of
6 for both of you -- I have this kind of thought in my head
7 after listening to your exciting presentations about linkages
8 between datasets.

9 And, Cristina, you mentioned -- you talked about
10 linking LBD to LEHD, and then I'm thinking about the scenario
11 in which we have LFTTD linked to LBD linked to LEHD, and just
12 my mind is just exploding thinking about the possibilities of
13 the types of things that we could really be able to examine
14 to really get at this distributional effects of trade
15 question.

16 Could you talk a little bit about, I mean, maybe a
17 little bit about your own work and about how possible it is
18 to really examine these distributional effects when we're
19 looking at all of these datasets linked together, and could
20 you also mention just any type of things that -- any type of
21 insight that you could give to researchers looking to get
22 this type of clearance to look at these things?

23 DR. TELLO-TRILLO: Sure, yes. Yes, as you say it,
24 it is like when you get access to this data, you're like a
25 kid in a playground, right, you don't know where to go.

1 Yeah, so we can link, as I mentioned before, the LEHD, which
2 is a worker-level database, to the LBD, which is an
3 establishment and also a firm-level database; we can either
4 do establishment analyses or firm-level analysis.

5 And also, to the LFTTD, the LFTTD is only at the
6 firm level, right? So we don't know for a multi-unit
7 establishment, we don't know which establishment is actually
8 doing the export or the import. We only know that the firm
9 as a whole is doing the export or import transactions. So
10 that's one caveat to mention, right?

11 But all of these dataset can be potentially linked
12 at the firm level because they all have a firm ID, a firm
13 identifier, that we longitudinally track over time. So, with
14 that, yes, you can study the distributional effects of trade.
15 So the paper that I presented in the morning tries to attempt
16 to do that or tries to by including worker characteristics as
17 gender, for example, and ways to resolve that gender and
18 race, how is a trade shock differentially impacting people of
19 certain race, of certain gender, of certain level of
20 education.

21 But not only that, because we can also use the data
22 from the LBD and LFTTD using firm characteristics. So maybe
23 workers working, you know, in a paper refinery, workers
24 working at small firms, less than 50 workers, are actually
25 less susceptible to the trade shock than workers working at

1 huge firms, more than 2,000 workers.

2 And this is because, what is it, Homer & Steven
3 have a paper about that, that small firms tend to do more
4 idiosyncratic or personalized products, and big firms tend to
5 do these massive products, and Chinese import competition is
6 competing to these massive products, more general products,
7 than these more specialized type of products that small firms
8 produce, right? So we do find these different types of
9 patterns and how firm characteristics can impact differently
10 the workers.

11 DR. FORTUNE-TAYLOR: Thank you. And to go to you,
12 Aneta, I know that there's this public use feature for the
13 Annual Business Survey that makes it accessible to just the
14 everyday person looking to ask questions.

15 My question is, if we take kind of the
16 kid-in-a-candy-store scenario that Cristina has discussed and
17 we want to narrow this down to a public use sphere, what a
18 researcher could go out and get information to do tomorrow,
19 how could we use ABS to maybe answer questions about, for
20 example, how black female businessowners might choose to hire
21 black female workers or something like that?

22 Can you help us out a little bit in kind of taking
23 the ideal situation that Cristina has examined and making it
24 kind of accessible for the everyday researcher who wants to
25 get some answers?

1 MS. ERDIE: Yeah, sure. So I didn't finish my last
2 slide. We don't currently have, like, the public use
3 microfile available. In order for the researchers to really
4 work with our, you know, microfile, they have to go to the
5 approved project in the FSRDC, and I think everybody
6 discusses, you know, it's kind of out of my control, right?
7 You submit a proposal and there is a process for it. It's a
8 well-defined process.

9 There's a possible second approach of sort of
10 working with us on the microdata to work on some of this
11 research, and we've done this with other organizations, with
12 other researchers. It has to be sort of a mutual benefit, so
13 not just a researcher benefit but also benefit to the Census
14 Bureau. It has to be a Title 13 benefit where you sort of
15 pitch an idea, and we sort of, you know -- it's a little bit
16 more lengthy way of obtaining access and actually getting
17 access to our microdata, but then we can work together.

18 And, you know, we tend to build these relationships
19 generally when people sponsor our module content. So, if
20 people generally want to measure census characteristics, we
21 build in a module and we ask these questions, and then we
22 have the ability to cross-tabulate them by our demographic
23 characteristics.

24 Even though we show the ability to link the ABS
25 data to other datasets within the Census Bureau -- obviously,

1 it's feasible -- these interactions are slightly, because
2 it's a sample, you know, survey, these interactions are
3 usually slightly better if we actually add these questions
4 within the survey because, otherwise, it's just for the
5 matched records as opposed to representative of the universe.

6 DR. FORTUNE-TAYLOR: That's very helpful. So there
7 are two kind of ways to get at this. There are two ways to
8 get candy -- to exit the candy store.

9 MS. ERDIE: Yes.

10 DR. FORTUNE-TAYLOR: Okay. And then I want to
11 continue with you for a second to ask a little bit more about
12 just the juxtaposition between the ABS and the SBO.

13 So we know that the SBO have this microdata
14 feature, but the ABS, can you tell us a little bit about the
15 benefits that we're getting with this transition from SBO,
16 which had the publicly available microdata, to the ABS?

17 MS. ERDIE: Yeah. So, for us, there are
18 significant benefits from going from the SBO to ABS. The
19 primary one is that these data are now available every year.
20 With the SBO, we only had demographic characteristics every
21 five years, and the demographic characteristics of the
22 country was changing a whole lot quicker than every five
23 years. So that's the major benefit.

24 The second benefit is that we designed ABS, like I
25 mentioned, to rotate this content, and so we are able to

1 explore more topics than we have ever been able to explore
2 with the SBO.

3 We tremendously improved the quality of the
4 non-employers, which is obviously the smallest of the
5 businesses. There is just a lot more of them. We had a
6 fairly poor response rate from the SBO for the non-employer,
7 so obtaining the demographic characteristics from the
8 administrative data, not only did we essentially eliminate
9 the respondent burden on the smallest of the businesses, we
10 have a high-quality estimate for non-employers.

11 But we've lost content because we don't have this
12 rotating module anymore, such as financing. We just don't
13 have financing for non-employers, but we have very
14 good-quality, robust demographic characteristics for the
15 non-employer businesses.

16 There were some unintended benefits, I think, for
17 going into this annual cycle. You know, we have core
18 stakeholders who we've improved our relationship with these
19 stakeholders because, you know, we used to talk to them every
20 five years, and then there was this gap in between. Now we
21 are constantly talking to our stakeholders about their needs,
22 and we are constantly addressing those needs.

23 And we were able to create a lot of new
24 partnerships. Like, a couple of examples are, you know,
25 Department of Labor has reached out to us to add disability

1 questions on the ABS to the owners section of the ABS, and we
2 are starting to collect this with the mail-out just a little
3 bit later this year.

4 Another one I mentioned as one of my examples, we
5 had partnered with the Federal Reserve Banks of Cleveland and
6 Atlanta, and we were able to develop this really good
7 financing module for their, you know, access to capital
8 during the pandemic, COVID-19 pandemic.

9 So building these new relationships, ABS really
10 allows us to measure those new topics and build those
11 relationships.

12 DR. FORTUNE-TAYLOR: Thank you so much, Aneta, and
13 thank you so much to you and Cristina and to all of our
14 participants today: Keith Bailey, Fariha Kamal, Patrick
15 Carey, Adam Safir, Adam Smith, Daniel Carroll, Robert
16 Hoekstra, and to my colleague, Caroline Peters, who is just
17 the wind beneath our wings over here.

18 Thank you so much to everyone for your
19 participation in this panel. I'd like to let you know that,
20 for the audience members, the presentations that were given
21 today will be loaded onto EDIS, so you'll be able to get
22 access to those, I think, early next week.

23 And with that, I'll turn it back over to Mr.
24 Secretary to give us our instructions for the break.

25 MR. SECRETARY: Thank you so much, Stephanie. So

1 we're going to go ahead and take a break now, and we will
2 break until 1:55. So that leaves us 55 minutes for our lunch
3 break, and I will get on shortly before we resume our
4 afternoon panels to go over my Webex tips again.

5 (Whereupon, at 1:02 p.m., the symposium in the
6 above-entitled matter recessed, to reconvene at 1:57 p.m.
7 this same day, Wednesday, April 6, 2022.)

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A F T E R N O O N S E S S I O N

(1:57 p.m.)

MR. SECRETARY: So we're going to go ahead and begin our afternoon session because I know that we have a lot to discuss. And again, if you need me, send me a chat. I will see it; I will respond to you. If you see that you have a chat, it's from me, so please make sure that you read it.

So, we're going to go ahead and move onto our first afternoon panel, which is a moderated discussion on the global research agenda on distributional effects of trade. This panel will be moderated by Dr. William M. Powers, Chief Economist of the U.S. International Trade Commission. So, Dr. Powers, I yield the floor to you. Thank you.

DR. POWERS: Thank you, Bill, Secretary Bishop, I really appreciate the introduction. And so, this morning we focused on data, and we're switching gears for the afternoon panel. This symposium and the request that the Commission received from the U.S. Trade Representative really reflects the U.S. Government's desire for trade policies to have competent and equitable effects on underserved and disadvantaged communities, and that language is straight from our request letter for this study.

But it's not just the U.S. Government that wants to better understand the distributional effects of trade and that wants to implement more equitable trade policies. That

1 goal is shared by many countries and many institutions around
2 the world.

3 And so it's my absolute pleasure to have this panel
4 for you today, truly a global panel. I should say good
5 afternoon, good evening to Bob, and good early-morning to
6 Phil there, so thank you for joining me, and thanks for
7 everyone around the world who's watching and contributing to
8 this panel, and I hope we get a really good discussion going.

9 So, this panel is organized in the order of
10 international organizations, and then we're going to move to
11 country-specific discussions. And so our international
12 organizations, the speakers include Bob Koopman at the WTO,
13 Maryla Maliszewska at the World Bank, Jane Korinek with OECD.
14 So, great representation we have here with the international
15 organizations.

16 And then, we're going to look at the initiatives
17 the countries have specifically to apply these types of
18 policies or these types of analyses, and we will look at Phil
19 Mellor who is from the Ministry of Foreign Affairs and Trade
20 in New Zealand, and Shenjie Chen from the Global Affairs
21 Canada.

22 So, with that introduction, I would like to turn it
23 over to Bob Koopman, Chief Economist of the WTO. Bob, you
24 have seven minutes.

25 MR. SECRETARY: You're on mute, Bob.

1 DR. KOOPMAN: I'm going to share my screen.

2 Somebody muted me. Can you see my screen? Yes?

3 MR. SECRETARY: It hasn't arrived yet.

4 DR. KOOPMAN: Okay. It says I'm sharing. Let me
5 know when it's arrived.

6 MR. SECRETARY: Okay. There we go. Thank you.

7 DR. KOOPMAN: Interesting lag there. Anyway, on
8 this first page here, I have a list of publications where we
9 at the WTO have been writing on trade and labor. I'm not
10 going to go through them all. This is more for a record for
11 you to be able to refer to if you'd like, but one of the main
12 ones I think is taking a look at is this joint IMF-World
13 Bank-WTO 2017 piece making trade an engine of growth for all.

14 I think this piece does a very good job of
15 synthesizing the literature and the findings around the need
16 for adjustment policies and trying to make trade more
17 inclusive. So, the main findings that we at the WTO have is
18 that we essentially find that trade increases aggregate
19 welfare by allowing for specialization, increasing
20 availability of goods, increasing competition, raising
21 productivity; it tends to increase growth and to reduce
22 poverty.

23 It typically, though, has weak positive impact on
24 nationwide employment, particularly in advanced economies.
25 In fact, I think it would be useful for you guys in the

1 future to think about bringing in some of the more
2 macroeconomic folks, as macro policies tend to drive overall
3 employment levels.

4 But trade does contribute to the decline in
5 manufacturing employment, in our findings, with a reshuffling
6 of resources, but we find generally in our analysis that
7 other factors, such as technologies, have bigger effects.

8 We also find that certain regions, sectors, and
9 individuals benefit from trade, but others can be left
10 worse-off. This has long been known in the trade theory
11 literature, and increasingly the empirical literature, which
12 I think you heard much of yesterday and maybe part of today,
13 goes through and finds at a more granular level the different
14 ways in which trade policy can have these kinds of impacts.

15 Now, trade also tends to increase the demand for
16 skilled workers, including in developing countries; that goes
17 against some of the traditional trade theory, and it's a
18 factor that can contribute to labor market polarization,
19 along with other factors such as swift technological change.

20 Now, frictions and adjustment costs are important
21 to measure, and some estimates suggest they may be bigger
22 than previously found but note that trade is not the only
23 force that imposes adjustment costs. I think that's very
24 important to put that into context. One has to look at the
25 forces of trade compared to the other forces that also bring

1 about the need for adjustment.

2 So, to make sure that the gains from trade are
3 shared evenly within countries, it's necessary to have
4 complementary domestic policies to effectively deal with
5 adjustment frictions and compensate for losses.

6 The raw diagnosis as to what's causing the need for
7 adjustment or the various forces that are causing the need
8 for adjustment all working at the same time, means that the
9 wrong medicine might be applied.

10 So, let me close with some questions here. I was
11 asked to come up with some questions, so let me see if I can
12 do that. What are the labor market effects of trade in
13 services, as countries of particularly advanced economies
14 focus more on services?

15 What's the impact of trade in developing countries
16 in the presence of global value chains, and I take this as a
17 very important research topic. It's probably been influenced
18 pretty heavily by skill versus technology change.

19 What's the impact of trade on the quality of jobs?
20 I think that's a very important aspect to explore more
21 deeply. And can we do a better job estimating the importance
22 of frictions and adjustment costs for trade in the context of
23 these other forces such as technology, changing consumer
24 preferences, demographics, and economic geography shifts?

