



A P P E N D I X A

REPORT TO THE PRESIDENT
ON THE ACTIVITIES OF THE
COUNCIL OF ECONOMIC
ADVISERS DURING 2014

LETTER OF TRANSMITTAL

COUNCIL OF ECONOMIC ADVISERS
Washington, D.C., December 31, 2014

MR. PRESIDENT:

The Council of Economic Advisers submits this report on its activities during calendar year 2014 in accordance with the requirements of the Congress, as set forth in section 10(d) of the Employment Act of 1946 as amended by the Full Employment and Balanced Growth Act of 1978.

Sincerely yours,

Jason Furman, *Chairman*
Betsey Stevenson, *Member*
Maurice Obstfeld, *Member*

COUNCIL MEMBERS AND THEIR DATES OF SERVICE

Name	Position	Oath of office date	Separation date
Edwin G. Nourse	Chairman	August 9, 1946	November 1, 1949
Leon H. Keyserling	Vice Chairman	August 9, 1946	
	Acting Chairman	November 2, 1949	
	Chairman	May 10, 1950	January 20, 1953
John D. Clark	Member	August 9, 1946	
	Vice Chairman	May 10, 1950	February 11, 1953
Roy Blough	Member	June 29, 1950	August 20, 1952
Robert C. Turner	Member	September 8, 1952	January 20, 1953
Arthur F. Burns	Chairman	March 19, 1953	December 1, 1956
Neil H. Jacoby	Member	September 15, 1953	February 9, 1955
Walter W. Stewart	Member	December 2, 1953	April 29, 1955
Raymond J. Saulnier	Member	April 4, 1955	
	Chairman	December 3, 1956	January 20, 1961
Joseph S. Davis	Member	May 2, 1955	October 31, 1958
Paul W. McCracken	Member	December 3, 1956	January 31, 1959
Karl Brandt	Member	November 1, 1958	January 20, 1961
Henry C. Wallich	Member	May 7, 1959	January 20, 1961
Walter W. Heller	Chairman	January 29, 1961	November 15, 1964
James Tobin	Member	January 29, 1961	July 31, 1962
Kermit Gordon	Member	January 29, 1961	December 27, 1962
Gardner Ackley	Member	August 3, 1962	
	Chairman	November 16, 1964	February 15, 1968
John P. Lewis	Member	May 17, 1963	August 31, 1964
Otto Eckstein	Member	September 2, 1964	February 1, 1966
Arthur M. Okun	Member	November 16, 1964	
	Chairman	February 15, 1968	January 20, 1969
James S. Duesenberry	Member	February 2, 1966	June 30, 1968
Merton J. Peck	Member	February 15, 1968	January 20, 1969
Warren L. Smith	Member	July 1, 1968	January 20, 1969
Paul W. McCracken	Chairman	February 4, 1969	December 31, 1971
Hendrik S. Houthakker	Member	February 4, 1969	July 15, 1971
Herbert Stein	Member	February 4, 1969	
	Chairman	January 1, 1972	August 31, 1974
Ezra Solomon	Member	September 9, 1971	March 26, 1973
Marina v.N. Whitman	Member	March 13, 1972	August 15, 1973
Gary L. Seevers	Member	July 23, 1973	April 15, 1975
William J. Fellner	Member	October 31, 1973	February 25, 1975
Alan Greenspan	Chairman	September 4, 1974	January 20, 1977
Paul W. MacAvoy	Member	June 13, 1975	November 15, 1976
Burton G. Malkiel	Member	July 22, 1975	January 20, 1977
Charles L. Schultze	Chairman	January 22, 1977	January 20, 1981
William D. Nordhaus	Member	March 18, 1977	February 4, 1979
Lyle E. Gramley	Member	March 18, 1977	May 27, 1980
George C. Eads	Member	June 6, 1979	January 20, 1981
Stephen M. Goldfeld	Member	August 20, 1980	January 20, 1981
Murray L. Weidenbaum	Chairman	February 27, 1981	August 25, 1982
William A. Niskanen	Member	June 12, 1981	March 30, 1985

