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GENERAL INTEREST

Christian E. Weller

Economic Snapshot: December 2013

Center for American Progress – Issue Brief - December 19, 2013 – 6 pages

<http://www.americanprogress.org/wp-content/uploads/2013/12/Dec2013-EconSnapshot.pdf>

“All economic measures that matter to the majority of people—job growth, economic growth, productivity growth, poverty reduction, and income growth—have performed worse in this recovery, which started in June 2009, than in previous recoveries of at least equal length. Middle-class families continue to struggle in the wake of the Great Recession and are looking for help from their elected officials. The current economy only works for those lucky few with high incomes who depend in large measure on corporate profits through dividends and stock market gains for their financial well-being. Income inequality stayed high and increased throughout the recovery. Corporate profits recovered more quickly than in previous recoveries to very high levels.”

Andrew Flowers

The Productivity Paradox: Is Technology Failing or Fueling Growth?

FRB - EconSouth - Fourth Quarter 2013 – 7 pages

http://www.frbatlanta.org/documents/pubs/econsouth/13q4_technology.pdf

“However you slice the data, it seems the U.S. economy has experienced a slowdown in productivity growth,” Flowers wrote. The slowdown has implications for economic growth, potential employment, and investment. The slowdown in productivity—in particular, a slowdown in total factor productivity (TFP), which measures more than just labor and capital—is often a launching point for the techno-pessimism versus techno-optimism debate, he explained. Techno-pessimists argue that technological innovation is no longer contributing to economic growth the way it used to. Techno-optimists argue that the economy is poised for bursts of innovation, or that the economy has not yet experienced all the benefits of the innovations of the last few years.”

Ben Olinsky and Asher Mayerson

Trickle-Down Economics and Broken Promises - How Inequality Is Holding Back Our Economy

Center for American Progress – Report - December 4, 2013 – 11 pages

<http://www.americanprogress.org/wp-content/uploads/2013/12/trickledownecon6.pdf>

“For more than 30 years, conservative politicians have tried to sell Americans on the notion that giving tax cuts to the wealthy will spur economic growth and job creation, generating broad-based economic prosperity. Their marketing of this “trickle-down economics” has been successful: After decades of campaigning, many Americans now accept the oft-repeated assertion that lower taxes and less regulation leads to job growth... For more than 30 years, conservative politicians have tried to sell Americans on the notion that giving tax cuts

to the wealthy will spur economic growth and job creation, generating broad-based economic prosperity. Their marketing of this “trickle-down economics” has been successful: After decades of campaigning, many Americans now accept the oft-repeated assertion that lower taxes and less regulation leads to job growth.”

Benjamin H. Harris and Melissa S. Kearney

A Dozen Facts about America’s Struggling Lower-Middle-Class

Brookings - The Hamilton Project – Report - December 4, 2013 – 28 pages

http://www.brookings.edu/~media/multimedia/interactives/2013/12_facts_lower_middle_class/thp_12lowinc_omefacts_final.pdf

“This Hamilton Project policy paper provides a dozen facts on struggling lower-middle-class families focusing on two key challenges: food insecurity, and the low return to work for struggling lower-middle-class families who lose tax and transfer benefits as their earnings increase. These facts highlight the critical role of federal tax and transfer programs in providing income support to families struggling to remain out of poverty.”

Jordan Rappaport

The Demographic Shift from Single-Family to Multifamily Housing

FRB Kansas City – Economic Review – Fourth Quarter 2013 - 30 pages

<http://kansascityfed.org/publicat/econrev/pdf/13q4Rappaport.pdf>

“The recovery of U.S. housing construction slowed during the first half of 2013. The author projects that stronger growth of single-family and especially multifamily construction will resume in the near future. But over the long term, single-family construction is likely to contract as aging baby boomers downsize.”

FISCAL AND TAX POLICIES

Charles Blahous

Why We Have Federal Deficits: The Policy Decisions That Created Them

Mercatus Center – Study - November 14, 2013 – 48 pages

<http://mercatus.org/publication/why-we-have-federal-deficits-policy-decisions-created-them>

“Washington will never gain control of federal budget deficits unless it clearly identifies their underlying causes... Charles P. Blahous, a Mercatus senior research fellow and public trustee for Medicare and Social Security, examines the causes of federal deficits by systematically examining the federal budget itself, quantifying all contributions to the deficit regardless of when they were enacted. Blahous presents three perspectives, based on comparisons of the components of the current fiscal imbalance with historical budget norms established over the past 40 years. These perspectives involve (1) identifying the policy decisions that underlie the projected fiscal imbalance; (2) examining the historical sources of the current-year deficit; and (3) quantifying the sizes of the deficits run during different officials’ times in office.”

