Term Paper Outline

Hypothesis 1: A decline in regulation means a decline in unemployment

Hypothesis 2: A decline in regulation means an increase in average wages

Introduction

* Explain how this paper focuses on not just the GDP, but where wealth may have come from that went into GDP (did poverty decrease?)

Background Literature

* Regulatory research has focused primarily on the Microeconomic ramifications of regulatory capture
  + This can be expanded to account for Macroeconomic trends
* Two strands of literature
  + Regulation can help alleviate poverty
  + Removal of regulations can help alleviate poverty
  + Both are right if the regulation being put in is proven to help, and also the fact that bad regulation is taken out
* Stigler and Olson are the first to identify that regulation can be captured by special interests
  + Can the amount of regulatory capture become so great as to retard the economy as a whole?
    - Yes
* How do we measure the amount of regulation? How does that translate to regulatory burden?

Data

* Background on data
  + Previous studies have quantified regulation by page numbers, with some association of how many pages regulate a particular industry (Title 7 for agriculture, Title 42 for public health)
  + This a crude measurement, but was the best available until RegData
  + Allows us to target particular industries within the NAICS code book down to 3, 4, or even 5 digits
    - Gives us a much better picture of how regulation may disproportionately affect sub-industries
    - Also allows us to tie regulation by industry to Macroeconomic trends like GDP, GDP per capita, and unemployment