COUNCIL MEMBERS AND THEIR DATES OF SERVICE

Name	Position	Oath of office date	Separation date
Jerry L. Jordan	Member	July 14, 1981	July 31, 1982
Martin Feldstein	Chairman	October 14, 1982	July 10, 1984
William Poole	Member	December 10, 1982	January 20, 1985
Beryl W. Sprinkel	Chairman	April 18, 1985	January 20, 1989
Thomas Gale Moore	Member	July 1, 1985	May 1, 1989
Michael L. Mussa	Member	August 18, 1986	September 19, 1988
Michael J. Boskin	Chairman	February 2, 1989	January 12, 1993
John B. Taylor	Member	June 9, 1989	August 2, 1991
Richard L. Schmalensee	Member	October 3, 1989	June 21, 1991
David F. Bradford	Member	November 13, 1991	January 20, 1993
Paul Wonnacott	Member	November 13, 1991	January 20, 1993
Laura D'Andrea Tyson	Chair	February 5, 1993	April 22, 1995
Alan S. Blinder	Member	July 27, 1993	June 26, 1994
Joseph E. Stiglitz	Member	July 27, 1993	
	Chairman	June 28, 1995	February 10, 1997
Martin N. Baily	Member	June 30, 1995	August 30, 1996
Alicia H. Munnell	Member	January 29, 1996	August 1, 1997
Janet L. Yellen	Chair	February 18, 1997	August 3, 1999
Jeffrey A. Frankel	Member	April 23, 1997	March 2, 1999
Rebecca M. Blank	Member	October 22, 1998	July 9, 1999
Martin N. Baily	Chairman	August 12, 1999	January 19, 2001
Robert Z. Lawrence	Member	August 12, 1999	January 12, 2001
Kathryn L. Shaw	Member	May 31, 2000	January 19, 2001
R. Glenn Hubbard	Chairman	May 11, 2001	February 28, 2003
Mark B. McClellan	Member	July 25, 2001	November 13, 2002
Randall S. Kroszner	Member	November 30, 2001	July 1, 2003
N. Gregory Mankiw	Chairman	May 29, 2003	February 18, 2005
Kristin J. Forbes	Member	November 21, 2003	June 3, 2005
Harvey S. Rosen	Member	November 21, 2003	
	Chairman	February 23, 2005	June 10, 2005
Ben S. Bernanke	Chairman	June 21, 2005	January 31, 2006
Katherine Baicker	Member	November 18, 2005	July 11, 2007
Matthew J. Slaughter	Member	November 18, 2005	March 1, 2007
Edward P. Lazear	Chairman	February 27, 2006	January 20, 2009
Donald B. Marron	Member	July 17, 2008	January 20, 2009
Christina D. Romer	Chair	January 29, 2009	September 3, 2010
Austan D. Goolsbee	Member	March 11, 2009	
	Chairman	September 10, 2010	August 5, 2011
Cecilia Elena Rouse	Member	March 11, 2009	February 28, 2011
Katharine G. Abraham	Member	April 19, 2011	April 19, 2013
Carl Shapiro	Member	April 19, 2011	May 4, 2012
Alan B. Krueger	Chairman	November 7, 2011	August 2, 2013
James H. Stock	Member	February 7, 2013	May 19, 2014
Jason Furman	Chairman	August 4, 2013	
Betsey Stevenson	Member	August 6, 2013	
Maurice Obstfeld	Member	July 21, 2014	

REPORT TO THE PRESIDENT ON THE ACTIVITIES OF THE COUNCIL OF ECONOMIC ADVISERS DURING 2014

The Council of Economic Advisers was established by the Employment Act of 1946 to provide the President with objective economic analysis and advice on the development and implementation of a wide range of domestic and international economic policy issues. The Council is governed by a Chairman and two Members. The Chairman is appointed by the President and confirmed by the United States Senate. The Members are appointed by the President.

THE CHAIRMAN OF THE COUNCIL

Jason Furman was confirmed by the U.S. Senate on August 1, 2013. Prior to this role, Furman served as Assistant to the President for Economic Policy and the Principal Deputy Director of the National Economic Council.

From 2007 to 2008 Furman was a Senior Fellow in Economic Studies and Director of the Hamilton Project at the Brookings Institute. Previously, he served as a Staff Economist at the Council of Economic Advisers, a Special Assistant to the President for Economic Policy at the National Economic Council under President Clinton and Senior Adviser to the Chief Economist and Senior Vice President of the World Bank. Furman was the Economic Policy Director for Obama for America. Furman has also served as Visiting Scholar at NYU's Wagner Graduate School of Public Service, a visiting lecturer at Yale and Columbia Universities, and a Senior Fellow at the Center on Budget and Policy Priorities.

THE MEMBERS OF THE COUNCIL

Betsey Stevenson was appointed by the President on August 6, 2013. She is on leave from the University of Michigan's Gerald R. Ford School of Public Policy and the Economics Department where she is an Associate

Professor of Public Policy and Economics. She served as the Chief Economist of the US Department of Labor from 2010 to 2011.

Maurice Obstfeld was appointed by the President on July 21, 2014. He is on leave from the University of California, Berkeley, where he is the Class of 1958 Professor of Economics. He joined Berkeley in 1989 as a professor, following appointments at Columbia (1979-1986) and the University of Pennsylvania (1986-1989).