Laurence Kotlikoff

Assessing Fiscal Sustainability

Mercatus Center – Study - December 12, 2013 – 22 pages

http://mercatus.org/sites/default/files/Kotlikoff_FiscalSustainability_v2.pdf

“According to a new study published by the Mercatus Center at George Mason University, the answer is that policymakers, financial analysts, the media, and even most economists focus on the wrong measure of fiscal sustainability—namely, the \$12 trillion in official debt held by the public. The study’s author, Boston University professor of economics Laurence Kotlikoff, says that what gets reported as official debt is economically arbitrary and politically driven, leaving the vast majority of the government’s liabilities off the books. To generate an accurate assessment of the US government’s fiscal sustainability, Kotlikoff uses both

fiscal gap accounting, which discloses the amount of adjustment needed to restore sustainability, and generational accounting, which looks at the impact of current and implied policy on specific generations.”

Israel Malkin and Daniel J. Wilson

Taxes, Transfers, and State Economic Differences

FRB San Francisco - Economic Letter - December 2, 2013 – 5 page

<http://www.frbsf.org/economic-research/publications/economic-letter/2013/december/taxes-transfers-redistribution-us-federal-government-states/el2013-36.pdf>

“Taxes collected by the U.S. government are paid out through transfers that promote economic equity among states. This system redistributes funds between richer and poorer states over the long run and helps stabilize states hit by temporary economic shocks. Surprisingly, little if any of this redistribution and stabilization comes from transfer payments through federal programs and services. Rather, differences across states in federal tax payments drive these effects. Research suggests a similar system of taxes and transfers in the European Union could have reduced recent economic divergence among member states.”

The Distribution of Household Income and Federal Taxes, 2010

CBO – Report - December 4, 2013 – 36 pages

<http://www.cbo.gov/publication/44604>

“The increase in the nation’s economic activity in 2010 affected households’ income, federal tax liabilities, and federal tax rates. In this report, CBO presents its estimates of the distribution of household income and federal taxes in 2010, and it compares those estimates with estimates for the preceding three decades. The report also discusses the effects of changes in tax rules on the distribution of federal taxes in 2013.”

Alison Felix and Kate Watkins

The Impact of an Aging U.S. Population on State Tax Revenues

FRB Kansas City – Economic Review – Fourth Quarter - 34 pages

<http://www.kansascityfed.org/publicat/econrev/pdf/13q4Felix-Watkins.pdf>

“The U.S. population is getting older. In 2011, the first members of the baby boom generation turned 65, an age typically associated with retirement. By 2030, almost 19 percent of the U.S. population will be 65 or older, up from just over 13 percent today. This aging of the population has important implications for state tax revenue because as the baby boom generation retires, the nation’s labor force participation rate is expected to decline and, with it, income and spending... While several studies have noted that demographic change will affect tax revenues, few have quantified the projected effects across states.”

Melissa S. Kearney and Lesley Turner

Giving Secondary Earners a Tax Break: A Proposal to Help Low- and Middle-Income Families

Brookings - The Hamilton Project – Policy Brief - December 4, 2013 – 8 pages

<http://www.brookings.edu/~media/research/files/papers/2013/12/04%20proposal%20help%20low%20income%20families%20kearney/04%20help%20low%20income%20families%20brief.pdf>

“The current structure of the tax and transfer system in the United States makes it particularly challenging for low-income married couples with children to work their way into the middle class. Specifically, the tax and transfer system has an inherent secondary- earner penalty that discourages work efforts and reduces the return to work for a second earner within a married couple. When children are present, a spouse’s work efforts often brings associated child-care costs, making the return to work even lower. Our estimates suggest that under the current federal tax and transfer system, and assuming standard child-care costs, a family headed by a primary earner making \$25,000 a year will take home less than 30 percent of a spouse’s earnings. We propose a secondary- earner deduction for low- to moderate-income families. This incremental modification to the tax code would increase disposable income for affected families.”

