

# World Wide Web of Regulations

National debates over policies that affect the flow of digital information are heating up as censorship, surveillance, control over personal data, and requirements to store data locally have emerged as contentious political issues. In “Digital Trade Agreements and Domestic Policy” (Free Trade Bulletin no. 79), Simon Lester analyzes how these international agreements have serious ramifications for domestic policy and the laws governing a wide range of regulations.

## FREE TO PROSPER

Coming off the economic devastation of the pandemic, Americans need more businesses and opportunities. One way to do that would be slashing the sea of red tape that often presents insurmountable barriers to creating new businesses, especially by state and municipal governments, as explained by Chris Edwards in “Entrepreneurs and Regulations: Removing State and Local Barriers to New Businesses” (Policy Analysis no. 916).

## PANDEMIC SCHOOLING



Private schools were potentially in a place to be hit harder than traditional public schools by the COVID-19 pandemic, given that they survive only if people pay for them voluntarily. In “Private Schooling after a Year of COVID-19: How the Private Sector Has Fared and How to Keep It Healthy” (Policy Analysis no. 914), Neal Mccluskey assembles the most comprehensive data set to date on private school closures over the past year. He

finds that at least 132 private schools have closed permanently with a roughly 5 percent decline in private school enrollment.

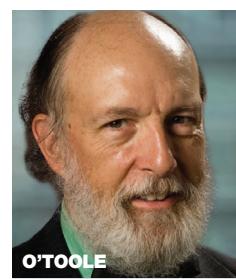
## PLANES, TRAINS, AND AUTOMOBILES

Dreams of a national high-speed rail network are perennially popular, especially among progressives, and Transportation Secretary Pete Buttigieg recently proposed a massive new spending plan to make it a reality. In

**“The High Speed Rail Money Sink: Why the United States Should Not Spend Trillions on Obsolete Technology”** (Policy Analysis no. 915), Randal O’Toole explains why this costly plan amounts to pouring trillions into an obsolete technology poorly suited for America’s geography and mobility needs.

## POWER TO THE PEOPLE?

The English-speaking world has primarily followed a doctrine of shareholder primacy in corporate governance, giving the owners the ultimate say in how their corporations are structured and governed, while many European countries require a broader stakeholder model that includes mandatory worker representation on boards. In “Do Employees Benefit from Worker Representation on Corporate Boards?” (Research Brief in Economic Policy no. 258), Christine Blandhol, Magne Mogstad, Peter Nilsson, and Ola L. Vestad find that while worker representation on boards correlates with some benefits for workers, this outcome is driven by correlation with other factors rather than the effect of the representation itself.



## WORLD’S OLDEST PROFESSION

Laws against sex work are widespread, but a growing movement of advocates has called for the repeal of the prohibition of prostitution. In “Crimes against Morality: Unintended Consequences of Criminalizing Sex Work” (Research Brief in Economic Policy no. 259), Lisa Cameron, Jennifer Seager, and Manisha Shah produce new data on the effect of criminalization on sexually transmitted infections in low-income countries. They find that criminalizing sex work increases the prevalence of such diseases by 27.3 percentage points, an

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astonishing 58 percent increase. They find that this is driven primarily by greater reluctance to use condoms, which are heavily stigmatized, with possession often used as evidence of presumptive illegal sex work.

## MYTH OF THE CRIMINAL IMMIGRANTS

Alex Nowrasteh, Cato's director of immigration policy studies, has spent years compiling extensive data sets to refute the common misperception that immigrants are prone to higher crime rates and make Americans less safe. In **"Criminal Immigrants in Texas in 2019: Illegal Immigrant Conviction Rates and Arrest Rates for Homicide, Sex Crimes, Larceny, and Other Crimes"** (Immigration Research and Policy Brief no. 19), he updates one of those data sets with the latest data from Texas, finding that illegal immigrants were 37.1 percent less likely than native-born Americans to be convicted of a crime, and legal immigrants were 57.2 percent less likely.

## RED SCARED

Both policymakers and the public increasingly view China's rapidly growing wealth as a threat, with the dictatorial Communist regime reaping the rewards of market liberalization without any accompanying political liberalization. These fears are largely misplaced, at least from a national security perspective, according to John Mueller in **"China: Rise or Demise?"** (Policy Analysis no. 917), which notes that even under its authoritarian government, China does not harbor any intent to conquer the world or wage war against the United States or its neighbors.

## RACE TO THE BOTTOM

President Biden has unveiled plans to increase the U.S. government's science funding by some 20 percent over the next year. Both Republicans and Democrats

increasingly see such subsidies as crucial to

keeping pace with Chinese research and development. In **"Don't Be like China: Why the U.S. Government Should Cut Its Science Budget"** (Economic Policy Brief no. 4), Terence Kealey explains why this emulation of Beijing's economic policies is misguided and unnecessary.

## CULTURE PANIC

The idea that immigration leads to the dilution of Western values and institutions is a recurring theme of right-wing nationalists, inspiring outright conspiracy theories of a "great replacement" as well as milder calls for the protection of the besieged native culture and its values. In **"Migration and Cultural Change"** (Research Brief in Economic Policy no.

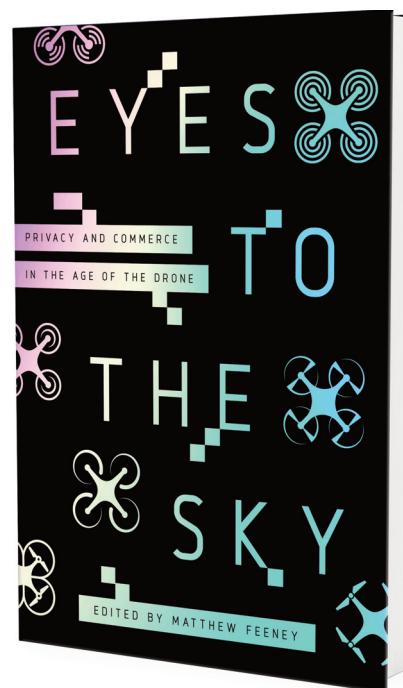


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260), Hillel Rapoport, Sulin Sardoschau, and Arthur Silve develop a new model for migration-driven cultural changes, providing a theoretical underpinning for the empirical results that worries about migrants eroding cultural capital are vastly overblown.

## PROSECUTORIAL PROMOTION

It is generally perceived that a disproportionate number of federal judges served as government lawyers or prosecutors before joining the bench. Cato's Project on Criminal Justice devised a methodology for coding judges' prior professional experiences and went through the federal judiciary judge by judge to test that perception. Those findings, in **"Are a Disproportionate Number of Federal Judges Former Government Advocates?"** by Clark Neily, show that indeed the federal judiciary is sorely lacking in judges whose previous clients were not the government. ■



## Coming this fall from the Cato Institute

In the age of the drone, how should we best regulate airspace and protect privacy? In *Eyes to the Sky*, experts from the legal, regulatory, policy, and civil liberty communities tackle these pressing problems, not only highlighting how we can learn from the history of drone regulation but also proposing policies that will allow for an innovative and dynamic drone sector while protecting our privacy.

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