25 And then finally, and I think this is a gap in much

1 of the literature that we've looked at, what can we find out
2 more about the design and effectiveness of adjustment
3 policies in developing countries, but not just developing
4 countries; I think it's very important for advanced economies
5 to learn from one another about what kind of active labor
6 market policies do a better job and help cushion the blows
7 from the various forms of adjustment or causes of a need for
8 adjustment, not just trade.

9 And I'll stop there, Bill. I think I might've done
10 that within my seven minutes. Thank you.

11 MR. SECRETARY: You're on mute, Bill.

12 DR. POWERS: Thank you, Bob, and thank you for
13 those questions. I had some questions myself, but we could
14 easily use yours. Those are excellent questions. I think
15 we'll have more before we're done this afternoon.

16 So, our next panelist is Maryla Maliszewska who is
17 an Economist at the World Bank. Maryla, if you would take it
18 away?

19 DR. MALISZEWSKA: Okay, let me put it into the
20 sharing mode. Okay, can you see what you're supposed to be
21 seeing this time?

22 MR. SECRETARY: Yes, we sure do. Thank you.

23 DR. MALISZEWSKA: Perfect, thank you so much. So,
24 I'm going to answer the quick three questions that Bill has
25 asked me to address. The first is what is my situation in

1 the World Bank's mandate to look at the distributional
2 effects of trade.

3 What do we mean by the underserved communities in
4 our context, and what are the distributional effects that are
5 key to analyze in the context of the World Bank's mission,
6 which is to eradicate poverty and promote trade prosperity.

7 So, just to briefly mention that of course what we
8 find is that trade and poverty reduction and greater
9 integration in global markets go hand-in-hand, and that's the
10 motivation for our work.

11 But due to the World Bank mission, we're mostly
12 focused on low income countries. The role of the Bank is to
13 provide data and tools and knowledge to inform policy
14 responses to spread the gains from trade more widely to make
15 trade work better for the poor.

16 And it so happens that recently different teams
17 across the Bank, trade team, labor, poverty, and research
18 have put together a report that pretty nicely summarizes
19 what's happening in data, tools, and knowledge at the Bank in
20 the context of the distributional impacts of trade.

21 And just to add a little bit more to the first
22 question out there, what's the motivation for that work, is
23 that while overall trade is still seen positively in many
24 parts of the world, protectionist economics and nationalism
25 are on the rise, and we want to stress the importance of

1 trade.

2 It's now more important than ever in its role in
3 the production and distribution of medicine, whole vaccines,
4 in the face of different crises facing the world, such as
5 COVID-19, the current war in Ukraine, or in the long run and
6 also the short and long of the climate change challenges.

7 And we look at the distributional impacts on the
8 trade out of those contexts, at the Bank. So, as I
9 mentioned, we do it through a number of activities which
10 focus on developments in new data and tools. We also apply
11 often country case studies, since there's so much
12 heterogeneity in terms of the trade shocks, in terms of the
13 labor market characteristics that you really do learn quite a
14 lot from them.

15 And of course, the idea is to come up with
16 complementary policies and how we can make the gains from
17 trade to be spread more widely. And all this research, I
18 think, really helps to integrate this new approach you're
19 seeing in the World Bank projects and operations -- so,
20 research projects and (technical interference).

21 Now, the second question that you asked was what do
22 we mean by underserved communities? What do we exactly focus
23 on? So, if you look across different teams at the Bank, we
24 focus on ex post assessment of how imports have affected
25 workers, and we look across the low- and middle-income

1 countries.

2 At the global level, we look across and examine
3 national impacts when we have the data, and we look at the
4 number of ones. So, of joining free trade agreements and the
5 commodity shocks, and finally, we look at the variety of
6 outcomes.

7 And so, of course we start with poverty and income
8 inequality in-line with our mission, but of course we look
9 much more thoroughly. We look at courages (phonetic), we
10 look at conception, formal/informal employment, and we state
11 them by gender, by educational attainment of workers, by
12 geographic location of workers, and now increasingly we're
13 trying to restrengthen our capacity to study the implications
14 on informal employment.

15 And of course, there are huge take-up challenges
16 related to it. We've already strengthened the focus on
17 gender in collaboration with our colleagues from WTO, and we
18 are also being asked by our client countries to look at the
19 implications on the youth, especially in Africa with the
20 growing working-age population of young workers.

21 Very briefly just to give you an example of the
22 data efforts that we've been undertaking. So, we generated
23 gender-segregated labor database to aside for WTO colleagues
24 to have the sectoral data on wages and employment at the
25 global level for a number of developing countries.

1 We did it based on the household survey data and
2 the firm survey data, but also, recently we've expanded into
3 national dimension. So, we have data at the sub-national
4 level for 70 developing countries.

5 And in terms of the other that are used that I
6 mentioned that analysis is in the country case studies. So,
7 as part of the report, we've looked at a number of different
8 questions, such as whether the adjustment costs that
9 signified the persistency of the trade adjustment to trade
10 policy reforms, whether with emerging economies, the
11 adjustment wages, employment, formal, informal, what are the
12 effects on the welfare from emerging economies of thriving
13 exports, and what are the effects of future policy shocks, so
14 forward-looking analyses.

15 Okay, 30 seconds, I'll just very briefly, wrapping
16 it up, we've developed a policy framework focusing on three
17 pillars, how to reduce distortions in markets, costs and what
18 are the policy actions that need to be taken to speed-up
19 labor market adjustment.

20 And we have this international policy agenda. Of
21 course, there is a complementary policy agenda. And
22 finally, all this work is feeding into our projects and
23 operations.

24 Most recently, a lot of the distributional aspects
25 are being analyzed as part of CCDR, Climate Change

1 Development Reports, but they are being done as part of
2 independent analysis, and forward-looking studies in the
3 context of trade facilitation, free trade and other policy
4 shocks. Thank you very much.

5 DR. POWERS: Thank you, Maryla, and I give you a
6 special thanks in this symposium for coming to us in your
7 second panel now, so I appreciate that. And I know you had a
8 couple slides, potentially, as follow-up for discussion, and
9 I'll ask you questions about those when we get to the Q&A
10 session, so thank you.

11 All right, we are moving right onto our third
12 panelist of the day, or presenter. We have Jane Korinek of
13 OECD. Jane, can you take it away?

14 MR. SECRETARY: You're on mute, Jane.

15 MS. KORINEK: There we go. Can you hear me?

16 MR. SECRETARY: Yes we sure can, thank you.

17 MS. KORINEK: Yes, thank you so much. So, I'm from
18 the OECD. For those of you who are not too familiar with the
19 OECD, we're an international organization, 38 member
20 countries. Our latest member is Costa Rica, which brings our
21 Latin American number of countries to four, and we do
22 economic policy analysis and policy dialogue.

23 And one of our, you know, main working methods is
24 through peer learning -- so, learning from different
25 countries. I seem to have started in the middle of my

1 slides. Does anybody know how to go back a few?

2 MR. SECRETARY: Yeah, just hit the back arrow, or
3 either arrow will take you back or forward.

4 MS. KORINEK: There we go, thank you. Sorry about
5 that. So, I wanted to talk specifically about some of the
6 work that we have done on the impacts of trade on women. We
7 have had a work program on trade and gender for now a couple
8 of years, and we are doing some comparative analysis, as well
9 as taking a deep dive at the country level.

10 And I'll give you a few little tidbits about what
11 we've been doing and tell you a little bit more about the
12 framework of analysis that we have designed.

13 So, this graph shows us that more men work in
14 export-oriented jobs than women. The share of men working in
15 export-oriented jobs here in the white bars is for every OECD
16 country greater than the share of women working in
17 export-oriented jobs.

18 This data is the OECD trade and value-added data,
19 and it looks at jobs that are directly involved in exporting.
20 But in fact, the picture is the same if you look one step
21 back, which is jobs that are indirectly involved in
22 exporting.

23 So, the U.S. right there is the last bar on the
24 right, so a smaller share of both men and women are engaged
25 in trade compared with other OECD countries. This is because

1 it's a larger country, so the share of trade and GDP is
2 smaller.

3 So yeah, I just wanted to mention that, of course,
4 you know, why are women less engaged in trade than men? One
5 of the main reasons is occupational. Women are more engaged
6 in services, and services are less trade, and men are more
7 engaged in manufacturing.

8 So, I mean, we heard a lot about this yesterday.
9 You know, of course, men were more impacted by changes in
10 employment due to trade during. For example, the 2008
11 financial crisis, women have had their jobs furloughed more
12 frequently during COVID because they had been involved in
13 more services and more kind of face-to-face jobs.

14 The future here is looking at gender gaps. So,
15 this is data harmonized across all OECD countries and
16 corrected for differences in skill levels and hours worked.
17 The average OECD gender wage gap is 13 percent. The U.S.
18 gender wage gap is somewhere closer to the global average of
19 19 percent.

20 And why is this important when we're looking at
21 trade? Well, we look at this through a little bit of a
22 different lens than some of the presentations yesterday. We
23 know that export-oriented jobs pay better. There is an
24 export premium, an export pay premium, for both women and
25 men.

1 So, export-oriented jobs pay better, on average,
2 than jobs that are producing goods and services for the
3 domestic market. But we do find in a number of countries --
4 not the U.S.; we have not looked at the U.S. -- but in a
5 number of European countries, and we have done our own
6 research with New Zealand.

7 The export pay premium for women is less than that
8 for men. So, what this means is that since women work less
9 in export-oriented jobs and the export pay premium for them
10 is less, they benefit less from one of the main gains from
11 trade, that is, higher wages.

12 And then another aspect is, you know, other job
13 characteristics. Bob Koopman just mentioned these aspects
14 too. There's a lot less evidence here. There are a lot of
15 knowledge gaps about what is the impact of trade on job
16 security, on involuntary part-time work -- more of that
17 nebulous concept of job satisfaction.

18 At the OECD we have looked into some of the
19 evidence in European countries' services sectors, and we
20 found that trade reduces the number of women in involuntary
21 part-time work. Those women found full-time contracts.

22 But again, this is an area where we need to do a
23 lot more research. At the OECD, we have designed a framework
24 of analysis. We're looking at the impacts of trade on women
25 in particular in our differentiated analysis.

1 The impacts of trade on women workers -- I've given
2 you a few of the tidbits, but we also look at the impacts of
3 trade on women, entrepreneurs and business leaders -- so, the
4 barriers to trade that they face and the fact that they have
5 smaller businesses, so there is an overlap with the MSME
6 agenda.

7 And we also look at the price effects of trade, one
8 of the main gains from trade, which has been to lower
9 consumer prices, and how that impacts different types of
10 household. For example, one-parent households with dependent
11 children where women are the majority head of household.

12 And we have taken a deep dive and done our first
13 country study, pilot study, of New Zealand. We're in the
14 final stages, and I hope my fellow panelists will talk a
15 little bit more about it. And we have come up with a number
16 of areas for policy recommendation.

17 Some of those are listed here; I won't go into
18 them, but we translate the impacts of trade that we find on
19 women in New Zealand into policy recommendations for New
20 Zealand to make its trade policy more inclusive and more
21 supportive of women. Thank you.

22 DR. POWERS: Thank you, Jane, and I think we really
23 appreciate the effort that you've done here and the OECD has
24 done to put countries in contact with each other so we can
25 see where we fit. And also, I'd appreciate your focus on

1 exports and price effects and the gender components to those,
2 which is not something we've heard about very much so far in
3 these seminars, so thank you very much for that.

4 And as you mentioned, you've also provided a very
5 nice segue into our next presenter, who is Phil Mellor, who
6 is the Lead Economist at the Ministry of Foreign Affairs and
7 Trade in New Zealand. So Phil, if you're ready, could you
8 take it away, please?

9 MR. MELLOR: Thanks, Bill, and yes, very
10 appropriate to follow-on from Jane since we've been doing a
11 lot of work with her and her team in the past little while.
12 I'm just going to try to share my screen. Let's see how that
13 goes. I'm sure you can see that.

14 MR. SECRETARY: Phil, if you go to slideshow?
15 There we go, great.

16 MR. MELLOR: So, I guess firstly just giving you a
17 bit of context in situation and our interest and our mandate
18 for this work, so the New Zealand government has been
19 adopting a well-being approach to its policy-making for the
20 past few years now, and within the trade space, it's very
21 much embedded in our trade-for-all agenda.

22 And so the work that we've been doing in the space
23 is really about building out the analytical base, the
24 evidence base for that trade-flow agenda and how we support
25 the policies that come under that.

1 And then very specifically within that we've got a
2 very specific mandate to look at the CP-TPP trade agreement
3 from this kind of lens as well. So, I just want to focus my
4 remarks on a couple of things, one is a framework that we
5 developed for how we try and catch all these different
6 effects.

7 And then the second is to go through some of our
8 data from our bottom-up approach, which will kind of help
9 illustrate some of the groups we focus on and some of the
10 missions that we focus on, and it brings in a few of the
11 bits-and-pieces that Jane alluded to in her opening words
12 there.

13 So, in terms of the framework, so we realized early
14 on in our work that we didn't have an overarching, organizing
15 kind of framework for how we think about through the
16 different issues, and this goes beyond just the
17 distributional effects.

18 We sometimes call them "inclusive effects", so we
19 could use it as a bit of a synonym, but we're also focusing
20 on environmental effects of trade, as well as the traditional
21 economic ones.

22 So, the framework was sort of set out early on just
23 to give us a way of organizing our thinking around the whole
24 thing and to think about how there might be, sort of,
25 tradeoffs in some of these areas. So maybe, you know, if

1 you're pristine (phonetic), your environmental impact on the
2 distributional outcomes and how do those interactions play
3 out.

4 So, this is the framework. I won't go too much
5 more on that. In terms of the data, so New Zealand's very
6 fortunate that we've got a really strong macro data set, and
7 basically it breaks up into two parts.

8 So, the first part of it is called our Longitudinal
9 Business Database, and basically it's a repository of all the
10 firms in New Zealand. It has their productivity
11 characteristics, size, industry, it looks into tax data, and
12 importantly for our work, it looks into the customs trade
13 data, so we can build-up a picture of our goods-trading
14 firms.

