



Swarthmore Rotary Cog Notes

P.O. Box 4, Swarthmore, PA 19081



May 27, 2021

Holger Knaack
RI President 2020-21
Kevin M. Katarynick
District 7450 Governor

Swarthmore Rotary Leaders

William Clinton Hale
President
Kathryn Jones
President-Elect
Brian Casey
Club Executive Secretary
Webmaster
Craig Fava
Past President
Secretary
Sonya Pappas
Treasurer
Barbara Whitaker-Shimko
Rotary Foundation Chair
Betty Ann A. Flynn
Club Director
Anne C. Hansen
Club Director
Lori Markusfeld
Service Projects Chair
Penelope Reed
Public Relations Chair
Ann K. Seidman
Membership Chair
Barbara Amstutz
Grants Committee Chair
Maria Michael Zissimos
iPast President
Heather Saunders
President-Nominee
Francy Cross
Assistant Governor

Service Quotation

Philosophy is not best expressed in words; it is expressed in the choices one makes. Eleanor Roosevelt

Rotary Celebrations!

Birthdays

Perri Ann Evanson
May 31st
Cathleen Darrell
June 2nd

Wedding Anniversaries

No Wedding Anniversaries Found

Meetings and Events

May

27th - [Club Meeting](#)
Speaker: Richard Shimko, head of the scholarship committee
Subject: Club Addresses from Scholarship Recipients

June

3rd - [Club Meeting](#)
Speaker: Congresswoman, Mary Gay Scanlon
Subject: TBD
10th - [Club Meeting](#)
Speaker: Pat Francher, Swarthmore Farmer's Market Manager, and Jon Gly, Farm to City
Subject: This Year's Farmer's Market

Table Grace

By Frederick E. Christian

Lord of life, help us to hear the distant cries of need, the hopes of those who would be free, the agony of those who hunger and have nowhere to turn. Help us to be one with all suffering humankind and out of that to catch a vision of what Rotary is meant to be. Teach us to use our talents in gratitude for your goodness to us. Amen.

4 Way Test

Of the things we think, say or do

1. Is it the TRUTH?
2. Is it FAIR to all concerned?
3. Will it build GOODWILL and BETTER FRIENDSHIPS?
4. Will it be BENEFICIAL to all concerned?

Club News

Randy Winton stated that the nominations for this year's service awards will be open to organizations in addition to individuals.

President Bill Hale said the installation event will be in-person at the Inn at Swarthmore at 12 noon on June 24. Only members can attend; no spouses or guests.

Bill reminded us that the Feed the Hungry event will be held on June 10. Make checks out to specific food pantries, (details about the list of pantries later), but the checks should be mailed to Swarthmore Rotary.

Bill reported that a committee interviewed prospective new members Ann Green, Theresa O'Malley, and Dave Firn. They are ready to be presented to the whole club for approval.

Last Meeting Summary

Mark Hopkins, an economist, told us that he generally supports President Bidens proposed infrastructure bill. Mark is a Director at Moody Analytics. The American Jobs Act (AJA) is a 2.4 trillion dollar proposal to fund infrastructure in the broad sense. Mark listed three objections that have been raised by Republicans against the bill: 1) another Federal stimulus is not necessary; the

Years of Service

Joshua Twersky
06-02-2003
18 Years
Randolph B. Winton
05-27-2010
11 Years

Happy Dollars

pledge \$3,417

2020-21 Happy Dollars
for Polio Plus Fund
(\$3 to fully protect one child)

2019-20 total: \$3355
2018-19 total: \$3,845
2017-18 total: \$4,515

Guests Last Meeting

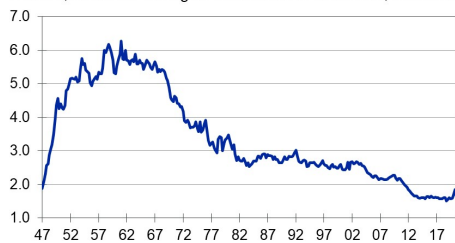
Theresa O'Malley, Jim
Snively
Dave Firn, Ann Green
Rosemary Fox, Carol
Hopkins

economy is recovering. 2) the plan includes a tax increase. 3) 2.6 trillion dollars is too much. It will increase the deficit too much.

