



A P P E N D I X   A

REPORT TO THE PRESIDENT  
ON THE ACTIVITIES OF THE  
COUNCIL OF ECONOMIC  
ADVISERS DURING 2011



LETTER OF TRANSMITTAL

COUNCIL OF ECONOMIC ADVISERS  
Washington, D.C., December 31, 2011

MR. PRESIDENT:

The Council of Economic Advisers submits this report on its activities during calendar year 2011 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,

Alan B. Krueger, *Chairman*  
Katharine G. Abraham, *Member*  
Carl Shapiro, *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

## COUNCIL MEMBERS AND THEIR DATES OF SERVICE

Name	Position	Oath of office date	Separation date
Murray L. Weidenbaum	Chairman	February 27, 1981	August 25, 1982
William A. Niskanen	Member	June 12, 1981	March 30, 1985
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	
Carl Shapiro	Member	April 19, 2011	
Alan B. Krueger	Chairman	November 7, 2011	



# **REPORT TO THE PRESIDENT ON THE ACTIVITIES OF THE COUNCIL OF ECONOMIC ADVISERS DURING 2011**

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 comprised of a Chairman and two members appointed by the President and confirmed by the United States Senate.

## **THE CHAIRMAN OF THE COUNCIL**

Alan B. Krueger was nominated as Chairman of the Council by the President on August 29, 2011. He was confirmed by the Senate on November 3, 2011. Chairman Krueger is on leave of absence from Princeton University, where he is the Bendheim Professor of Economics and Public Affairs. He previously served as the Assistant Secretary for Economic Policy and Chief Economist at the U.S. Department of the Treasury.

The Chairman is a member of the President's Cabinet and is responsible for communicating the Council's views on economic matters directly to the President through personal discussions and written reports. Chairman Krueger represents the Council at Presidential economic briefings, daily White House senior staff meetings, budget meetings, Cabinet meetings, a variety of inter-agency meetings, and other formal and informal meetings with the President, the Vice President, and other senior government officials. He also meets frequently with members of Congress well as with business, academic and labor leaders to discuss economic policy issues.

Austan D. Goolsbee resigned as Chairman on August 5, 2011 to return to the University of Chicago, where he is the Robert P. Gwinn Professor of Economics at the Booth School of Business.

## THE MEMBERS OF THE COUNCIL

Katharine G. Abraham was confirmed by the U.S. Senate as a Member of the Council on April 14, 2011. Dr. Abraham is on a leave of absence from the University of Maryland, where she is a faculty associate in the Maryland Population Research Center and a professor in the Joint Program in Survey Methodology. Dr. Abraham served as the Commissioner of the Bureau of Labor Statistics from 1993 to 2001.

Carl Shapiro was confirmed by the U.S. Senate as a Member of the Council on April 14, 2011. Dr. Shapiro is on leave from the University of California at Berkeley, where he is the Transamerica Professor of Business Strategy at the Haas School of Business and Professor of Economics in the Department of Economics. Dr. Shapiro served from 2009 to 2011 as Deputy Assistant Attorney General for Economics at the Antitrust Division of the United States Department of Justice.

Cecilia E. Rouse resigned as Member of the Council on February 28 to return to Princeton University, where she is the Lawrence and Shirley Katzman and Lewis and Anna Ernst Professor in the Economics of Education and Professor of Economics and Public Affairs.

## 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 with the two prior years, advising the President on targeted policies to spur 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 2011 were: housing policies, including foreclosure mitigation and prevention and refinancing; implementation of the Affordable Care Act; income inequality; individual and corporate taxation; college affordability; small business lending; regional development; intellectual property and innovation; infrastructure investment; regulatory measures; trade policies; unemployment insurance; job training; and policies to promote the international competitiveness of American manufacturing companies. 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 Krueger has also been preparing monthly briefings on the state of the economy.

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.

Council Members and staff regularly met with economists, policy officials, and government officials from other countries to discuss issues relating to the global economy. The Council’s role also included policy development and planning for the G-20 Summit in Los Cabos, Mexico, and the G-8 Summit in Chicago.

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. Dr. Krueger is chairman of the OECD’s Economic Policy Committee, and Council members and staff participate actively in working-party meetings on macro-economic policy and coordination and contribute to the OECD’s research agenda.

The Council issued a series of reports in 2011. Quarterly reports to Congress on the effects of the Recovery Act on overall economic activity were issued in March, July, and December. In June, the Council released a report on U.S. Inbound Foreign Direct Investment. The Council was also the primary contributor to White House reports released on educational

technology in September and two more reports related to education in October—one on the effect the American Jobs Act would have on teaching jobs and another on college affordability. In November, the Council led the preparation of a White House report on the economic benefits of infrastructure. In December, the Council was the primary contributor to a White House report issued on the effects of temporary unemployment insurance extensions on the U.S. economy.

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, presentations to outside organizations, and regular updates on major data releases on the CEA blog. 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](http://www.gpo.gov/erp).

The Council prepared numerous reports in 2011, and the Chairman and Members gave numerous public speeches. The reports, texts of speeches, and written statements accompanying testimony are available at the Council’s website, [www.whitehouse.gov/cea](http://www.whitehouse.gov/cea). Finally, the Council publishes the monthly *Economic Indicators*, which is available on-line at [www.gpo.gov/economicindicators](http://www.gpo.gov/economicindicators).