15 And I emphasize "goods" here because unfortunately
16 we don't have a good source on the services trade. So, this
17 is just goods firms, which is a bit of a gap. The other half
18 is the Integrated Data Infrastructure, which basically pulls
19 in similar information for individuals.

20 And it brings in key things for us, like and we can
21 link these two through the monthly payroll data. So
22 basically, this gives us a sense of who our trading firms are
23 and who are the people that they employ and who own those
24 firms and lead those firms.

25 So, a few insights from that data to hopefully

1 illustrate how the undeserved groups that we are focused on.
2 So, the first is women, and from that is too much after
3 Jane's presentation, but needless to say, the situation in
4 New Zealand is the same as the countries across OECD members.

5 You can see from those bars, in pretty much every
6 sector, there are less women in each employment than men, and
7 overall it's about 40 percent of our export workforce is
8 women, whereas they make up about half of the overall
9 workforce. So, a different underrepresentation there.

10 The other underserved groups that we're focused on,
11 Maori, which is New Zealand's indigenous people, as well as
12 Pacific peoples. Obviously New Zealand's a Pacific nation,
13 and we have a large number of Pacific people who live and
14 work here.

15 What's interesting about these two groups they are
16 actually slightly over-represented in trade, by the numbers.
17 So, they have a slightly larger participation as workers, at
18 least, in trade.

19 But what we find with those particular groups and
20 other groups, for that matter, is that the earnings pay gaps
21 that they experience are actually larger in the exporting
22 firms, and their export premium that Jane talked about in her
23 presentation, again, that export premium is much, much lower
24 for our Maori and Pacific peoples than it is for other
25 groups, and particularly New Zealand Europeans, or at least

1 the way within New Zealand.

2 So, I guess from the distributional perspective,
3 we've got both this challenge of, in some cases, we need to
4 try and boost the participation and the numbers, but also we
5 need to focus on making sure that the benefits of trade, in
6 terms of those higher wages, are also coming through to those
7 two groups.

8 Another kind of -- I just wanted to show you which
9 we think is quite interesting is when we think about people
10 in leadership roles. And so, we take a bit of proxy here
11 where we just look at the top five percent paid employees in
12 each firm and look at their gender characteristics.

13 And I quite like this chart for how it sums these
14 up, because you can kind of see a couple of things really
15 clearly. First, if you look on the left-hand side, you can
16 see that men are heavily represented in leadership positions,
17 in these top-paid positions. If you total-up those first
18 five columns, they come to about 80 percent. So, given that
19 roughly half of the population, it's a very big skew there.

20 The other interesting one to look at is if you add
21 up the two Maori columns, you can see those two numbers add
22 up to about 12 percent, women make up about 15 percent of
23 the workforce. So again, kind of a signal of
24 underrepresentation in these leadership groups, and this kind
25 of skew in terms of the highest-paid positions will be

1 drawing a lot of the, kind of, the that we saw in the
2 previous slide.

3 So, I think I'll just wrap-up there and pass it
4 back to you, Bill. Thanks.

5 DR. POWERS: Thank you, Phil, and I have to say I
6 appreciate your focus on the Maori and the Pacific peoples
7 because it parallels one of the areas the Commission has been
8 asked to look into, which are Native American communities.

9 And there's not nearly as much on those communities
10 in the U.S. as we would like, so I appreciate here, at least
11 in some aspect, in this international, so thank you. And so,
12 last of our presenters, we have Shenjie Chen who is the
13 Director of Economic Research, Office of the Chief Economist
14 at Global Affairs Canada. Shenjie, please take it away.

15 MR. SECRETARY: We see your presentation, Shenjie,
16 but you're still on mute.

17 DR. CHEN: Can you hear me now?

18 MR. SECRETARY: Yes, we can. Thank you so much.

19 DR. CHEN: Okay, thank you very much. It's my
20 pleasure to be here to present Canada's approach to assist
21 the distribution of Federal trade policy change and what we
22 call "expanded impact assessment", and this is the major
23 modeling work that our office has done in the past few years,
24 and we have a price and volume framework to a few trade
25 agreements.

1 And our work consists of ex post and ex ante impact
2 assessment of trade agreements, two components. Let me start
3 with ex post impact assessment of trade agreement. We
4 (technical interference) ex post impact assessment in the
5 past few years. The one related to the labor market impact
6 was commissioned to from the UFT and in the context of the
7 Canada-U.S. FTA.

8 It's about Canada-U.S. FTA on the labor market, and
9 the studies follow very much the standard reduced-form
10 approach to examine the effects of one historic event, which
11 is the Canada-U.S. FTA. It's not a dynamic trade dynamic
12 between the U.S. and China. This study just focuses on one
13 historical event and tries to examine those Canadian tariffs,
14 U.S. tariff on the labor market, using longitudinal and the
15 (technical interference) data for the Canadian workers from
16 1984 to 2004.

17 And try to answer the following question: when do
18 we observe the job displacements, and also, do we observe the
19 job displacement separation between the employers, the
20 employees, under the Canada-U.S. FTA, and where did these
21 affected workers go after separation?

22 Did they go to other firms in the same industry, or
23 other firms in other manufacturing industries, or other firms
24 outside of the manufacturing sector, or become unemployed?

25 And the last question is what is this separation or

1 displacements for lifetime earning of these affected workers.
2 That last question is very important. If it doesn't affect
3 the lifetime earnings, then what's the matter about -- the
4 separation, right?

5 The real conclusion of this analysis is very
6 interesting. It's kind of consistent with the classical
7 trade theory prediction. It's different from the recent
8 emerging literature on China shock.

9 So, the main conclusion says the industry effect by
10 the Canadian concession had a high probability of the
11 separation or displacement from the initial employer,
12 particularly for the low-attachment worker. The worker in
13 industry with the U.S. tariff concession had a lower
14 probability of the separation.

15 The industry with the Canadian tariff concession
16 didn't see the high rates displacement. So, it was a high
17 probability of employment in other manufacturing industry,
18 other firms in the same industry, as well as other
19 industries, for example, like construction, mining, and
20 services.

21 And separation and displacement did not lead to a
22 lower lifetime earnings for both lower- and higher-attachment
23 worker. Short-round income losses in the initial industry of
24 employment was offset by the high earning in the other
25 sectors, including services, construction, milling, in the

1 longer-term.

2 Let me turn to that ex ante impact assessment, and
3 I don't have the time to go through the overall modeling
4 framework, I'll just present some, kind of, data framework
5 use of our labor market model for the labor market impact
6 assessment.

7 Here, the base that's used for our model, labor
8 market model, it comes from the 2015 Census data. We did a
9 new census last year, and we tried to incorporate the new
10 data into our model this year. So, overall the census of
11 working age population is about 29.5 million, and the
12 employment is about 18 million.

13 9.1 are male, and 8.8 millions are for female. So,
14 this is a pretty standard labor market profile data, but from
15 the CGE model perspective, they represent a major departure
16 from the traditional modeling framework in a fundamental way.

17 First, there's occupation by gender and age, as
18 they allow for the (technical interference) of the assists
19 the intercountry agreement and the economic well-being of
20 different types of workers.

21 And also, there's a that people not in the labor
22 force in the labor market, labor moved out of unemployment or
23 joined the labor force when the economic condition improved,
24 or they could go back to the unemployment or out of the labor
25 force when the (technical interference).

1 Additional notes featured from this dataset,
2 services account for 80 percent of the total importers. So,
3 Canada indeed is a service-based economy, and also, worker
4 accounted for 26 percent of the total employment.

5 So, this data (technical interference). Then, let
6 me turn to next one. That's occupation mobility matrix,
7 represents the occupation by gender, different age groups
8 from one period to the next. It represents labor market
9 friction by occupation by gender and by age group.

10 And so, this is from the SLIDs data (phonetic).
11 SLIDs means Service Labor Income Dynamic. It's the
12 longitudinal labor service data. It charts labor mobility by
13 occupation, by gender, the age, over time. Let me move to
14 the next one.

15 So, this is our general equilibrium solution to the
16 labor market impact assessment. This is not a reduced-form
17 approach; it's a general equilibrium approach. And so, we're
18 starting to trade policy shock to the model, then that
19 translates into some jobs gained and job losses.

20 That job, then, we pass our information into the
21 labor market model, then the demand for labor, first of all,
22 we measure the involuntary (technical interference). Then
23 after position refill, then the business has to raise the
24 wage to hire more people, the people not in the labor force
25 to join the labor force.

1 On top of that, there's an demand coming from the
2 efficiency and the production for efficiency trade gain, and
3 these translated into aggregated events.

4 When you take into account aggregated events and
5 your final results will be, in most cases from our
6 experience, it would be positive. I think, as that's said, I
7 don't have time to go through our overall assessment, our
8 overall assessment consisted of three components, economic
9 impact assessment and (technical interference) assessment.

10 Initial GBA -- GBA means gender-based analysis --
11 and we (technical interference) for two phases. First one is
12 for initial assessment feed into the negotiation, then once
13 we reach the negotiation outcomes, then we re-do the
14 assessment based on the final negotiated outcome.

15 And our modeling framework consists of three
16 complementary models, the labor market model, environmental
17 model, and they're all linked together models simultaneously.
18 That's it for me.

19 DR. POWERS: I do appreciate the discussion of the
20 (technical interference). As you may know, to make sure that
21 we do analysis of distributional impacts, and it wouldn't
22 surprise me if they come right out and ask us, if we're not
23 required by Congress or USTR at some point to do as well.

24 Okay, at this point we have moved to the question
25 session, and I see that Bill -- thank you, Bill -- has

1 already put that we have 19 minutes on the clock and our time
2 is counting down.

3 So, I have got a couple questions. I want to get
4 to at least one of Bob's questions and a couple we had in
5 advance as well, and please, if you do have any in the
6 audience, please, as Bill has mentioned, send those to the
7 link.

8 And this is a hard question, but I have faith in
9 this group. Bob mentioned that we need to be doing a better
10 job for importance of frictions and adjustment costs for
11 trade. And I think that's absolutely true.

12 And one thing that was heartening, Bob, was that a
13 lot of the conversations we had yesterday was about talking
14 about frictions and adjustment costs, at least some of it,
15 including in the methodology panel.

16 I have a question for this group, though. What
17 about the adjustment costs for other shocks? Maryla, you
18 mentioned COVID and the war in Ukraine -- technology, of
19 course is in the background. Shenjie, you mentioned you've
20 been looking at adjustment costs.

21 Is there anything special about labor adjustment
22 costs that we should be thinking about putting in our models,
23 or are they similar to the costs that we have for other
24 shocks? And maybe I'm asking the wrong group or asking a
25 bunch of trade economists and maybe we don't know the answer

1 to that question, but if we don't know, we should point that
2 out, and perhaps we can ask it in our next session, which is
3 asking labor economists that question.

4 But I'll ask this group first. I think I'll start
5 with you, Bob, because you did bring up the cost question.

6 DR. KOOPMAN: Thanks, Bill. We've known for a long
7 time that there are adjustment costs, and there was great
8 work done in the late-'90s and early-2000s that looked at,
9 particularly for different kinds of categories of workers,
10 unskilled workers, workers with high school or less
11 education, unmarried with children, that they had a hard time
12 adjusting to almost any kind of shock and finding employment.

13 We've also found, you know, that lack of labor
14 mobility, the inability to where new jobs are, is often a big
15 challenge, and as Autor, Dorn, and Hanson have shown,
16 sometimes you get these concentrated industries that suffer
17 from import competition in a locality, and they have big,
18 long, sort of, tail effects on labor transition, and that
19 gets very, very costly.

20 And I think we're doing a better job of looking at
21 those kinds of costs. I do think it's important though that
22 we not just think about the trade shocks. Often it comes
23 down to what's the impact of immigration, what's the impact
24 of trade. It's much harder to find that kind of work that
25 says, you know, what happens with a demographic shift from

1 the Northeast to the Southwest?

2 What happens with major shift in technology? I
3 mean, there's good work like Collard-Wexler and DeLoecker.
4 around mini-mills and steel and the big implications that had
5 for employment unrelated to trade.

6 So, I think bringing that broader literature in and
7 making sure that you're able to decompose what are the
8 different forces at play and recognize you have a complex
9 organism in this economy. Don't just think it's a
10 one-trick-pony where you've got a silver bullet.

11 And you want to make sure whatever policies you
12 develop are flexible policies that can help with the
13 adjustments depending on the shock, right? So, irrespective
14 of the shock, not depending on any specific kind of shock. I
15 hope that gives you some context. I'm sure our other
16 panelists have some good insights to bring to that question
17 also.

18 DR. POWERS: Maryla?

19 DR. MALISZEWSKA: Thank you. That trade often
20 takes the blame for a variety of other forces that are
21 in-play. We need to understand the whole context of what's
22 driving changes in employment and wages. But one way in
23 which we -- the question you asked was also how are we going
24 to change or accommodate all these various issues in our
25 models, the adjustment cost.

1 So, just to elaborate more on what we are trying to
2 do in the nearest project is very similar to what Shenjie
3 Chen did, his transition matching, just trying to understand
4 which workers are likely to move, what are their
5 characteristics, who is more likely to jump out of the labor
6 force and move into unemployment.

7 So, that's critical because now our model, of
8 course, which are of the world, everyone switches sectors,
9 and we do use for some characteristics, but still they move
10 within the same year. So, just trying to build that
11 transition period, the adjustment cost, is extremely
12 important to get a better picture of the likely implications
13 of trade on jobs and wages. Thank you.

14 DR. POWERS: Shenjie, would you continue?

15 DR. CHEN: Well, I just tried to answer the
16 question about adjustment costs. Adjustment costs,
17 essentially, it's the cost associated in chance of moving
18 from one equilibrium to the next equilibrium. So, many
19 elements, for instance, like you're moving from one
20 occupation to another occupation.

21 From the data, actually it's the transition
22 metrics, moving from one occupation to another occupation is
23 extremely difficult, and the majority of the people, they
24 stay in the same occupation from one period to the next
25 period.

1 And then between the age and between the different
2 genders, that freshens (phonetic) costs and the transaction
3 cost is not very high. And those are important elements that
4 Bob mentioned. It's a geographic adjustment that's
5 extremely, extremely painful. Lots of people just don't want
6 to move to another place.

