

More Government, Less Privacy

The **Risks of CBDCs: Why Central Bank Digital Currencies Shouldn't Be Adopted** (study) examines the potential risks associated with central bank digital currencies (CBDCs), which are digital versions of fiat currencies issued and backed by central banks. Norbert Michel, vice president and director of Cato's Center for Monetary and Financial Alternatives, and policy analyst Nicholas Anthony argue that CBDCs pose risks to financial stability, privacy, and individual liberty, particularly if they are designed to replace cash entirely.

UNCLE SUCKER

Since about 1960, the United States has averaged approximately 36 percent of allied GDP but more than 61 percent of allied defense spending. In **Uncle Sucker: Why U.S. Efforts at Defense Burdensharing**



Fail (Policy Analysis no. 940), Cato's director of defense and foreign policy studies, Justin Logan, observes the patterns in America's

unsuccessful attempts to shift more of this burden onto allies. He recommends reducing the U.S. military presence overseas and creating more incentives for allies to contribute to their own defense.

POVERTY RATES DECLINING

Kevin Corinth, Bruce D. Meyer, and Derek Wu analyzed poverty rates among single-parent families in the United States between 1995 and 2016, using data from the Census Bureau. **The Change in Poverty from 1995 to 2016 among Single-Parent Families** (Research Briefs in Economic Policy no. 318) indicates that after account-

ing for taxes and nonmedical in-kind transfers, poverty rates for single-parent families decreased by 62 percent during this time.

AN OUNCE OF PREVENTION



ing for taxes and nonmedical in-kind transfers, poverty rates for single-parent families decreased by 62 percent during this time. **Overdose prevention centers (OPCs) reduce the transmission of disease, prevent overdose deaths, reduce public injections, and increase the number of drug users in treatment programs according to senior fellow and surgeon Jeffrey A. Singer. Overdose Prevention Centers: A Successful Strategy for Preventing Death and Disease** (Briefing Paper no. 149) suggests that OPCs can reduce overdose deaths by providing a safe and supervised environment for drug use, and minimize the spread of infectious diseases. The study also notes that OPCs can help connect drug users with health care and social services, which can lead to improved health outcomes and reduced drug use over time.

IMMIGRATION AFTER WORLD WAR II

A new focus of research on the effects of immigration is its long-run impact on productivity, wages, and income. Antonio Ciccone and Jan Nimczik contribute to this research by examining the long-run economic effects of the arrival of refugees in what would become West Germany after the end of World War II in 1945. **The Long-Run Effects of Immigration: Evidence across a Barrier to Refugee Settlement** (Research Briefs in Economic Policy no. 319) finds that refugees have a positive effect on the economy and do not have a negative impact on wages or employment for native-born workers.

POLITICAL BRIBERY

When government favors a set of firms or individuals over others, distortions arise that reverberate throughout entire industries, affecting sales, production, innovation, and more. **The Political Economy of Anti-bribery Enforcement** (Research Briefs in Economic Policy no. 320) by Lauren Cohen and Bo Li examines the political and economic factors that influence the enforcement of anti-bribery laws in the United States and finds that the enforcement of these laws is often influenced by political considerations.

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AU REVOIR TO AU PAIRS



BROWN CALDER

According to research by Alex Nowrasteh and Vanessa Brown Calder in **The Minimum Wage Undermined the Au Pair Program in Massachusetts** (Working Paper no. 73), a 2019 court-mandated wage increase reduced the number of au pairs and inflicted high costs on families and the au pairs who were not hired. Host families were required to pay a wage 170 percent higher than the state's minimum wage, resulting in 68 percent fewer au pairs arriving in the state in 2022.

UNINTENDED CONSEQUENCES

Pretrial Juvenile Detention (Research Briefs in Economic Policy no. 321) shows that pretrial detention of juveniles can have large, negative consequences later in life. E. Jason Baron, Brian Jacob, and Joseph P. Ryan determine that the large costs of detention due to reductions in high school graduation and increases in adult crime, as well as the monetary costs of detaining youth, suggest the benefits from detention would have to be quite large to justify its use.

POLICE PROFILING

High-Frequency Location Data Show That Race Affects the Likelihood of Being Stopped and Fined for Speeding (Research Briefs in Economic Policy no. 325), by economists from Lyft and several universities, shows that minority drivers are 24–33 percent more likely to receive a speeding ticket when traveling at the same speed at the same time and in the same location as white drivers.

BETTER “DISEASES OF COMMERCE” THAN SHORT LIFESPANS

Economically free nations experience fewer “diseases of poverty” but more communi-

cable diseases, or “diseases of commerce”—those associated with freedom of movement and longer lifespans. Vincent Geloso, Kelly Hyde, and Ilia Murtazashvili explore the tradeoffs in **Disease Mix and How Economic Freedom Matters for Health Outcomes** (Working Paper no. 74). The authors argue that nations with more property rights lock away some institutional responses to pandemics, but the affluence and public health conditions created by liberal democratic policies are preferable to shorter lifespans and brutish lifestyles.

IMMIGRATION IS A NET POSITIVE



NOWRASTEH

With some variation and exceptions, the net fiscal impact of immigrants is more positive than it is for native-born Americans and positive overall for the federal, state, and local governments. Cato's vice president for economic and social policy studies Alex Nowrasteh, along with Sarah Eckhardt and Michael Howard, expanded on a groundbreaking 2017 study in their white paper **The Fiscal Impact of Immigration in the United States**. More recent data and two modified methodologies allowed them to more fully account for immigrants' impact on the U.S. balance sheet.

WEAPON OF CHOICE

Sarah Moshary, Bradley T. Shapiro, and Sara Drango conduct a consumer survey with a series of firearm options and assess their price sensitivities in **Preferences for Firearms and Their Implications for Regulation** (Research Briefs in Economic Policy no. 324). They found that an assault weapons ban would induce many consumers to switch to handguns and would induce only a minimal reduction in the overall number of firearms sold.

WE'RE WATCHING YOU

Who Watches the Watchmen? Evidence of the Effect of Body-Worn Cameras on New York City Policing (Research Briefs in Economic Policy no. 323) contributes to the inconclusive body of work on body-worn cameras (BWCs) by studying the New York Police Department's 2017–2019 rollout into its entire police force, the largest in the country. Mitchell E. Zamoff, Brad N. Greenwood, and Gordon Burtch found that BWCs increased the number of investigative stops conducted by the NYPD, driven mostly by nonviolent stops. Citizen complaints and the number of arrests decreased.

COMMON OWNERSHIP

The Economic Effects of the English Parliamentary Enclosures (Research Briefs in Economic Policy no. 322) contributes to the at least 250-year-long debate on the economic effects of English parliamentary enclosures by showing that parliamentary enclosure had a positive effect on agricultural yields but that it also substantially increased inequality. The findings do not support the notion that communities can innovate systems of governance to efficiently allocate collectively managed resources. ■

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