MONETARY POLICY

100 Years of Central Banking

FRB Atlanta – December 2013

<http://www.frbatlanta.org/about/frs/centennial.cfm>

“Visit the History Web Gateway to learn about the Federal Reserve's role in the national economy. This new online resource features a wealth of materials, including hundreds of archived images, biographies, and essays on major events in the Fed's 100-year history.”

Rethinking the Federal Reserve’s Many Mandates on Its 100-Year Anniversary

House Committee on Financial Services – Hearing - December 12, 2013

<http://financialservices.house.gov/calendar/eventsingle.aspx?EventID=363599>

Witness List

Dr. Douglas Holtz-Eakin, President, American Action Forum

The Honorable Alice Rivlin, Senior Fellow, Economic Studies, Brookings Institution

Dr. Marvin Goodfriend, friends of Allan Meltzer, Professor of Economics, Tepper School of Business, Carnegie-Mellon University

Ms. Hester Peirce, Senior Research Fellow, Mercatus Center, George Mason University

Money, Markets, and Government: The Next 30 Years

Cato Journal – Third Quarter 2013

<http://www.cato.org/cato-journal/fall-2013>

“This issue of the Cato Journal features the papers from Cato’s 30th Annual Monetary Conference—Money, Markets, and Government: The Next 30 Years—which was held in Washington on November 15, 2012. After 30 years, it is well to recall F. A. Hayek’s advice: “All those who wish to stop the drift toward increasing government control should concentrate their effort on monetary policy.” The articles in this volume address the links between money, markets, and government, and how those links might evolve in the future.”

William R. Cline

Estimates of Fundamental Equilibrium Exchange Rates

Peterson Institute - Policy Brief – November 2013 – 15 pages

<http://www.piie.com/publications/pb/pb13-29.pdf>

“Many exchange rates have moved substantially since May in response to the belief that the US Federal Reserve would likely begin to taper its quantitative easing. Despite some earlier concern that this "taper shock" would wreak havoc in international capital and currency markets, according to the latest estimates of fundamental equilibrium exchange rates (FEERs) by the Peterson Institute, exchange rate misalignments have tended to narrow in the past six months. Overvalued currencies have corrected downward in Turkey, South Africa, India, Indonesia, and even Australia. Medium-term surplus estimates have moderated for Taiwan, Sweden, Switzerland, and Japan as well. Cases of large misalignments persist, however, most notably in Singapore, New Zealand, and Turkey according to this assessment. The overvaluation of the dollar and undervaluation of the Chinese renminbi remain modest, however, and no longer constitute a source of severe imbalances as during 2006–07.”

Bitcoin: Questions, Answers, and Analysis of Legal Issues

Congressional Research Service – Report - December 20, 2013 – 20 pages

<http://www.fas.org/sgp/crs/misc/R43339.pdf>

Bitcoin first appeared in January 2009, the creation of a computer programmer using the pseudonym Satoshi Nakamoto. His invention is an open source (its controlling computer code is open to public view), peer to peer (transactions do not require a third-party intermediary such as PayPal or Visa), digital currency (being electronic with no physical manifestation). The Bitcoin system is private, but with no traditional financial institutions involved in transactions. Unlike earlier digital currencies that had some central controlling person or entity, the Bitcoin network is completely decentralized, with all parts of transactions performed by the users of the system.

FINANCE

State of the International Finance System

House Committee on Financial Services – Hearing - December 12, 2013

<http://financialservices.house.gov/calendar/eventsingle.aspx?EventID=363463>

Testimony by Jacob J. Lew, Secretary, U.S. Department of the Treasury

Zoltan Pozsar, Tobias Adrian, Adam Ashcraft, and Hayley Boesky

Shadow Banking

FRB New York - Economic Policy Review – December 2013 – 16 pages + appendixes

<http://www.newyorkfed.org/research/epr/2013/0713adri.html>

The rapid growth of the market-based financial system since the mid-1980s has changed the nature of financial intermediation. Within the system, “shadow banks” have served a critical role, especially in the run-up to the recent financial crisis. Shadow banks are financial intermediaries that conduct maturity, credit, and liquidity transformation without explicit access to central bank liquidity or public sector credit guarantees. This article documents the institutional features of shadow banks, discusses the banks’ economic roles, and analyzes their relation to the traditional banking system. The authors argue that an understanding of the “plumbing” of the shadow banking system is an important underpinning for any study of financial system interlinkages.”