7 But in our model, that element is missing. But
8 according to the labor economists, they say this is probably
9 one of the most important elements to consider in the
10 finished model.

11 DR. POWERS: Bob?

12 DR. KOOPMAN: Thanks, Bill, if I could just build a
13 little bit on Maryla and Shenjie's points, I think I would
14 describe it as this. It's good if you can build these into
15 your analytical frameworks, but I also think it's just fine
16 to use different analytical frameworks to supplement it.
17 Don't put too much pressure on any one model to solve you
18 know, all the interactions.

19 And I think there's a lot to be learned from using
20 different models for what their different strengths are, and
21 then finding ways to integrate or leverage the different
22 insights to tell a comprehensive story.

23 DR. POWERS: Thanks. Any other comments on
24 adjustment costs and why they might be different in the trade
25 space than, say, in other macroeconomic shocks? Bill's

1 saying nope. All right, so let's move onto my next question,
2 actually.

3 And one of the things we heard a lot of in the
4 roundtable, and a little bit in this symposium but not too
5 much, is the importance of complementary policies. And
6 Maryla, you put this out there in your slide that we haven't
7 seen yet, which actually leads to complementary policies,
8 trade globalization can perpetuate disparities.

9 And this has been repeated to me in our earlier
10 events this month and last month in our roundtables. And you
11 note, Maryla, you note that policies -- workers were more
12 easily able to shift to new opportunities in Bangladesh, say,
13 than South Africa.

14 Can you tell us about that, like what the role of
15 policy was to mitigate some of these losses or to enhance
16 benefits?

17 DR. MALISZEWSKA: Yes, absolutely. So, we have a
18 number of case studies as part of the distributional impacts
19 of trade report, and many found them very helpful in trying
20 to understand different contexts across countries. And I
21 think it also makes sense for the U.S.

22 You know, the conversations we had yesterday about
23 different educational attainment or labor mobility across
24 U.S. states. I think there are some lessons to be learned.

25 So, that's an example of the part of the analysis,

1 that the colleagues in the back have been doing, and
2 basically what we've found that, in Bangladesh following the
3 trade liberalization and export to the OECD countries, mostly
4 textiles, there was a big boost to wages and unemployment.

5 But it was really across the board. It was thanks
6 to (phonetic) migration barriers, and that meant that workers
7 quickly shifted from either other sectors or other locations
8 to take advantages of the new opportunities, and the
9 formalization of the labor force increased quite
10 significantly too, benefitting mostly female workers.

11 While, in South Africa, there was this shift, you
12 know, the open and the liberalization of trade actually led
13 to perpetuation of existing inequalities. c

14 And it's mostly because of the apartheid housing
15 and labor policies that created long-lasting bias for workers
16 to move across regions, sectors, and occupations. So, that's
17 the comparative income across two counties with very
18 different outcomes for specific regions and types of workers.

19 And even though was gaining overall, there were
20 large inequalities in South Africa versus the people were
21 kind of more equal across different types of workers and
22 locations in Bangladesh. Thank you.

23 DR. POWERS: Thank you, Maryla. I would be quite
24 interested in hearing from either Phil or Shenjie whether
25 this kind of thinking goes into your trade policies as you

1 try to make them more equitable?

2 DR. CHEN: Phil, do you want to go first?

3 MR. MELLOR: Yeah, I mean, it's a good question.
4 Maybe Shenjie, do you want to while I?

5 DR. CHEN: All right. The policy recently we
6 started to introduce some new chapters into the trade
7 agreement. One is about the gender chapter, and also, like,
8 SME chapters starting from the 2017 under the CP-TPP
9 agreement.

10 And also we have some provisions related to
11 operational people - also (phonetic) operational people. But
12 the basic structure, it's always they are very similar. It's
13 always emphasized importance of sue (phonetic) issue in the
14 community economies and global economy.

15 And also, emphasize how to follow or stick to the
16 international convention, like ILO and the OECD, some
17 procedures, the conventions and the ability of the procedure
18 something.

19 And then, also set up some kind of a working group,
20 and there's always, you know, when you trade agreements,
21 always the last two chapters are always about the corporation
22 chapter and which area will actually expand the corporation.

23 And finally, it's some kind of committee called a
24 corporation committee, or it could be some gender committee
25 or SME committee to facilitate information exchange and the

1 monitoring of development and such and such.

2 So, that's very much, from the trade policy
3 perspective. But certainly, this issue, it's far more
4 complicated, and we won't be able to completely adjust by
5 trade policy. It has to be adjusting rules at the domestic
6 region or overall regulatory cooperations between the
7 countries. And the trade policy only, you know, touch a
8 little bit, and these are very broad issues.

9 MR. MELLOR: Maybe just to build on Shenjie's
10 points as well, so yeah, we had, kind of, similar chapters in
11 our recent trade agreements, notably in the U.K. a trade
12 agreement that we signed about a month ago. We also put an
13 indigenous corporation chapter into that one as well, so
14 that's, I guess, another group that we are focused on.

15 The other one I'll note is the role that trade
16 facilitation can play as well, because we know that, for
17 example, in New Zealand at least, lead businesses tend to be
18 smaller. Our Maori businesses tend to be smaller, and so
19 there we see there's kind of higher, you know, relatively
20 higher barriers to those kind of fixed costs related to
21 trade.

22 So, that kind of trade facilitation kind of aspect
23 is important too. But I think Shenjie's last point, I think,
24 on the domestic policies is probably the critical one. I
25 think that's something we've been trying to message quite

1 clearly in our work is actually, you know, a lot of these
2 kind of gaps, they are structural features in the economy
3 that you need to fix with other domestic policies.

4 So, for example, those gender pay dips, for
5 example, they're to do with a whole lot of, you know,
6 corporal behavioral things, but also features like, you know,
7 availability of child care, expectations around unpaid work,
8 you know, all those kinds of things as well. So, yeah, trade
9 policy only, you know, gets you so far on some of these
10 topics.

11 DR. POWERS: Thanks. I want to save a little time
12 for a question with Jane, but did any other panelists have a
13 quick comment on that question? All right, I will turn my
14 question to Jane next.

15 Jane, if I could jump a little bit beyond your
16 presentation and then go look at your 2021 policy paper which
17 was sort of the background for it, you did mention, in that
18 paper you talked about the gender provisions in preferential
19 trade agreements, and you noted that they generally contain
20 few binding commitments.

21 So, that said, what evidence do we have of the
22 effect of these provisions? And then, if that's (technical
23 interference), can you suggest any qualitative or
24 quantitative approaches to analyzing these effects in these
25 provisions?

1 MS. KORINEK: Yeah, sure. So, one aspect that we
2 talk quite a bit about in that paper is the importance of
3 doing ex-ante impact assessments that are, you know, gender
4 differentiated or, you know, differentiated by different
5 groups that one might want to look into.

6 So, Shenjie touched on this. This is a practice
7 that is very common in Canada, and this ex-ante impact
8 assessment then feed into the negotiations, in terms of
9 prioritizing certain sectors for market access.

10 So, in order to lower gender gaps, for example, or,
11 you know, gaps in access to markets for, you know, other
12 types of underserved groups. So, if you're talking about,
13 you know, market access provisions, those are measurable.

14 And so, you know, having that feed into the
15 negotiating process and prioritizing certain sectors
16 according to who's working in those sectors -- I think this
17 was brought up yesterday also by David Fortunato -- you know,
18 this is one way that policymakers take aim to use trade to
19 lower gender gaps.

20 A lot of the other provisions in regional trade
21 agreements are more like best-endeavor or cooperation, or,
22 for example -- so, when we did this trade and gender review
23 of New Zealand, we suggested a number of areas in the trade
24 facilitation area or in trade promotion for the export
25 promotion agency, how they can be more gender (technical

1 interference).

2 It's about, you know, engaging more with women
3 stakeholders, making sure that they are very intentional
4 about including entrepreneurs, for example, in trade missions
5 or other activities.

6 And so, I mean, you know, this, obviously you can
7 measure the inputs, but you're not going to be able to
8 measure the outputs very easily. So, I would say some of
9 these are measurable, in particular market access, and some
10 of them are more measurable on the input side than on the
11 output side.

12 But this is the very beginning of this. We're at
13 the very beginning of trying to figure out how to move
14 forward. So, you know, I think that's why this type of
15 discussion is so valuable.

16 DR. POWERS: Well thank you, Jane, I think that's
17 an excellent place to end our thing. I do find this
18 incredibly valuable. I want to thank everyone here again for
19 coming and being so thoughtful with your presentations and
20 responses.

21 So, thank you, and with that, Bill, can you
22 introduce our -- oh, Bob has a final comment. Yes? Oh,
23 Bob's just saying goodbye. Bob's waving goodbye. And Bill,
24 can you tell me how long we have for our next break? Is it
25 five or ten minutes?

1 MR. SECRETARY: Let me quickly find that out for
2 everybody. 10 minutes. So, we'll have a quick 10-minute
3 break. We will start our final session of the afternoon at
4 3:10.

5 (Whereupon, a brief recess was taken.)

6 MR. SECRETARY: We will now begin our next session,
7 which is a moderated discussion on future directions. This
8 panel is moderated by Dr. Sandra A. Rivera, Associate
9 Director of Economics with the U.S. International Trade
10 Commission. I welcome you, Dr. Rivera. I turn the floor to
11 you. You're on mute.

12 MS. RIVERA: Thanks, Bill.

13 MR. SECRETARY: You bet.

14 MS. RIVERA: I am so happy to see you all today.
15 Thank you for making time to attend this panel and engage
16 with us. I see most of the team. So, I just wanted to start
17 off with thanking each of you and sharing that, over the past
18 few days, we have had several panels that had areas that were
19 very well-researched with deep dives in areas of literature
20 such as wage and skill, gender, things that are less
21 researched, or maybe not as extensively or rigorously as the
22 other areas, race and ethnicity, we've looked at
23 methodological issues, data availability and gaps.

24 But during this panel, we're taking a much bigger
25 look. We're going to look with the goal of harnessing

1 thoughts of other fields outside of trade necessarily.

2 We have a remarkable group of researchers that we
3 hope to leverage for their thoughts, and these themes are
4 going to be very important for our investigation, revisiting
5 from a different perspective.

6 You know, we want to learn more about economic
7 equity at the quantifying (phonetic) those that are
8 differently abled, economic history of underserved, impacts
9 on wealth intersectionality, and the list goes on.

10 So, before we get started, I just wanted to
11 introduce the panel. We have Anna Hernandez Kent from the
12 Institute of Economic Equity at the Federal Reserve Bank of
13 St. Louis. We also have Sandra Houtenville, Direct of the
14 Institute of Disability at the University of New Hampshire.

15 We have Dan Giedeman at Grand State Valley
16 University, Dr. Sandy Darity from Duke University, Dr.
17 Margaret Simms from the Urban Institute, Dr. Martell from
18 Bard College, and Dr. Sonya Porter from the U.S. Census. I'm
19 going to ask each of you to tell us a little bit about your
20 field of study and what research, just generally, you're
21 working on these days, and then we have a host a questions
22 for you to answer.

23 You have three minutes to delve into those details,
24 and with that, I am going to ask Dr. Ana Hernandez Kent to
25 please start.

1 DR. KENT: Thank you, Sandra and Chris, and
2 everyone at USITC that's put together this wonderful
3 conference. Yeah, I'm Ana Kent, and I work at the Federal
4 Reserve Bank of St. Louis at the Institute for Economic
5 Equity.

6 It formed about a year-and-a-half ago now, and we
7 really focus on exactly that -- economic equity, how families
8 are doing in the United States, what barriers there are to
9 their full economic participation and, you know, what we can
10 do as the Federal Reserve to highlight those disparities that
11 many families face, as well as opportunities for growth.

12 So, my research, I really focus on wealth gaps,
13 both because it's just so importance to families' resilience,
14 their economic mobility, but also looking at demographics.
15 So, it's not randomly assigned whether, you know, you have a
16 lot of wealth or not a lot of wealth, or you're in these
17 different groups.

18 So, families who are black are Hispanic, who are
19 younger, who are women, they tend to have less wealth than
20 their counterparts. And so, we look at that history what the
21 gaps look like today and what types of factors influence
22 them, as well.

23 And, you know, it's not just about families, right?
24 This doesn't have just an effect on families, it has broader
25 economic effects as well. Research from our colleagues in

1 San Francisco have found the effects on GDP potentially lost
2 GDP to be nearly \$2 trillion per year. So, you know, it's
3 fairly significant.

4 GDP is a measure of basically how we're doing,
5 economically speaking, and we expanded this research as well
6 to look by state, and you can find that on our Fed
7 Communities website.

8 If you look at closing the gaps by race and by
9 gender, each state and Washington D.C. stands to gain
10 billions of dollars every year, and this is lost potential in
11 innovation and various other things. So, I'm happy to be on
12 this panel and to continue the discussion.

13 MS. RIVERA: Thank you very much. Our next
14 panelist we have is Dr. Andrew Houtenville who's from the
15 University of New Hampshire, Director of the Institute of
16 Disability. Go ahead.

17 MR. SECRETARY: You're on mute, Andrew.

18 DR. HOUTENVILLE: There we go. How's that? So, my
19 name's Andrew Houtenville. So, I'm an economist at the
20 University of New Hampshire labor public finance
21 health/economist. And the nature of my research is all kind
22 of using secondary observational data; I do some primary data
23 collection, but getting ahold of samples of people with
24 disabilities can be quite difficult, given some of them are
25 rare events.

1 I spend a lot of my research defining disability
2 because it's a pretty heterogenous population, and it's
3 difficult operation-wise in surveys. So, drawing together
4 from multiple surveys. Every time we try to make a
5 conclusion, you try to do it for every possible measure
6 that's available.

7 Using administrative records as well, which was a
8 topic earlier this morning, was these administrative records.
9 So, I have to do a lot of that just to get the base
10 foundation of my research. The other area is on the impact
11 of policy on the employment of people with disabilities.

