



# ACADEMICS AND AEI

A Scholarly Update from the American Enterprise Institute

**Monday, October 6, 2008** | [[Unsubscribe](#)]

The **American Enterprise Institute** is a nonpartisan research institution whose purpose is to defend and improve the institutions of American freedom and democratic capitalism.

## GRANTS & FELLOWSHIPS

The **National Research Initiative** offers a variety of resources to support both established and emerging scholars.

NRI offers [grants](#) to support research, writing, and publication. NRI also offers [fellowships](#). For more information, contact [NRI's project manager](#).

## IN THE NEWS

### **The Theory and Practice of Bailouts**

AEI event, October 8, 2008



Adam Lerrick

**Adam Lerrick** (AEI and Carnegie Mellon University), **Alex J. Pollock** (AEI), **John H. Makin** (AEI), **Allan Mendelowitz** (Federal Housing Finance Board), and **Carmen M. Reinhart** (University of Maryland) will discuss how to think about government bailouts in times of financial crisis, patterns of successful versus unsuccessful interventions, practical problems to consider, and how to get the government interventions to end.

## CONTENTS

**GRANTS & FELLOWSHIPS** with the National Research Initiative (NRI).

**IN THE NEWS:** [Lerrick, Pollock, Makin, et al.](#) on the theory and practice of financial bailouts.

**UPCOMING EVENTS:** [Brooks, Johnston, Keegan, and Hess](#) on how a new presidential administration should approach educational entrepreneurship; [Laffer, Moore, Tanous, et al.](#) on economic policies that create jobs and foster growth.

**BOOK:** [Gingrich and Haley](#) on using America's natural resources to achieve energy independence.

**ARTICLES:** [Wallison and Calomiris](#) on the contributions of Fannie Mae and Congress to the credit crisis; [Reinhart](#) on how to alleviate the strain on financial markets; [Hubbard](#) on what the presidential candidates can do to fix the credit crunch; [Lindsey](#) on revising the FDIC's insurance policy.

**WORKING PAPER:** [Hahn](#) on designing smarter regulation through cost-benefit analysis.

**RECENT EVENT:** [Calomiris, Hassett, Wallison, Lachman, and Makin](#) on the present and future of financial markets.

## BOOK

[\[Read more\]](#)

## UPCOMING EVENTS

### **Educational Entrepreneurship: What Do the Candidates Think?**

AEI event, October 8, 2008

**Arthur C. Brooks** (AEI), **Michael Johnston** (Obama for America), **Lisa Graham Keegan** (McCain-Palin 2008), and **Frederick M. Hess** (AEI) will assess how a new administration should approach the issue of educational entrepreneurship, especially in light of the pending reauthorization of No Child Left Behind.

[\[Read more\]](#)

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### ***The End of Prosperity: How Higher Taxes Will Doom the Economy—If We Let It Happen***

AEI book forum, October 10, 2008

**Arthur Laffer** (Laffer Associates), **Stephen Moore** (*Wall Street Journal*), **Peter Tanous** (Lynx Investment Advisory), **Laurence Kotlikoff** (Boston University and the National Bureau of Economic Research), and others will discuss how effective economic policies instituted over the last twenty-five years have created jobs and fostered impressive economic growth. [\[Read more\]](#)

## WORKING PAPER



Regnery  
September  
2008

[\[Read more\]](#)

In *Drill Here, Drill Now, Pay Less: A Handbook for Slashing Gas Prices and Solving Our Energy Crisis*, **Newt Gingrich** (AEI) and **Vince Haley** (AEI) outline a comprehensive energy plan, which includes reaping the benefits of America's own natural resources and technology in gas, oil, coal, wind, solar, biofuels, and nuclear energy.

## ARTICLES

### **Blame Fannie Mae and Congress for the Credit Mess**

By **Peter J. Wallison** and **Charles W. Calomiris**

*Wall Street Journal*, September 23, 2008

**Peter J. Wallison** (AEI) and **Charles W. Calomiris** (AEI and Columbia University) argue that without government encouragement, banks would never have offered such dodgy loans. [\[Read more\]](#)

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### **How Three Economists View a Financial Rescue Plan**

By **Vincent R. Reinhart**

*New York Times*, September 22, 2008

**Vincent R. Reinhart** (AEI) argues that a financial rescue plan should focus on the immediate problem of strains in the financial markets. [\[Read more\]](#)

## Designing Smarter Regulation with Improved Cost-Benefit Analysis

By Robert W. Hahn

AEI Center for Regulatory and Market Studies,  
Working Paper, September 2008

**Robert W. Hahn** (AEI) presents a standard economic model for government intervention in markets and then introduces a richer normative theory that considers several political and economic factors that are frequently not considered in analyzing real-world applications. In special cases, the theory provides guidance on the setting of socially optimal taxes and subsidies. [[Read more](#)]

### RECENT EVENT

#### What Lies Beyond the Credit Crunch? Part III

AEI event, October 2, 2008

**Charles W. Calomiris** (AEI and Columbia University), **Kevin A. Hassett** (AEI), **Peter J. Wallison** (AEI), **Vincent R. Reinhart** (AEI), **Desmond Lachman** (AEI), and **John H. Makin** (AEI) provided their assessments of the present and future of the financial markets and the economy. [[Read more](#)]

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#### What the Candidates Can Do

By R. Glenn Hubbard

*Washington Post*, September 19, 2008

**R. Glenn Hubbard** (AEI and Columbia Business School) argues that both presidential candidates should seek regulatory improvements to avoid a repetition of the financial crisis. [[Read more](#)]

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#### Loosen Deposit Insurance Rules to Prevent a Bank Run

By Lawrence B. Lindsey

*Wall Street Journal*, September 17, 2008

**Lawrence B. Lindsey** (AEI and the Lindsey Group) argues for a revision of the FDIC insurance policy and a more stable capital adequacy rule. [[Read more](#)]



American Enterprise Institute for Public Policy Research • 1150 Seventeenth Street, N.W.  
Washington, DC 20036 • 202.862.5800 (telephone) • 202.862.7177 (fax)  
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