Marco Cipriani, Antoine Martin, and Bruno Maria Parigi

The Fragility of an MMF-Intermediated Financial System

FRB New York – LibertyStreetEconomics - December 23, 2013

<http://libertystreeteconomics.newyorkfed.org/2013/12/the-fragility-of-an-mmf-intermediated-financial-system.html>

“Since the financial crisis of 2007-09—and, in particular, the run on prime money market funds (MMFs) in September 2008—policymakers have been concerned that the funds’ fragility may render banks themselves more susceptible to risk. For instance, in a recent article and speech arguing in favor of MMF reform, New York Fed President Bill Dudley stated that MMF fragility may contribute to financial market systemic risk. The idea that the susceptibility of MMFs to runs may make the financial system more unstable seems intuitive, but is it correct? In this post, we show that the idea isn’t only intuitively appealing, it’s also sound from an economic theory standpoint: MMF fragility is indeed a concern for the stability of the banking system and a contributing factor to financial market systemic risk.”

Where Are We Now? Examining the Post-Recession Small Business Lending Environment

House Committee on Small Business – Hearing - December 5, 2013

<http://smallbusiness.house.gov/calendar/eventsingle.aspx?EventID=350608>

The purpose of the hearing was to examine various factors and economic trends affecting levels of lending to small businesses.

Regulatory Landscape: Burdens on Small Financial Institutions

House Committee on Small Business – Hearing - December 3, 2013

<http://smallbusiness.house.gov/calendar/eventsingle.aspx?EventID=349855>

This hearing examined how the overall regulatory burdens facing small financial institutions, namely banks and credit unions are affecting their businesses.

Anna Paulson, Richard J. Rosen, Kyal Berends, and Robert McMenamin

Understanding the Relationship between Life Insurers and the Federal Home Loan Banks

FRB Chicago – Fed Letter – January 2014 – 3 pages

http://www.chicagofed.org/digital_assets/publications/chicago_fed_letter/2014/cfljanuary2014_318.pdf

“This article describes the growing relationship between life insurance companies and the Federal Home Loan Banking (FHLB) system. Given the important role that both play in the U.S. financial system, it is important to understand how they are connected.”

Peter J. Wallison

Only A Private Housing Finance Market Can Produce Stability

American Enterprise Institute – Financial Services Outlook - December 12, 2013 – 10 pages

http://www.aei.org/files/2013/12/12/-only-a-private-housing-finance-market-can-produce-stability_082339666219.pdf

“In the last half-century, US government backing for the housing finance market has consistently produced cycles of boom and bust. The reason is clear: only sound underwriting standards can produce a mortgage market with defaults of less than 1 percent, but the government has repeatedly encouraged the loosening or abandonment of standards. The affordable housing goals established for Fannie Mae and Freddie Mac were only the most recent and extensive iteration of this policy, and they fostered a massive housing bubble, a mortgage meltdown, and ultimately the financial crisis of 2008. True to form, a recent proposal by the government’s principal financial regulators has subverted the Dodd-Frank Act’s half-hearted attempt to reestablish underwriting standards and sets the stage for a return to the policies that caused the crisis. As long as government continues to control the housing finance market, continued instability and cycles of boom and bust are inevitable.”

LOCAL ECONOMIC DEVELOPMENT

Jessica A. Lee, Mark Muro and Bruce Katz

Using Ballot Measures to Drive Economic Investment in States and Metropolitan Areas

Brookings – Paper – December 2013 - 16 pages

<http://www.brookings.edu/~media/research/files/reports/2013/12/11%20ballot%20measures/ballotmeasures.pdf>

“Throughout the nation, elected leaders and voters alike increasingly understand that some level of public investment will be necessary in order to set their economies on the path to widely shared prosperity. However, conventional budgetary processes are in many instances failing to address the critical economic challenges confronting American communities. As a result, states and metro areas are increasingly seeking other ways to finance large-scale, economy-shaping efforts.”