12 People with disabilities of working-age civilians
13 are about half as likely to be employed than other workers of
14 working age. And, you know, the big elephant in the room is
15 Social Security/Disability policy, both as society
16 (phonetic), which may or may not have implications in terms
17 of trade and the impacts of trade on, kind of equity.

18 However, there's another whole side of disability
19 policy, and that's return-to-work transitions, and that's
20 very relevant to certainly the earlier conversation in the
21 panel before where, if there are disruptions in an industry
22 or an occupation or an area of the country where trade is
23 seen to potentially disruptive.

24 So, you know, there are some things to be concerned
25 about with disability and trade, and people with disabilities

1 seem to be loyal. There's all these old studies on the
2 loyalty of the worker with disabilities. However, that
3 actually could be reflective of their lack of opportunity and
4 their inability to move and relocate because they have local
5 supports that they depend on.

6 Depending on the type of disability, it can be
7 quite substantial. And so, people with disabilities are
8 vulnerable to not being able to adjust both to an occupation
9 and to a geographic location in order to smooth their
10 earnings -- in order to adjust to economic shocks.

11 And we do see that with the Great Recession people
12 with disabilities were much less likely to recover quickly --
13 not so for COVID, but we can talk about that more later.
14 I'll stop there.

15 MS. RIVERA: Thank you, Andrew. Next, Dr. Dan
16 Giedeman at the Grand Valley State University.

17 DR. GIEDEMAN: Hi, yes, I'm a professor of
18 economics at Grand Valley State. I'm also the co-editor of
19 essays in business and economic history. So, as you might
20 expect, a lot of my research deals with economic history,
21 looking at long-running trends of economic growth.

22 Also looking at institutional arrangements and how
23 those have affected economic growth. Most relevant for this
24 panel has been the work I've been doing, a series of papers
25 with my co-authors Gary Hoover, Ryan Compton, and Cruella

1 Godday in which we have been looking at racial wealth and
2 income gaps.

3 And we've looked at it with respect to changes in
4 institutional rules across states, we looked at how the great
5 recession has played a role in wealth inequality. More
6 recently, we had a paper that came out last year that talked
7 about how macroeconomic shocks may affect different groups
8 depending upon what race they are.

9 And so, I'm just hoping to contribute to this panel
10 in any way that I can. Thank you.

11 MS. RIVERA: Thank you very much, Dan. Next, we
12 have Dr. William Darity. Go ahead.

13 DR. DARITY: I'm William Darity, known better as
14 "Sandy" Darity. I am a faculty member at Duke University,
15 primarily in public policy on African and African American
16 studies. I am involved in the process of building the
17 subfield of stratification economics.

18 I believe that a speech that I gave in the year
19 2005 actually launched that subfield. A substantial amount
20 of my work is focused on racial wealth disparities in the
21 United States, and this is because of the impression that I
22 have that the racial wealth gap is the premiere economic
23 indicator of the cumulative inter-generational effects of
24 white supremacy in the United States.

25 So, I'd like to provide some initial details about

1 some of the findings we have had about racial wealth
2 disparity in the United States using the survey of consumer
3 finances for the year 2019. We've discerned that the gap in
4 household wealth on average between blacks and whites is
5 about \$840,000.

6 This translates into a per-person differential of
7 about \$350,000. We focus on the average in our work, rather
8 than the median gap, because of two fundamental reasons.
9 First, 97 percent of the wealth held by white households in
10 the United States is held by those above the median level of
11 wealth.

12 And so, as a consequence, if you focus on the
13 median gap rather than the gap at the average or mean, you're
14 ignoring the vast amount of wealth that is held in the United
15 States. In addition, this differential is not due to the
16 presence of a handful of extremely white, rich billionaires,
17 although there is such a handful.

18 But it's as a consequence of a more widely skewed
19 distribution of wealth. One quarter of white households have
20 a net worth in excess of \$1 million, while that is true for
21 only four percent of black households, and the black
22 professional class actually has less wealth than the white
23 working class -- two to three times less wealth at the median
24 than the white working class.

25 MS. RIVERA: Thank you very much, Sandy. I'm going

1 to ask Dr. Margaret Simms from the Urban Institute to
2 introduce herself.

3 DR. SIMMS: I'm Margaret Simms. I'm currently a
4 non-resident fellow at the Urban institute. Until about four
5 years ago, I directed the low-income working families project
6 there at Urban. My work has focused on employment and
7 income, and also on wealth distribution.

8 I think one of the examples of what some of my
9 recent work which is focused on structural racism is a study
10 I did with my colleagues in Pittsburgh, which is a city that
11 did undergo some economic transformation, shifting from the
12 steel industry into finance and other areas, and looking at
13 the impact that it had on employment opportunities for
14 African American men in particular, both employment and
15 business opportunity.

16 And I think one of the things that perhaps has not
17 been as emphasized in this conference is not just about job
18 loss but the failure to get into the labor market. So, some
19 of what we looked at in Pittsburgh was how young men never
20 were able to make an entry into the job market because of the
21 kinds of jobs that might've been available to their fathers
22 and uncles are no longer available, and trying to make that
23 connection to the jobs of the present and the future have
24 been very difficult. And I'll stop there and see how the
25 discussion goes.

1 MS. RIVERA: All right, thank you. Next, we have
2 Dr. Mike Martell from Bard College.

3 DR. MARTELL: Thanks. Hi, I'm Mike Martell. My
4 pronouns are he/him/his. I'm at Bard College. I'm broadly
5 trained as a labor and demographic economist, but my research
6 largely concerns the economics of sexual orientation.

7 And so, I tend to study the causes, consequences,
8 and the potential remedies of some of the negative
9 differentials that lesbian, gay, and bisexual individuals
10 experience.

11 And so, I've been studying things such as why and
12 what are the mechanisms, why LGB folks tend to earn less than
13 their heterosexual counterparts, how does that translate into
14 experiences in educational institutions and elsewhere, how
15 effective are expansions of equal rights, such as protection
16 from discrimination and access to legal institutions of
17 marriage, and then I also study the way through which members
18 of same-sex households make decisions together and organize
19 their behavior, which in some ways lets us understand a
20 little bit of how heteronormative biases in policy and theory
21 circles might underserve sexual minorities. Thanks, I'll
22 stop there.

23 MS. RIVERA: Okay, great. Next we have Dr. Sonya
24 Porter from Census.

25 DR. PORTER: Thank you, Sandra, and thank you Chris

1 for organizing this great panel. Yes, my name is Sonya
2 Porter. I'm a Principal Sociologist and Demographer at the
3 U.S. Census Bureau in the Center for Economic Studies, and
4 most of my research focuses on racial and ethnic measurement,
5 and then also, racial and ethnic inequality.

6 For the past 10 years, I have mainly worked on
7 using data that is administrative records data linked to
8 survey data or decennial census data or other administrative
9 records data.

10 So, primary projects that I have -- and I try to
11 look with a lens of race and ethnicity when I work on these
12 projects, is that I look at intragenerational mobility and
13 intergenerational mobility using tax records matched to
14 decennial census and American Community Survey data so that
15 you can actually look at race and other factors.

16 Also, working with the Bureau of Justice
17 Statistics, we analyze state and federal prison records
18 linked again to survey records and decennial census records
19 to answer questions that are hard to answer just with some
20 administrative records data alone.

21 And then, also using evictions data linked to
22 census data to better understand demographic characteristics
23 of those who are affected. A lot of the Court proceeding
24 records don't have race or age or gender on them, and so
25 linking them to census data really allows us to get a better

1 picture of who is evicted, and of course, there is a huge
2 gradient in terms of, you know, minorities, particularly
3 black women, who are affected by evictions.

4 And so, actually being able to study outcomes
5 related to, you know, describing the demographics but then
6 also looking at labor market outcomes and other things
7 related to evictions I think is really critical as we move
8 this research forward.

9 MS. RIVERA: Saved by the bell -- you know what I
10 mean. So, we have a very diverse panel, and I'm so excited
11 to ask you all a number of questions. I'm going to put
12 something out there. One thing in international trade, you
13 know, we can't really get a grasp of things unless we focus
14 it. We can't fix or even understand what we don't look at.

15 How has a focus of distributional effects informed
16 your field in particular? How are they looking at it? Who
17 would like to start that off?

18 DR. SIMMS: Well, I can start. Most of my work has
19 focused on distributional issues, whether it's distribution
20 of Government benefits or distribution of income and
21 employment opportunities.

22 So my understanding the distributional impact for
23 policy helps us to understand where people will end up on the
24 economic ladder and how specific policies can be modified to
25 improve outcomes.

1 In some cases, it may be changing the policy, but
2 in other cases, it may be the development of compensating
3 strategies to minimize the negative impacts of policy change.

4 MS. RIVERA: Mike, can I ask you to jump in?

5 DR. MARTELL: Yeah, absolutely. Thanks for the
6 question, and I think you're absolutely right that we can't
7 understand what we don't look at, and I think that is pretty
8 characteristic of the things that I study because ,".

9 And so, since I'm an economists really haven't
10 started studying sexual orientation since 1985, which is
11 longer than I actually think, but is relatively recent, and
12 we still have very few data sources that we can actually
13 utilize in order to try to understand the economic status of
14 folks who are LGBTQ+.

15 But of the data we do have, we find that there's
16 lots of distributional effects and inequities experienced by
17 members of these populations, the unequal distribution of
18 protection from discrimination in the workplace leads to
19 worse outcomes for LGB folks -- probably transgender folks,
20 but we don't have enough data to actually let us know.

21 The expansion of access to legal marriage promotes
22 equity within members of same-sex households. It
23 incentivizes people to invest in relationship assets that
24 helps them spend time with loved ones and children, which is
25 going to have some intergenerational effects and allows them

1 to invest in financial assets that might help them down the
2 line.

3 And so, you know, most of the folks working in my
4 area are looking at distributional effects and the negative
5 impacts of unequal access to policies and institutions that
6 have been long-afforded heterosexual couples.

7 But we're still hindered by not collecting data on
8 LGBTQ+ people, and, you know, the data we collect reflects
9 the values that we hold. And so, if we want to promote
10 equity for LGBTQ+ people, which I hope is a goal we share, I
11 hope that one of the things on our short-term goals of things
12 to do is, you know, press forward with expanding the
13 collection of sexual orientation and gender identity
14 information on national surveys.

15 I'm really happy that I think within the last year,
16 the Census Bureau, for the first time ever, included sexual
17 orientation and gender identity on the household pulse
18 survey, which is fantastic news and has been really useful to
19 begin to understand the economic status and the
20 disproportionate burden of the COVID pandemic in which we
21 would have not been able to understand otherwise.

22 But there's also lots we should learn about trade,
23 but we won't be able to do so until we start asking. Thanks.

24 MS. RIVERA: Thank you, Mike. Does anyone else
25 want to weigh-in on that question? Sonya?

1 DR. PORTER: So, I think just thinking about I'm
2 thinking as a demographer but sort of the way that I'm
3 thinking about this question is just like based on my
4 research, a race started working at the Census Bureau.

5 So, one thing that I think is really important for
6 people to think about is that it's important, when you look
7 at race groups, a lot of people just look at white and black,
8 or they might look at Hispanic, too, and some of that might
9 actually be related to the surveys and the surveys not being
10 able to collect more information on other race groups.

11 But I also often find that a lot of surveys do
12 collect information on other race groups, and people still
13 are not inclined to report on all race groups when they're
14 doing research, in both sociology and economics.

15 And I think it's important to at least mention,
16 like, what the other, you know, disparities are among other
17 groups, and I think looking deeper within groups is
18 important, too.

19 So, for instance, looking within the Asian
20 category, you know, Asian Indians in 2019, according to Pew,
21 made a household income of about 119,000, but Burmese
22 households made about 44,000, and that's a vast, like,
23 disparity.

24 And so, to the extent that you can, looking at all
25 the racial groups but then also looking within your Asian and

1 also Hispanic groups I think it's really important. I think
2 place is very important as it interacts with race, as well.

3 We have found, we have created the opportunity
4 atlas. It was a Census collaboration with also Harvard, with
5 Raj Chetty, Nathan Hendren, and John Friedman , and what we
6 found is that it's really important to think about how, you
7 know, you can live within the same neighborhood and
8 sub-groups, and by gender, have very different experiences.

9 So, you have different incarceration experiences
10 for black men compared to Hispanic men in the same
11 neighborhood. You have different income experiences for
12 black women compared to black men, and we need to be thinking
13 about those experiences within the same areas.

14 And we also found that even areas just a few miles
15 apart have very different experiences. And so, I think that
16 from maybe trade policy or other policies perspectives,
17 understanding that locality also matters when it interacts in
18 ways related to race and also gender.

19 And then I'll make two other points, if I have
20 time. I think it's also really important for us, and this is
21 coming from sociology, to really interrogate our statistics.

22 Becky Tent, I'm not sure I'm pronouncing her last
23 name right and Reese Westin (phonetic) are both sociologists,
24 and they say that, you know, it's really important when we
25 think about labor market statistics, when we don't include

1 black men in the denominator that are incarcerated, then
2 we're skewing our statistics to make our statistics look much
3 better than they might really be for a particular population
4 and particular age groups.

5 And so, we really need to be thinking about these
6 types of things as researchers. There might be longstanding
7 ways that we have been doing things and creating our
8 statistics, and I think that Sandy Darity made a good example
9 about median versus the average.

10 And we need to be thinking about how the way that
11 we present these statistics actually, like, represent
12 progress for groups and disparities, and I'll stop there.
13 Thanks.

14 MS. RIVERA: Thank you, Sonya. Sandy? We can't
15 hear you.

16 MR. DARITY: Sorry. I would like to say that Sonya
17 Porter's comments about disaggregation are vital. This
18 applies not only to disaggregation among the gross categories
19 that we typically refer to as Asian or Hispanic, but also
20 within the black population there's a decided difference in
21 experience and outcomes for those of us who are descendants
22 of persons who were enslaved in the United States and
23 individuals who are more recent immigrants to the United
24 States, particularly the predominant group of black
25 immigrants to the United States who have come in the

1 aftermath of the civil rights legislation of the 1960s.