Mark went on to the counter the objections that were being raised. First of all, Mark said the AJA is not a “stimulus”. Rather, it is a long-term investment strategy. The 2.4 trillion dollars will be spent over ten years. The proposed spending includes 600 billion for transportation infrastructure, 600 billion for broadband and power, 500 billion for R & D and manufacturing, and 400 billion for tax credits. He said public infrastructure spending has been falling steadily for many years.

Public Infrastructure Outlays Fall Behind

Federal, state and local govt investment in structures, % of GDP



Sources: BEA, Moody's Analytics

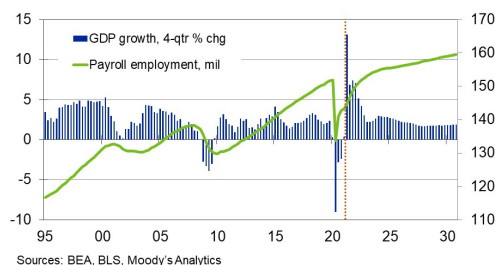
MOODY'S ANALYTICS

Presentation Title, Date 9

In the 80's and 90's, the average public infrastructure spending was about 2.5% of GDP. Now it is about 1.5%. Mark said this is an opportunity to pivot to thinking about our future needs.

Although the economy is temporarily recovering from last year's shut-down, it still has not recovered completely from the twin hits of the financial crisis of 2008 and Covid.

But the Economic Fallout Is Equally Large



Sources: BEA, BLS, Moody's Analytics

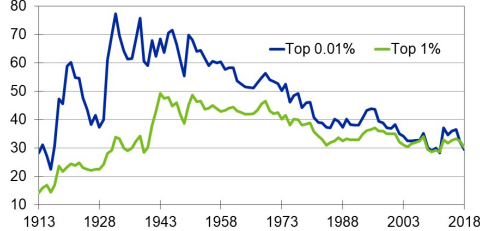
MOODY'S ANALYTICS

Presentation Title, Date 4

From the preceding graph, if the rate of employment growth of the period 1995 to 2008 had continued, there would be 170 million jobs now, or 10 million more than there are at present. The second objection is correct in that the President proposes paying for most of the increased spending with an increase in the corporate tax rate and international tax changes. Mark pointed out that the tax rate for corporations and the very wealthy has been decreasing steadily for many years.

Falling Tax Rate for Top 1% Since WWII

Avg federal tax rates for top earners, %



Sources: Gabriel Zucman of the University of California, Berkeley, Moody's Analytics

MOODY'S ANALYTICS

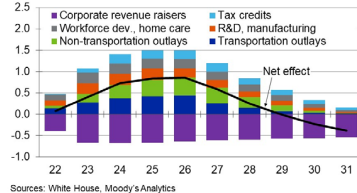
Presentation Title, Date 13

Regarding the third objection, Mark believes the negative impact of increasing the deficit and debt

will be offset by growing the economy. The AJA will increase the deficit by almost 1% of GDP in the middle of this decade. Offsetting that will be the increase in the economy in the same period.

Deficit Impact of the American Jobs Plan

Static deficit effect, % of U.S. GDP



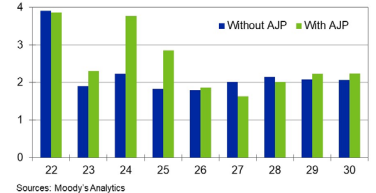
Sources: White House, Moody's Analytics

MOODY'S ANALYTICS

Presentation Title, Date 8

Peak Impact of AJP Occurs Mid-Decade

U.S. real GDP, annual % change



Sources: Moody's Analytics

MOODY'S ANALYTICS

Presentation Title, Date 11

In answer to a question about whether the AJA would include too much pork, Mark said he thought more was needed. Pork (more technically called earmarks) is a specific expenditure placed in a budget to benefit a congressman's district. Mark said banning pork a few years ago eliminated a method of trading money for votes. This led to more gridlock in Congress. While Mark's talk may have persuaded some of us about supporting the AJA, it remains to be seen if the Democrats can pass the bill in the face of Republican opposition.