James H. Stock resigned as Member of the Council of May 19, 2014 to return to Harvard University, where he is the Harold Hitchings Burbank Professor of Political Economy and a member of the faculty at Harvard Kennedy School of Government.

AREAS OF ACTIVITIES

A central function of the Council is to advise the President on all economic issues and developments. In the past year, as in the four previous years, advising the President on policies to spur economic growth and job creation, and evaluating the effects of the policies on the economy, have been a priority.

The Council works closely with various government agencies, including the National Economic Council, the Office of Management and Budget, White House senior staff, and other officials and engages in discussions on numerous policy matters. In the area of international economic policy, the Council coordinates with other units of the White House, the Treasury Department, the State Department, the Commerce Department, and the Federal Reserve on matters related to the global financial system.

Among the specific economic policy areas that received attention in 2014 were: college affordability and ratings; health care cost growth and the Affordable Care Act; infrastructure investment; regulatory measures; trade policies; poverty and income inequality; unemployment insurance and the minimum wage; labor force participation; job training; corporate taxation; regional development; the economic cost of carbon pollution; renewable fuel standards; energy policy; intellectual property and innovation; and foreign direct investment. The Council also worked on several issues related to the quality of the data available for assessing economic conditions.

The Council prepares for the President, the Vice President, and the White House senior staff a daily economic briefing memo analyzing current economic developments and almost-daily memos on key economic data releases. Chairman Furman also presents a monthly briefing on the state of the economy and the Council's energy analysis to senior White House officials.

The Council, the Department of Treasury, and the Office of Management and Budget—the Administration’s economic “troika”— are responsible for producing the economic forecasts that underlie the Administration’s budget proposals. The Council initiates the forecasting process twice each year, consulting with a wide variety of outside sources, including leading private sector forecasters and other government agencies.

The Council was an active participant in the trade policy process, participating in the Trade Policy Staff Committee and the Trade Policy Review Group. The Council provided analysis and opinions on a range of trade-related issues involving the enforcement of existing trade agreements, reviews of current U.S. trade policies, and consideration of future policies. The Council also participated on the Trade Promotion Coordinating Committee, helping to examine the ways in which exports may support economic growth in the years to come. In the area of investment and security, the Council participated on the Committee on Foreign Investment in the United States (CFIUS), reviewing individual cases before the committee.

The Council is a leading participant in the Organisation for Economic Co-operation and Development (OECD), an important forum for economic cooperation among high-income industrial economies. The Council coordinated and oversaw the OECD’s review of the U.S. economy. Chairman Furman is chairman of the OECD’s Economic Policy Committee, and Council Members and staff participate actively in working-party meetings on macroeconomic policy and coordination and contribute to the OECD’s research agenda.

The Council issued a wide range of reports in 2014 and early 2015. In March, the Council released a report analyzing the effect of a minimum wage increase on the gender wage gap. In May, the Council released a report examining the economic benefits of an “all-of-the-above” energy strategy. In June, the Council worked with the Domestic Policy Council to study the impact of student loan debt and highlighted the benefits of the Administration’s actions to make college more affordable. Also in June, the Council released a report examining data on access to paid and unpaid leave in the workplace and emphasizing the importance of paid and unpaid leave options. In July, the Council released a report quantifying several consequences of States’ decisions not to expand Medicaid. Also In July, the Council released a report examining the economic consequences of delaying implementation of policies to stem climate change. The same month, the Council released a report analyzing labor force participation rates since 2007, with a focus on the effects that the Great Recession and the retirement of the baby boomers had on labor force participation. The Council also worked with NEC on a report to highlight the economic benefits of infrastructure investment, including

long-term competitiveness, productivity, lower prices, and higher incomes. In October, the Council released a report describing the economic returns to investments in childhood development and early education. All of the aforementioned reports can be found on the Council's website and some of them are incorporated into this annual report as well. (<http://www.whitehouse.gov/administration/eop/cea/factsheets-reports>.)

The Council continued its efforts to improve the public's understanding of economic developments and of the Administration's economic policies through briefings with the economic and financial press, speeches, discussions with outside economists, and regular updates on major data releases and postings of CEA's Reports on the White House and CEA blogs. The Chairman and Members also regularly met to exchange views on the economy with the Chairman and Members of the Board of Governors of the Federal Reserve System.

PUBLIC INFORMATION

The Council's annual Economic Report of the President is an important vehicle for presenting the Administration's domestic and international economic policies. It is available for purchase through the Government Printing Office, and is viewable on the Internet at www.gpo.gov/erp.