2 I'd also like to add that there is some research on
3 the relationship between foreign trade and racially disparate
4 outcomes. Most of that research has been empirical, done
5 primarily by Jacqueline and Richard Agesa, where they have
6 focused on the differential impacts of imports, or the volume
7 of imports and types of imports, on the income position of
8 blacks and whites in the United States and the differential
9 impact on the degree of discrimination.

10 But to the best of my knowledge, there is no
11 research that's available on the impact of exports or trade
12 surpluses or deficits, or the changing composition of
13 exports, or trade policy with respect to the installation of
14 tariffs or quotas, nor, finally, its change range (phonetic)
15 effects on racial differences and outcomes.

16 I will say that my prior is that these types of
17 effects are strongest on income and weakest on wealth, but we
18 don't really have a body of research that addresses these
19 things. Final comment, recently I was on a panel that was
20 exploring the impact of monetary policy on racial inequality,
21 and I think it's high-time we also look at the impact of
22 trade policy on operational inequality.

23 MS. RIVERA: Ana?

24 DR. KENT: Thanks, Sandra. Yeah, I want to echo
25 Sonya's and Sandy's comments as well about -- and, really,

1 just the whole panel -- about why it's so important to
2 disaggregate.

3 So, for me, when I think about the importance,
4 really, it comes down to assumptions. So oftentimes I think,
5 as regular people, as researchers, we could have assumptions
6 about why we're seeing certain things happen, but if we don't
7 collect that data and we don't disaggregate importantly, then
8 we might come to an error in its conclusion or an erroneous
9 conclusion rather.

10 So one example is, you know, people can sort of
11 think of education, college education, as this great
12 equalizer, as the silver bullet to the racial wealth gap if
13 they're not, you know, seeking this literature, but, as
14 Sandy's work suggests, as our work at the Federal Reserve
15 Bank suggests, it's not -- simply put, it's not a silver
16 bullet.

17 So Black and Hispanic college grads have less
18 wealth than a typical White high school grad, and so, if you
19 look at, you know -- and that's just one level of
20 disaggregation within education. You can go further and look
21 at gender as well, you can go further and look at generation,
22 and, you know, you get more nuance and you get more
23 information the further you go. And so I just think that's
24 so critical when we're trying to really understand the
25 problem and design solutions that have an impact.

1 DR. DARITY: Let me just inject, Black and Latino
2 heads of households with college degrees have less wealth
3 than White heads of household who never finished high school.

4 DR. KENT: So I'm assuming you're looking at
5 average. Yeah. So, again, another example of it
6 doesn't --

7 DR. DARITY: I'm looking at -- these are medians.
8 These are medians. These are medians. That is out there.

9 DR. KENT: Our work suggests something different,
10 but we can talk offline after that. Either way, I mean, the
11 point is that the gap's still huge and still matters.

12 DR. DARITY: Yeah.

13 MS. RIVERA: I see that two hands are raised. I
14 don't know which one was first. Andrew, want to go first,
15 and then Margaret? We can't hear you.

16 DR. HOUTENVILLE: Can you hear me now?

17 MS. RIVERA: Yes.

18 DR. HOUTENVILLE: Okay, sorry. So you guys need to
19 get together and do some kernel densities and figure out if
20 there's stochastic dominance of the distribution between your
21 measures if you're having difficulties with means and
22 medians.

23 But, you know, with disability-related work, we
24 have a very difficult time doing wealth for two primary
25 reasons. One is that age and disability go together, and so

1 we'll frequently find people with disabilities have greater
2 home ownership, right, because people aged into a disability
3 and older individuals are more likely to potentially own a
4 home, and so we need date of onset, and date of onset is
5 almost always missing. It's very difficult to ask.

6 And then we have screening issues. So the survey
7 of consumer spending only -- you're only identified as having
8 a disability if you're not working, if it's a reason for your
9 being not in the labor force, and so, if you're working,
10 you're not considered to have a disability. So there are
11 some issues. We have similar issues at very small cell sizes
12 if we want to break the disability type.

13 And I was recently looking at health equity on a
14 panel, one of the White House panels, and there was a real
15 push just to increase the sample size of the national health
16 interview survey so we could at least get state identifiers
17 out of it and get, you know, bigger cells for specific
18 disability types.

19 And most of our work focuses on younger individuals
20 that transition from school to work, the ascension into the
21 labor market, which frequently doesn't happen because we're
22 kind of dealing with 1920s-style social services that are
23 basically paying people to say it's been two years, proving
24 to Social Security that you can't work, and then you're given
25 a ticket to return to work and get employment services.

1 So there's lots of scarring that occurs during that
2 waiting period, and so there's a lot of modernization that
3 needs to happen, and it's really lying with Congress to do
4 it. But this Administration knows and Social Security knows
5 it's a problem.

6 MS. RIVERA: Thank you, Andrew. Margaret?

7 DR. SIMMS: Yeah, I have two things I wanted to
8 pick up on. One concern, this question of disaggregating
9 data, and I'm reminded of one of the points that was made in
10 yesterday's discussion about women, women's position in the
11 labor force and whether they're married to men with high
12 income and whether that affects their withdrawal from the
13 labor force.

14 But also I'm thinking about single heads of
15 household, women who are single heads of household. When we
16 talk about the kinds of issues and impacts, location can
17 really be important when the industry they're in leaves their
18 area because they are particularly dependent on support
19 systems in order to manage work and family responsibilities.
20 So that's one thing to think about in terms of data
21 disaggregation.

22 The other thing, really picking up on one of
23 Sandy's points about what we don't know and what we don't
24 measure, when we think about impacts of trade on wealth, we
25 often think of its impact on income and savings and not so

1 much on business formation and dissolution, because trade can
2 create opportunities or destroy opportunities for businesses
3 owned by people in different groups, and we don't know enough
4 about that to know how to judge that.

5 MS. RIVERA: All right. Dan?

6 DR. GIEDEMAN: Yeah, I'd just like to say one
7 thing. You know, I read the question, you know, how has
8 distributional effects informed, you know, research in your
9 field, and my kind of initial thought was not enough at all.
10 And I think, kind of speaking broadly from the economics
11 profession, this often seems like a niche research area where
12 people focus on this, but it doesn't get -- it's not the
13 focus of sort of the mainstream.

14 I think this is why, you know, a discussion like
15 this symposium is really important, and I think it needs to
16 happen across many different fields. So I just wanted to put
17 it out there that, you know, when I do macroeconomics or
18 something like that, you know, looking at distributional
19 effects of monetary policy, you know, that's something that's
20 really important, even thinking about today, you know, what's
21 the Fed going to do with respect to interest rates, and the
22 distributional effects are not something that most people
23 talk about. And so I just want to bring up that it doesn't
24 inform it enough. So thank you.

25 MS. RIVERA: I think we can all agree with you,

1 Dan. I don't think it informs it enough. As my team did
2 extensive research to put these symposium together, it was
3 shocking how little distributional effects were in things
4 outside of employment or wages impacts, which goes to our
5 next question.

6 Which of the literature in the effects of trade
7 focus on outcomes such as employment or wages? Are there any
8 outcomes that are particularly salient and important to
9 consider in your opinion: educational attainment, wealth,
10 marriage, family stability, mental health, physical health,
11 generational effects, effects on other household, effects on
12 extended households? What are your thoughts on that? Many
13 of you have brought them, brought these -- looked at these in
14 your research.

15 DR. HOUTENVILLE: Yeah. So, from disability, you
16 know, there's not one measure that I would say is dominant as
17 much as one important factor in how people adjust to job loss
18 and return to work and opportunities to re-skill. I think
19 that that -- the response to job loss, and then, also, from
20 the school to work perspective, the ascension into the labor
21 market. It's that first job kind of thing that is important.
22 So maybe I would say, if there's an outcome, it's the
23 ascension. It's the high school graduation rate ascension
24 into either secondary ed or to a job. So I'll stop there.

25 MS. RIVERA: Anyone else want to add anything?

1 Yes, Sonya?

2 DR. PORTER: I think you have a good list there. I
3 would just add that I think inequality is important to look
4 at. And, also, to add to your physical health, also
5 mortality is something that I think would be important to
6 look at.

7 MS. RIVERA: All right. Thank you. Our next
8 question is what --

9 MR. MONTGOMERY: I'm sorry, I'm going to butt in.
10 It looked like Mike wanted to jump on. I think you're on
11 mute --

12 MS. RIVERA: Thank you, Chris.

13 DR. MARTELL: Yeah, thanks. I'll just add one
14 thing if you don't mind. Sorry, Sandra.

15 MS. RIVERA: No problem.

16 DR. MARTELL: Like, a related outcome that would
17 probably be useful to think about for LGBTQ+ people in
18 particular. So one of the things about -- like, there's a
19 lot of intersectionality between folks who I study and folks
20 who the rest of the people on the panel are studying, and so
21 -- and that they're -- you know, same sex female households
22 have a much higher risk of being in poverty than different
23 sex households or same sex male households, and a large part
24 behind that is that there's disadvantage due to being a
25 lesbian or bisexual, and then, on top of the gender gap,

1 which is experienced twice in a same sex household, which is,
2 obviously, unlike a different sex household where there's a
3 male earner and a female earner.

4 And so I was thinking about the risk of being in
5 poverty but also thinking about some of the additive or
6 intersectional effects the LGBTQ+ people experience in
7 addition to their other characteristics as something that I
8 think would be important to keep in mind as we talk about and
9 think about measuring these outcomes.

10 MS. RIVERA: Okay. Sandy, I heard that you just
11 sent a link regarding something in the chat, that they'll
12 just post it in the public chat. Did you want to comment on
13 that?

14 DR. DARITY: No, this is just, you know, the data
15 that my comment about the differential in wealth between
16 Black heads of households and White heads of households by
17 educational attainment was based upon.

18 MS. RIVERA: Okay, thank you. Thank you for
19 sharing that. I know it'll help our team.

20 Research often cites data limitations, and I know
21 that many of you have brought this up in your opening
22 remarks, as barriers to being able to perform the type of
23 research our subgroup analysis require to understand the
24 impacts of shocks across different communities. How have
25 data limitations acted as significant barriers to conducting

1 subgroup analysis in your research, and how do you recommend
2 that we overcome these barriers? Sonya, and then -- did I
3 see another hand? Okay, let's start with Sonya.

4 DR. PORTER: As I mentioned when I introduced
5 myself, some of the work that I do with evictions and also
6 state prison records, what we're able to do is actually link
7 these records to Census data, which not everyone is able to
8 do, I recognize that, but I think that one way to overcome
9 some of the barriers in terms of having demographic
10 characteristics for those that are evicted or having, you
11 know, demographic characteristics on tax data is to do record
12 linkage.

13 But I think it's also important to note that it's
14 not a panacea. I mean, with record linkage techniques, at
15 least that we're using at this time, and we're working on
16 improving them, but they do tend to -- right now, it's, you
17 know, a unique identifier. For a linkage, you're less likely
18 to put one on minority groups and people that have lower
19 socioeconomic status.

20 So there's bias associated with the linkage, and
21 that's something sort of to think about as we build new
22 methods that sort of complement survey work or other work in
23 order to get -- you know, to be able to answer different
24 questions. We also have to think about when you're using big
25 data or administrative records data, what are the gaps and

1 what are the biases in the data that you're using?

2 MS. RIVERA: Thank you, Sonya.

3 Did I see, Mike, did I see your hand or no? Okay,
4 go ahead.

5 DR. MARTELL: Thanks. Yeah, I did mention data
6 limitations early on, and the data limitations are pretty --
7 make a pretty big obstruction in the study of sexual
8 orientation and transgender identity. And so, you know, the
9 bulk of economic research and research in other disciplines
10 in this area has to infer sexual orientation typically via
11 sexual behavior if you're having sex with members of the same
12 sex or co-habitation status. Do you co-habit in an unmarried
13 romantic partnership with somebody of the same sex? And
14 there's some real limitations to having to infer this way.

15 Like, on one hand, sexual behavior. Do
16 heterosexual people have sex with members of the same sex?
17 And if we expect discrimination to be a key contributor to
18 negative outcomes, we're going to get some pretty fuzzy
19 estimates that way. And we're unable to distinguish between
20 bisexual individuals and lesbian and gay individuals. And
21 in, like, the rare case when we are able to distinguish
22 between lesbian, gay, and their bisexual counterparts, it
23 seems like economic outcomes are much worse for bisexual
24 people.

25 And so the lack of recording self-identified sexual

1 orientation contributes to quite a bit of erasure of the
2 experience of bisexual individuals, and it really doesn't
3 allow us to understand the mechanisms generating their
4 disadvantage.

5 And another problem is the data sets that include
6 this information are pretty small. And, on the other hand,
7 like, the Census surveys allow us to observe a large number
8 of people who co-habit romantically with a member of the same
9 sex and, like, these surveys, like, the American Community
10 Survey, the Current Population Survey, have been pretty
11 widely used to study the economic effects of the expansion of
12 legal access to marriage or the expansion of protection from
13 discrimination, but looking just at same sex co-habitants,
14 you know, doesn't allow researchers or policymakers to
15 understand the economic experiences or the legal impacts of
16 policies on folks who don't co-habit.

17 And it turns out that so we don't have single LGB
18 folks, and then, also, it turns out that most same sex
19 couples are gay or lesbian, and there's a lot of bisexual --
20 there also. And so there's pretty severe data limitations.
21 So it's not to say that the data aren't useful. They've
22 helped us understand a lot of what's going on. They've
23 helped us in foreign public policy debates, helped us
24 understand the impact of quickly changing attitudes and legal
25 landscapes, but it creates a big hindrance.

1 But the good news, like, the way we fix this is we
2 just ask people their sexual orientation and their gender
3 identity, right? And there's plenty of research that guides
4 how we craft those questions, where we put them on the
5 survey, and that shows that including these questions does
6 not have a negative consequence on people participating in
7 the survey and people answering other questions. Like, it's
8 quite simple, it's quite easy, it is not very expensive. We
9 could ask about sexual orientation and gender identity just
10 by including it on the survey. Thanks.