**THE STAFF OF THE COUNCIL OF ECONOMIC ADVISERS**

The staff of the Council consists of the senior staff, senior economists, staff economists, research economists, research assistants, and the administrative and support staff. The staff at the end of 2011 was:

*Senior Staff*

- David P. Vandivier . . . . . Chief of Staff
- Judith K. Hellerstein . . . . . Chief Economist
- Steven N. Braun . . . . . Director of Macroeconomic  
Forecasting
- Adrienne Pilot . . . . . Director of Statistical Office

### *Senior Economists*

Gene Amromin	Housing, Public Finance
Lee G. Branstetter	International Trade and Investment, Innovation, and Manufacturing
Thomas C. Buchmueller	Health
Lisa D. Cook	International Finance, Entrepreneurship, Innovation and Development
Benjamin H. Harris	Tax, Budget and Retirement
Robert Johansson	Energy, Environment, Agriculture, Regulation
Craig T. Peters	Industrial Organization, Infrastructure, Innovation, Regulation
Charles R. Pierret	Labor and Education
Daniel J. Vine	Macroeconomics

### *Staff Economists*

Jeffrey A. Borowitz	Housing, Labor, Education
Andres Bustamante	International Finance, Development, Entrepreneurship
Colleen M. Carey	Health, Industrial Organization, Public Finance
David Cho	Macroeconomics
Judd N. L. Cramer	Labor and Immigration
Reid B. Stevens	Energy, Environment, Regulation

### *Research Economists*

Pedro Spivakovsky-Gonzalez	International Economics and Trade
Julia H. Yoo	Public Finance, Housing, Macroeconomics

### *Research Assistants*

Matthew L. Aks	Macroeconomics
Sandra M. Levy	Energy, Environment, Regulation
Carter Mundell	Education, Labor, Health
Seth H. Werfel	International Finance and Innovation

### *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  
Lindsay M. Kuberka . . . . . Statistical Analyst  
Ms. Kuberka is on detail from the Census Bureau.

### *Administrative Office*

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

Archana A. Snyder . . . . . Director of Finance and  
Administration  
Doris T. Searles . . . . . Information Management Specialist

### *Office of the Chairman*

Andres Bustamante . . . . . Special Assistant to the Chairman  
and Staff Economist  
Paige Shevlin . . . . . Special Assistant to the Chairman  
Michael P. Bourgeois . . . . . Special Assistant to the Members

### *Staff Support*

Sharon K. Thomas . . . . . Administrative Support and  
Executive Assistant to the Chief  
Economist, Senior Economists

### *Interns*

Student interns provide invaluable help with research projects, day-to-day operations, and fact-checking. Interns during the year were: Noam Angrist, Dan Aloisio, David Bard, Obafemi Elegbede, Rahul Garabadu, Jeanne Jeong, Juliette Lu, Suril Kantaria, Sarah McGhee, Jeremy Patashnik, Benjamin Pyle, Clare Quinn, Sid Shankar, Daniel Seder, Alex T. Stein, Elizabeth Sundheim, and Lucas Zucker.

## DEPARTURES IN 2011

Jay C. Shambaugh left his position as Chief Economist of the Council in June, and he is presently on faculty at Georgetown University's McDonough School of Business. In October, Nan Gibson left her position as Executive Director and Adam Hitchcock left his position as Chief of Staff in August.

The senior economists who resigned in 2011 (with the institutions to which they returned after leaving the Council in parentheses) were: Chad Bown (World Bank); Aaron Chatterji (Duke Fuqua School of Business); Thomas Davidoff (Sauder School of Business, UBC); Benjamin F. Jones (Northwestern University, Kellogg School); Lisa Kahn (Yale School of Management); Arik Levinson (Georgetown University); Helen Levy (University of Michigan School of Public Health); Matthew Magura (Department of Justice); Nicholas Mastronardi (US Air Force Academy); and Paul Smith (Federal Reserve Board).

The staff economists who departed in 2011 were Douglas Campbell, Hoan Soo Lee, Sayeh Nikpay, James O'Brien, Jamin Speer, and Owen Zidar. Those who served as research assistants at the Council and resigned were Ravi Deedwania, Nicholas Hagerty, and Kia McLeod.

Brittany Heyd, Meryl Holt, Eric Lesser, and Matthew Tully all served in the Office of the Chairman and resigned in 2011 to pursue other endeavors.

Several long-term staff members departed as well. Dagmara Mocala Mathews left her position as Program Analyst after almost 10 dedicated years of service in the Statistical Office. There were two retirements at the Council in 2011. They are Rosemary M. Rogers, who served as the Administrative Officer and Lisa D. Branch who served as Executive Assistant to the Members. Mrs. Rogers devoted 30 years to working in the Executive Branch, with almost 20 of those years at the Council. Ms. Branch devoted 34 years to working in the Executive Branch, with 25 of those years at the Council. Their dedication, loyalty and diligence in serving the Council, Chairs, Members, staff and the people of the United States will be missed tremendously.