The Council frequently prepared reports and blog posts in 2014, and the Chairman and Members gave numerous public speeches. The reports, posts and texts of speeches are available at the Council's website, www.whitehouse.gov/cea. Finally, the Council published the monthly Economic Indicators, which is available online at www.gpo.gov/economicindicators.

THE STAFF OF THE COUNCIL OF ECONOMIC ADVISERS

The staff of the Council consists of the senior staff, senior economists, economists, staff economists, research economists, a research assistant, and the administrative and support staff. The staff at the end of 2014 was:

Senior Staff

- Jessica Schumer Chief of Staff & General Counsel
- Steven N. Braun Director of Macroeconomic
Forecasting
- Anna Y. Lee Director of Finance and
Administration
- Jordan D. Matsudaira Chief Economist
- Adrienne Pilot Director of Statistical Office

Senior Economists

Jane K. Dokko	Housing
Matthew Fiedler	Health
Gregory Leiserson	Tax, Retirement
Joshua Linn	Energy, Environment
Cynthia J. Nickerson	Agriculture, Environment, Evaluation
Jennifer P. Poole	International Trade
Timothy Simcoe	Innovation, Technology, Industrial Organization
Linda L. Tesar	Macroeconomics
Abigail Wozniak	Labor, Education

Staff Economists and Policy Analysts

Martha Gimbel	Labor
Timothy Hyde	Macro, Labor, Energy, Environment
Noah Mann	Education
Gabriel Scheffler	Health, Labor
Eric Van Nostrand	Macroeconomics

Research Economists

Krista Ruffini	Labor
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Research Assistants

Lydia Cox	Energy, Trade, Agriculture
Harris R. Eppsteiner	Labor, Immigration
Samuel F. Himel	Housing, Infrastructure, Industrial Organization
Brian David Moore	Tax, Retirement
Emma Rackstraw	Labor, Education
Susannah Scanlan	Macroeconomics, International

Statistical Office

The Statistical Office gathers, administers, and produces statistical information for the Council. Duties include preparing the statistical appendix to the Economic Report of the President and the monthly publication Economic Indicators. The staff also creates background materials for

economic analysis and verifies statistical content in Presidential memoranda. The Office serves as the Council’s liaison to the statistical community.

Brian A. Amorosi Statistical Analyst
Wenfan Chen Economic Statistician

Office of the Chairman and Members

Andrea Taverna Deputy Staff Director and Special
Assistant to the Chairman
Matthew Aks* Special Assistant to the Chairman and
Research Economist
Jeff Goldstein Special Assistant to the Members
Katie Rodihan Special Assistant

Administrative Office

The Administrative Office provides general support for the Council’s activities. This includes financial management, human resource management, travel, operations of facilities, security, information technology, and telecommunications management support.

Doris T. Searles Administrative and Information
Management Specialist

* Matthew Aks received the Robert M. Solow Award for Distinguished Service in 2014, after serving CEA for more than two years.

Interns

Student interns provide invaluable help with research projects, day-to-day operations, and fact-checking. Interns during the year were: Alexander Abramowitz, Brian Bernard, Emma Brody, Carter Casady, Maddy Dunn, Laura Elmendorf, Joshua Feinzig, Lauren Iannolo, Amelia Keyes, Jin Han Kim, Paige Kirby, Audrey Lee, James Lim, Charles Matula, David Mkrtchian, Gabrielle Orfield, Stephen Orians, Nirav Patel, Curtis Powell, Austin Rochon, Rahul Singh, Hershil Shah, Sara Sperling, Kyle Sullivan, Benjamin Summers, Lacya Theus, Meiyao Tysinger, Jayson Wang, Veronica Weis, Leigh West, and Felix Zhang.

DEPARTURES IN 2014

The senior economists who resigned in 2014 (with the institutions to which they returned after leaving the Council in parentheses) were: David J. Balan (Federal Trade Commission), Marco Cagetti (Federal Reserve), Tracy M. Gordon (Urban-Brookings Tax Policy Center), Douglas Kruse (Rutgers University), Ronald J. Shadbegian (Environmental Protection Agency), and Kenneth A. Swinnerton (U.S. Department of Labor).

The staff economists who departed in 2014 were Zachary Y. Brown, John Coglianese, and Kevin Rinz.

The research economists who departed in 2014 were Philip K. Lambrakos, Cordaye T. Ogletree, and Rudy Telles Jr, and Katie Wright.

The Research Assistants who departed in 2014 were Brendan Mochoruk, Jenny Shen, and David Wasser.

Alexander G. Krulic resigned from his position as General Counsel. Natasha Lawrence resigned from her position as Special Assistant to the Members.