11 MS. RIVERA: Thank you, Mike. Margaret?

12 DR. SIMMS: Yes, I just wanted to mention that when
13 we talk about data, that there's some recent innovations you
14 might see or new approaches to data collection that give us a
15 faster turnaround on looking at impacts of policies. So the
16 Pulse survey, for example, that the Census Bureau started
17 fielding during the COVID situation, which allowed them to
18 give -- you know, it doesn't go through quite the same
19 detailed vetting that their standard surveys do, but it gives
20 more of a real-time look at what impacts economic change and
21 policy change are having.

22 The Urban Institute has done something similar
23 using samples drawn from knowledge base, knowledge panel to
24 do targeted surveys around issues that might be of import
25 when looking at policy impacts, and they can have some degree

1 of disaggregation around demographic issues of importance,
2 whether it's race, gender, or, in some cases, sexual
3 orientation. So just something to think about as you look at
4 how do you measure the impact of trade.

5 MS. RIVERA: Thank you, Margaret.

6 Any other comments on this question?

7 (No response.)

8 MS. RIVERA: If not, we will turn to a question
9 mainly geared towards the economic historians in the group,
10 Dan and Sandy.

11 DR. KENT: Sandra, can I add just one thing on the

12 --

13 MS. RIVERA: Oh, sure. I didn't see your hand. I
14 apologize.

15 DR. KENT: Sorry. No, no, no. No, it's no
16 problem. I was just going to add that Sonya was talking
17 about linkages, and I think there are a lot of, as Margaret
18 was saying, innovative ways that researchers have started to
19 be able to proxy for things of interest, like race,
20 ethnicity.

21 So sometimes those categories, especially some of
22 the economics research, aren't necessarily measured by the
23 data sets just because of restrictions, but that doesn't mean
24 that -- I think the easy answer is to say, okay, well, the
25 data set doesn't include that, so let's move on, we can't

1 answer that question, but I think it's an insufficient
2 response, especially given all of the innovations that we
3 have in the current day.

4 So, you know, some people look at Census data and,
5 you know, proxy for race or ethnicity given the share of a
6 racial or ethnic group in a Census tract area. So that's
7 just one way of doing it. JP Morgan Chase has linked
8 somehow, I don't know how, but they've linked voter records
9 with race and ethnicity to their proprietary data set that
10 they have to be able to look at really interesting, to
11 Margaret's point, up-to-date information on how households
12 have saved and spent the government aid that they received
13 during the COVID-19 pandemic.

14 So all I have to say is that, you know, it can be
15 easier, certainly, to say that the data set doesn't collect
16 the data we're interested in, disaggregating by race and
17 other demographic categories, but that is just an example of
18 a good reason to partner with others who have been able to do
19 that in an innovative way.

20 MS. RIVERA: And this is the same data set that
21 Sandy Darity used, right? Is that right, Ana?

22 DR. KENT: Not to my knowledge. If you're talking
23 about the offline chat, no, that's the survey of consumer
24 finances. That's a federal preserved product separate from
25 this. It does collect race and ethnicity, and in 2022 -- so

1 it's a triennial survey -- in 2022, when the next wave is
2 released, technically, in 2023, but collecting 2022 data, it
3 will include the public data set Asian as a subcategory,
4 which has before been grouped in this kind of catch-all other
5 group. So that's super exciting in case others weren't aware
6 of that.

7 MS. RIVERA: Okay. So what historical factors are
8 critically important to understand when analyzing the current
9 effect of trade policies today on different demographic
10 groups? Dan?

11 DR. GIEDEMAN: Can I jump in real quick?

12 MS. RIVERA: Sure.

13 DR. GIEDEMAN: I think one of the things that's
14 really important in terms of how trade might affect different
15 group is just mobility, geographic mobility. And we can go
16 as far back as, like, the repeal of the corn laws in 1846 in
17 England or grain imports coming into Prussia in the 1870s,
18 and one of the things that we found is that there were
19 disparate effects across groups there and people had to move
20 to adjust, and the people who stayed behind did not benefit
21 as much as the people who maybe moved to the urban areas.

22 I think we can look at that today and say, well,
23 you know, if people are, you know, faced with, you know, some
24 sort of negative impact from trade, are they able to move to
25 a new geographic location? And so there's going to be

1 constraints that differ across different types of groups of
2 their ability to move.

3 We could talk about -- you know, Sandy talked a lot
4 about wealth. Wealth is going to be a big determinant of
5 whether somebody can move. So, if you have home equity,
6 you're going to be able to maybe move to a new area much more
7 easily than if you're renting, and so that would lead to,
8 say, you know, Whites who have been affected by trade being
9 able to move to a new city more easily than maybe some other
10 groups.

11 Something else that's important I don't think
12 really comes out in research is, you know, if you're going to
13 move, are you going to move into an area that is welcoming to
14 you, or, in many cases, are you going to be moving into an
15 area that's hostile to you. And we can even look at that
16 right now today. Look at different laws that are being
17 passed around the country and would certain groups be willing
18 to move into an environment like that? You know, so where,
19 economically, it might be the best for them to move into this
20 area, you know, overall, you know, they're going to be facing
21 a lot of other constraints, discrimination, and a lot of
22 other factors. And I think that's something that would need
23 to be looked at while trying to think about how to do trade
24 policy.

25 Now I'll keep talking a little bit. Something else

1 we just think about, say, in the United States is, you know,
2 how do we affect -- how do we help people who have been
3 affected by trade?

4 Historically, in the United States, we have not
5 been very generous at all relative to other countries with
6 respect to, say, I'll use broadly the term welfare programs
7 or assistance in general things, and I think that does stem
8 from the view of maybe I'll say -- I don't want to say a
9 majority of the population but certainly a portion of the
10 majority of the population to not want to help others, that
11 they're saying, you know, there's something different, I
12 might be willing to help maybe people who are similar to me,
13 maybe they're part of my in group, but if they're part of my
14 out group, I'm not going to be willing to help them.

15 And so this applies broadly, not just limited to
16 trade, but in a lot of areas where, if we think about, say,
17 active labor market policies, retraining programs, the United
18 States is second from the bottom, second only -- last only to
19 Mexico in terms of the OECD nations in terms of these active
20 labor market policies, and the question is, well, why aren't
21 we willing to help? And I think, you know, there's some
22 historical factors that play into a role there. So I think
23 those are things that are really important for researchers to
24 study how people might respond to trade.

25 DR. DARITY: Yeah. The use of trade theory for the

1 purposes of examining inequality actually does have a fairly
2 thick relationship to what we might call long history, that
3 is to say the origins of the kinds of disparities that we
4 observe today, particularly in the Americas.

5 When I was much younger, I wrote a paper that's
6 called A General Equilibrium Model of the 18th Century
7 Atlantic Slave Trade: A Least-Likely Test for the Caribbean
8 School, and I think it was published 40 years ago in research
9 and economic history, and it was an attempt to design a
10 three-region trade model where you could demonstrate that the
11 process of the trans-Atlantic slave trade would raise the
12 growth rate for Europe above the growth rates for the other
13 two regions in the triangle, the Americas and Europe.

14 So directly out of trade theory there was an
15 attempt to actually structure a model about the economic
16 history of inequality in the trans-Atlantic community, and I
17 think that this is a possibility that can be extended to more
18 contemporary research on uneven development at the
19 international level.

20 But, if we're thinking about the wealth disparities
21 internal to the United States, then I think we have to focus
22 primarily on domestic policies and the history of domestic
23 policies in the United States. I would begin with the
24 immediate aftermath of the Civil War when the formerly
25 enslaved were promised 40-acre land grants and that promise

1 was not kept while at the same time one-and-a-half million
2 White households were given 160-acre land grants in the
3 Western Territories under the Homestead Act of 1862.

4 I would argue that that's the origin of the racial
5 wealth disparity in the United States. It was compounded by
6 a wave of massacres, a hundred massacres that took place from
7 the end of the Civil War to the beginning of World War II,
8 where Black lives were taken and Black property was
9 appropriated and seized by the White terrorists. And this
10 pattern of massacres is especially relevant to Don's point
11 about the question of where can you go, where can you migrate
12 to to have not only a life in which you might have a higher
13 income but also a life in which you can actually be safe.

14 In the 20th Century, the federal government's
15 policies for asset-building shift away from land provision to
16 supporting home ownership, but that's conducted
17 discriminatorily, particularly with respect to redlining and
18 the uneven application of the home ownership provisions of
19 the GI Bill.

20 And then, finally, the federal government also
21 supports a federal highway system where frequently
22 interstates were run directly through the hearts of Black
23 business districts and Black communities. And so I'm not
24 sure the trade policy has much to do with those kinds of
25 conditions, but, certainly, domestic policy with respect to

1 asset-building has a tremendous -- has played a tremendous
2 role in shaping the racial wealth gap.

3 MS. RIVERA: Thank you very much, Sandy.
4 Appreciate that. Context is everything. Sonya?

5 FEMALE VOICE: Can I just say that Margaret's had
6 her hand up for a while.

7 MS. RIVERA: I'm so sorry. Margaret? It keeps
8 getting lost with your lamp. I apologize.

9 DR. SIMMS: That's okay. It's actually on the
10 other side, but never mind.

11 MS. RIVERA: Thank you.

12 DR. SIMMS: I wanted to build on Sandy's point
13 about the impact of segregation, housing segregation, which
14 has both impacts on wealth-building because of its -- because
15 of differential assessments, but it also has an impact on
16 access to employment.

17 And as we think again about how employment shifts
18 not just across jurisdictions but within local metropolitan
19 areas, that being restricted to certain communities, which is
20 historical and perpetuated today, means that as industry
21 moves, as business opportunities move within a metropolitan
22 area or maybe to the ex-metropolitan area in the same large
23 area, state area, that access to those jobs is very limited
24 for people who are in segregated communities, and, often, the
25 public transportation systems do not support the movement

1 from where they are restricted in living to where the new job
2 opportunities exist.

3 MS. RIVERA: Thank you very much for that,
4 Margaret. Sonya?

5 DR. PORTER: Thank you. So, to build a little bit
6 on what Margaret just said and also Sandy, so Margaret also
7 in terms of, like, the restriction of employment
8 opportunities is a problem, but also the restriction of
9 educational opportunities as well is critical.

10 I think that also what I find is that -- so you
11 don't have a lot of studies about these things, but you
12 certainly don't -- if people are very quantitative and
13 they're looking at, you know, writing a paper about something
14 that relates to welfare or relates to housing disparities or
15 residential segregation, you don't ever -- you don't
16 frequently find that people are actually framing their papers
17 in this way.

18 And The Urban Institute has sort of -- I think it's
19 called real -- like, they have a team that writes blogs and
20 other reports that talks about, you know, important things
21 when you think about equity and race, and one of the things
22 that I think they bring up, importantly, is that we sort of
23 have a responsibility as researchers or government agencies,
24 when you're putting out reports, when you're putting out
25 papers, to have that context even if you're not able to study

1 it. I think that's critical. It's an important
2 responsibility that we bear.

3 MS. RIVERA: Our time is getting short. I just
4 want to give each participant any last words, an opportunity
5 to speak for any last words, any last points they'd like to
6 make. Can I start with you, Ana?

7 DR. KENT: Sure. Just continuing on on this last
8 question too, you know, it's so important to understand that
9 context and that history but also understand that it didn't
10 end when that history, you know, concluded, when that year
11 ended. It still has impacts today, and there's still plenty
12 of contemporary policies, determinations, attitudes that
13 people face that block, you know, the ability to talk
14 -- all these things that we've been talking about, to get a
15 job, to get a living wage, to build wealth, accumulate
16 assets, and that has implications for trade too.

17 I'm not a trade economist, but, you know, if we're
18 talking about these groups and we see these disparities that
19 have systemic barriers associated with them, if some groups
20 are more likely to be in low-wage jobs and there's certain
21 things that are going to have an outsized impact on them,
22 take Covid, obviously, and the affect of the economy on
23 lower-wage, lower-educated minority groups. Currently,
24 inflation, right? The Minneapolis Fed just had a conference
25 on inflation on Tuesday and the outsized impact that that has

1 on low-wage families. So just a reminder that is probably
2 obvious to everyone here, but I just thought I'd raise it,
3 that, you know, these have contemporary effects as well.

4 MS. RIVERA: Okay. Andrew?

5 MR. SECRETARY: You're on mute, Andrew.

6 DR. HOUTENVILLE: I'm sorry. Just two things. As
7 people think about disability going forward and looking at
8 trade, one thing is people with disabilities are a
9 demographic characteristic, not just some condition to be
10 avoided. Many times, it's difficult to get through to
11 certain different policy groups if disability is thought of
12 not as a demographic characteristic.

13 And the other thing is I see a lot of -- I have a
14 lot of colleagues involved with macro trade, and they do all
15 these simulation models, and behind it is general
16 equilibrium, and the idea that the endowment is just given
17 and so the fixed point at some point in the beginning, that's
18 always bothered me back from my days with Varian that the
19 endowment is just this mysterious thing and everything's
20 wonderful thereafter.

21 If we could improve macroeconomics and the degree
22 to which macro trade is taking up that mantle of general
23 equilibrium, to think about how different start points might
24 -- radically different start points might impact their
25 models, that would be appreciated.

1 MS. RIVERA: Okay. Dan?

2 DR. GIEDEMAN: Yeah. Just kind of tying back in a
3 little bit to some of the factors might be, you know,
4 influence how people can react to trade, I think it's
5 important to keep in mind sort of network connections. Do
6 you have familiar connections or sort of social connections?
7 So, if your job goes away, do you have somebody there who
8 says, hey, I can fit you in here, can I fit you in there,
9 here's an opportunity? And I think those are definitely
10 different across different demographic groups, and I think
11 there's a lot of reasons why some people might be able to
12 respond to trade in a more positive way than other people
13 can, and I think those are something that would need to
14 continue to be explored.

15 MS. RIVERA: Okay. Sandy, and then Margaret.
16 Unmute.

17 MR. SECRETARY: You're on mute.

18 DR. DARITY: The most widely used phrase in this
19 day and age, you're on mute, right? I'm sorry. Returning to
20 Sonya's point about disaggregating data, there actually is
21 some data that's available with relatively finely defined
22 national origin communities, but it's data for six
23 metropolitan areas that is a product of a survey, a series of
24 surveys that were conducted under the National Asset
25 Scorecard for Communities of Color Project, and as a

1 consequence, for those six metropolitan areas, we actually do
2 have detailed information about the specific wealth position
3 of, say, Filipinos, Cambodians, Chinese-Americans,
4 Japanese-Americans, Cubans, Puerto Ricans, and so forth.

5 And in one of the cities, Tulsa, Oklahoma, we
6 actually have detailed information about the wealth position
7 of specific tribal communities. But this is only for six
8 metropolitan areas, and we've been trying to encourage the
9 Fed to consider doing an annual study that actually
10 incorporates greater detail on ancestry or national origin
11 among respondents. I'm thrilled to see that there actually
12 will be a robust survey including information about the Asian
13 community, but it would be exciting if you could go below
14 that broad aggregate category to look at specific national
15 origin groups within the Asian community.

16 So the studies that I mentioned at the six
17 metropolitan areas are called color of wealth studies, and I
18 would love to see an extension of that type of work to a full
19 national data set.

20 MS. RIVERA: Thank you very much, Sandy. Quick
21 comments from Margaret, Mike, and Sonya.

22 DR. SIMMS: Okay. My comment is not about data,
23 but it's how you use data to look at the likely impact of
24 policy change, and then, as you think about the impact, do
25 you then structure your policy in a way that you compensate,

1 so to speak, for disproportionate impacts. So just quickly,
2 if you think about a policy that is going to take jobs away
3 of a certain type, how do you develop policies that
4 compensate for that through training but also connections to
5 the new jobs, whether it's transport or different kinds of
6 connections. So it's kind of like going the next step in
7 policy, not just looking at the most immediate effect but
8 also looking at what we know or should know in order to
9 design compensating policies that actually affect those who
10 are most impacted.

11 MS. RIVERA: Okay. Mike? Thank you.

12 DR. MARTELL: Yeah, thanks. I'll be brief. I
13 think my last comment is it seems to me that any
14 distributional effects of trade and related policies depend
15 on the context of the folks we're talking about and the many,
16 many mechanisms generating disadvantage that place people in
17 those contexts, and so like an understanding of how do they
18 properly define or create compensating policies to understand
19 distributional impacts probably requires more tools than just
20 those in, like, the way we typically think of trade, and so
21 hopefully we can -- it is more -- it's difficult, though. We
22 probably need several fields talking with each other and
23 working together to actually get a better grip on reality,
24 which is awful complex.

25 MS. RIVERA: Sonya?

1 DR. PORTER: Yeah, so recently I was reading an
2 opinion piece by Bryan Schonfeld and Sam Winter-Levy where
3 they were talking about the importance of thinking about
4 post-treatment bias in our control variables, and I think
5 it's an important point. It's something that I would like to
6 think about more moving forward where it's something that's
7 obvious, but it's not something that I know how to deal with
8 statistically but that when you're looking at something like
9 mortality and race and that relationship and you're
10 controlling for education and occupation and maybe
11 pre-existing conditions, that all of those variables that
12 you're controlling for, for instance, like education, are
13 imbued -- that race impacts all of those characteristics and
14 controls.

15 And so thinking about how you characterize then
16 your results and also thinking about the statistics more I
17 think is really important because these aren't something
18 that's just sort of -- these controls are imbued with race
19 just as the other variables that you're looking at.

20 MS. RIVERA: Thank you, Sonya.

21 We have a question from the Chairman's office, so
22 I'm just going to take a couple more minutes. One last
23 question and then you guys are done for the day. Is there a
24 way -- of this panel anyway. Is there any way to disentangle
25 differential impacts from differential starting points? I

1 know Sandy mentioned that, you know, the disparity in wealth
2 started right after -- right in the late to mid-1800s, right?
3 But is there a way to disentangle that from other
4 differential impacts today or anybody have any thoughts on
5 those? No thoughts? Okay. Well --

6 DR. DARITY: None new.

7 MS. RIVERA: Any thoughts?

8 DR. KENT: So I'll just say what I think. That's
9 kind of the, I think, the holy grail in a lot of this work,
10 you know, the data sets like what Sandy and I have been
11 talking about, the survey of consumer finances, which is
12 largely considered the gold standard of wealth data in the
13 United States, the modern term family goes back to 1989.
14 There are efforts by Maurice Kuhn and Shulerack and others to
15 go back further than that and some others as well, Russell
16 Sage Foundation just got a grant to go even back into the
17 1800s. But barring that, there's very little data, so back
18 to the question on data availability, at least for wealth,
19 it's difficult do that and disentangle.

20 That being said, we have to rely on those
21 innovations, research from Chicago Fed Economist has looked
22 at the effect of redlining, for example, and tying that to
23 more contemporary racial wealth disparities and not just
24 redlining but yellow-lining too, which is kind of like the --
25 not the D but like that the difference between the A, B, so

1 anyway, that gets kind of into the weeds, but just to say
2 that there are some -- there is work on that. And, Sandy, it
3 looks like you have something to add?

4 DR. DARITY: No, no, no. I just wanted to mention
5 there is some work by Laura Dorincourt and her colleagues
6 that attempts to establish a long time series for wealth
7 disparities dating back to the 1860s, but they rely heavily
8 upon data for a subset of the states, some of the states in
9 the Confederacy, the former Confederacy, that have
10 administrative data that permit you to unpackage in some way
11 these wealth disparities, but, you know, that's limited, and
12 I think they would concede that also.

13 MS. RIVERA: I want to thank each and every one of
14 you for taking time to come on this panel that had this kind
15 of ambiguous title that many of you weren't sure whether or
16 not you'd fit in, but we value your expertise, we value your
17 unique perspective that you brought to the table and your
18 willingness to come and share your thoughts with us. We will
19 take your comments and we will use them for our report, and I
20 just wanted to thank each of you for taking your time to
21 spend some time this afternoon with us. So thank you very
22 much.

23 And now I'd like to turn over to Dr. William
24 Powers, the Chief Economist for the U.S. International Trade
25 Commission, who's going to be doing closing remarks. Thanks

1 again to the panel. Thanks again for all the panels, and
2 I'll turn it over to Bill. Thanks.

3 DR. POWERS: Thank you, Sandra, and thank you for
4 leading that fantastic panel, and thank you to our people who
5 are here.

6 So I have been asked to provide some concluding
7 remarks, and sometimes this is just like thanks, goodbye, but
8 I hope on this occasion you'll actually grant me a few
9 minutes to recap the event and look forward. So this
10 symposium is actually one of a series of nine events that the
11 Commission is holding, all of which are part of our report on
12 the distributional effects on trade. So how did we do?

13 Let's think about that. Let's start by looking at
14 what the goal for the symposium was. The United States Trade
15 Representative asked that we hold a symposium focused on the
16 distributional effects of trade on underrepresented and
17 underserved communities, and they asked us to look at a whole
18 lot of items: the results of existing analysis, evaluation
19 of methodologies, the use of public and restricted data, gaps
20 in data in the economic literature, and propose analysis that
21 we could do with restricted data sets. So, if you wondered
22 why we had 10 or so panels, you can thank the U.S. Trade
23 Representative at the beginning, so we really had a lot to
24 cover.

25 This is a huge task, and every single person on

1 this event contributed. I want to start by thanking the
2 organizers of the event, and there were eight folks
3 principally doing the work. I've got Sandra Rivera, Caroline
4 Peters, Huyen Nguyen, Chris Montgomery, Sam Goodman, Elli
5 Nesbitt, Jean Yuan, and, of course, Bill Bishop, so if you
6 guys could turn on your cameras, we would not have an event
7 without you. Fantastic, and I really want to build a sense
8 of virtual community here at the end, so keep your cameras
9 on.

10 And the next people I want to thank are the
11 presenters, the moderators, the panelists, and I don't know
12 if you counted, but I did. There were about 50 of us over
13 the last two days, so huge props to everybody who came.
14 Thank you so much for your enthusiastic response. When we
15 reached out, about 90 percent of the people reached out to
16 said that yes, they would be happy to be here. Thank you for
17 your thoughtful presentations. I know it's very difficult to
18 shape your thoughts into five minutes or seven minutes or 10
19 minutes or 12 minutes or whatever we gave you. We'd have
20 loved to give each and every one of you more, but we actually
21 had a lot of material to cover, so if any of you 50 people
22 are still with us at this moment, please turn your cameras on
23 as well. Join us. Join us in this virtual celebration of
24 the event. Thank you.

25 The audience, I want to thank the audience as well.

1 You have submitted questions. You have stayed with us
2 patiently through this event. You have either followed along
3 as we've gone through topic after topic for two days, and
4 we've actually still -- how many people do we have left?
5 Fifty-seven, so not too bad for the end of the two-day
6 experience, so thank you.

7 I did want to stress for those of you two unique
8 aspects of this symposium. One is that we have this unusual
9 opportunity to synthesize a growing body of literature on
10 distributional effects and to highlight some innovations,
11 some best practices and places where we need to work hard, so
12 it's good that we can get together to talk about these
13 things.

14 And the other unique aspect here is that this
15 information is going directly to policymakers. They want to
16 use this information and they want to design better policy
17 and they're hungry for this information. We don't have to
18 guess about that. We can look directly back at the request
19 letter that we got from the USTR, and they say the USTR
20 strives to realize the Administration's initiatives and
21 respond to Congressional requests for trade policy to have
22 positive and equitable impact on marginalized, underserved
23 and disadvantaged communities. So I did want to say that
24 your work is going to have an impact, and coming here also
25 enabled it to have an impact, so thank you.

1 I hope, actually, it's not all about informing
2 policymakers. Quite a bit of what we did this past two days
3 is informing ourselves, and I hope you've picked up some good
4 suggestions to improve your work in this area and figure out
5 where we need to do more, and I thank everybody who came for
6 the quality of the presentations.

7 Here's some of the things that I learned over the
8 last two days. First of all, we need to have a good
9 understanding about what the decline in manufacturing means
10 in the United States. We need to account for manufacturing
11 firms that changed their industry, for example. Many of them
12 are warehouses. They're still there, but they're not doing
13 manufacturing anymore, so we need to remember what that
14 means.

15 On gender, we heard a number of panels today and
16 yesterday. Men and women respond differently to economic
17 shocks. There's prominent differences in how men and women
18 move across industries, and there's also really important
19 differences in how they behave within industries and within
20 households, and so that's important for us to remember, and
21 this isn't just responding to trade shocks. Some of those
22 things are going to be similar and responsive to all shocks,
23 I believe.

24 On race, there's actually a smaller literature on
25 race than on gender, but the analysis is there too. It's

1 starting to go beyond just black and white and it's starting
2 to focus on men's -- sorry, it's going beyond the focus on
3 men to include intersectionality, so that's promising but
4 still small. We have work to do.

5 We talked a lot today about data sources, all day
6 long, in fact, from the first panel to the last, and this
7 morning we talked about how to better understand the data
8 sources, how to get access to these data sources, and in some
9 cases, how to get access to the non-public elements, so that
10 gives all my analysis. That's great.

11 This afternoon, we saw that international efforts
12 had a lot to tell us about the impact of trade policy and
13 have designed our policies and some of these institutions
14 have been thinking about that in countries like Canada have
15 been thinking about that for several years now.

16 In this last panel, a great perspective and I think
17 one of the things that stood out to me was the comment that
18 distributional effects have been understudied in many fields
19 of economics, and so it's not just a trade problem. It's a
20 problem for the recession and for the country and far beyond
21 economics, but, hopefully, this is doing a little bit to do
22 better there.

23 All right. So that's our recap of the event.
24 Looking forward, what's coming next? We will have all of
25 these presentations on EDIS on Monday. Bill Bishop, could

1 you put the link to EDIS in the chat, please?

2 MS. RIVERA: Update, on Friday.

3 DR. POWERS: Oh, now on Friday. It's moving even
4 faster. You got us all excited, so we'll have them out there
5 on Friday. Bill's going to put the link to EDIS in the chat
6 and then the investigation number is 332-587, and if that is
7 completely Greek to you and you want some support on getting
8 access to it, just email the same de@usitc.gov email address
9 that we've been using throughout the event and we will help
10 you out.

11 Transcript. There's going to be a complete
12 transcript of this event. We had a court reporter for this
13 entire period, and that's available right now for a fee and
14 it will be free in 45 days, and that will also be posted to
15 EDIS.

16 And then, in about six months, we're going to
17 finish our report summarizing the events that we've had, the
18 literature, the research, and this symposium, and we'll be
19 sending that off to USTR on October 14 and it will be
20 released to the public shortly after that.

21 So that's a lot to look forward to. I wanted to
22 just conclude here by saying thanks to everybody. Thanks to
23 this whole team and this whole presenters and this whole
24 group again. Please keep in touch. You know how to reach
25 us. And we hope to see you at future events. So take care,

1 and thank you for a very successful event.

2 MR. SECRETARY: Thank you, everyone. On behalf of
3 the Commission, thanks so much to all of our participants for
4 both yesterday and today. We appreciate it so much. We
5 value your input so much. So, please, I'm going to stay on a
6 bit in the chat. I have the EDIS link for you to find the
7 slides, and also I will post the email address for any
8 further questions or comments that you may have. Thank you
9 so much, everyone. Great event.

10 (Whereupon, at 4:32 p.m., the symposium in the
11 above-entitled matter adjourned.)

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CERTIFICATION OF TRANSCRIPTION

TITLE: Impact of Trade on U.S Workers (Day 2)

INVESTIGATION NO.: --

HEARING DATE: April 6, 2022

LOCATION: Washington, D.C. - Remote

NATURE OF HEARING: Academic Symposium

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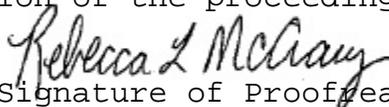
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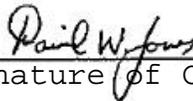
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