Richard H. Mattoon

What Happens after Detroit’s Bankruptcy? Lessons in Reform

FRB Chicago – Fed Letter – January 2013 – 4 pages

http://www.chicagofed.org/digital_assets/publications/chicago_fed_letter/2014/cfljanuary2014_318a.pdf

“Detroit recently filed for bankruptcy, becoming the largest municipality to seek protection under the U.S. Bankruptcy Code’s Chapter 9. In the wake of Detroit’s filing, the Federal Reserve Bank of Chicago and the Citizens Research Council of Michigan convened a conference on November 7–8, 2013, to identify strategies to prevent municipalities’ fiscal decline, as well as mechanisms to restore struggling cities’ financial sustainability and economic growth.”

MANUFACTURING – NANOTECHNOLOGY

Rebuilding American Manufacturing

Senate Subcommittee on Economic Policy – Hearing - December 11, 2013

http://www.banking.senate.gov/public/index.cfm?FuseAction=Hearings.Hearing&Hearing_ID=43646f10-e1e4-4c29-a20c-7ffb0730e5bf

The witnesses are: Dr. Suzanne Berger, Raphael Dorman-Helen Starbuck Professor of Political Science and Co-Chair, Production in the Innovation Economy Project, Massachusetts Institute of Technology; Mr. Leo Hindery, Jr., Chairman, Smart Globalization Initiative, New America Foundation; Dr. Derek Scissors, Resident Scholar, American Enterprise Institute; and Ms. Julie Skirvin, General Counsel, Oregon Iron Works, Incorporated.

Building a Network for Manufacturing Innovation

House Subcommittee on Research and Technology - Hearing – December 12, 2013

<http://science.house.gov/hearing/subcommittee-research-and-technology-hearing-building-network-manufacturing-innovation>

“I am pleased to call to order this morning’s hearing to examine the need for a manufacturing innovation network and to review H.R. 2996, the Revitalize American Manufacturing and Innovation Act of 2013... H.R. 2996 would establish a \$600 million new program, based on the President’s FY13 and FY14 budget request for the National Network for Manufacturing Innovation (NNMI). H.R. 2996 would establish a network for manufacturing innovation building public-private partnerships through Centers for Manufacturing Innovation.”

Nanotechnology: A Policy Primer

Congressional Research Service - December 16, 2013 – 17 pages

<http://www.fas.org/sgp/crs/misc/RL34511.pdf>

Congress continues to demonstrate interest in and support for nanotechnology due to what many believe is its extraordinary potential for delivering economic growth, high-wage jobs, and other societal benefits to the nation. To date, the Science and Technology Committee in the House and Senate Committee on Commerce, Science, and Transportation have directed their attention primarily to three topics that may affect the United States’ realization of this hoped for potential: federal research and development (R&D) investments under the National Nanotechnology Initiative (NNI); U.S. international competitiveness; and environmental, health, and safety (EHS) concerns. This report provides a brief overview of these topics and two other subjects of interest to Congress: nanomanufacturing and public attitudes toward, and understanding of, nanotechnology.

The National Nanotechnology Initiative: Overview, Reauthorization, and Appropriations Issues

Congressional Research Service - December 17, 2013 – 69 pages

<http://www.fas.org/sgp/crs/misc/RL34401.pdf>

Nanotechnology—a term encompassing the science, engineering, and applications of submicron materials— involves the harnessing of unique physical, chemical, and biological properties of nanoscale substances in fundamentally new and useful ways. The economic and societal promise of nanotechnology has led to investments by governments and companies around the world. In 2000, the United States launched the world’s

first national nanotechnology program. From FY2001 through FY2013, the federal government invested approximately \$17.9 billion in nanoscale science, engineering, and technology through the U.S. National Nanotechnology Initiative (NNI). President Obama has requested \$1.7 billion in NNI funding for FY2014. U.S. companies and state governments have invested billions more. The United States has, in the view of many experts, emerged as a global leader in nanotechnology, though the competition for global leadership is intensifying as countries and companies around the world increase their investments.

Robert Jay Dilger

Small Business Administration HUBZone Program

Congressional Research Service - December 17, 2013 – 33 pages

<http://www.fas.org/sgp/crs/misc/R41268.pdf>

“The Small Business Administration (SBA) administers several programs to support small businesses, including the Historically Underutilized Business Zone Empowerment Contracting (HUBZone) program. The HUBZone program is a small business federal contracting assistance program “whose primary objective is job creation and increasing capital investment in distressed communities.” It provides participating small businesses located in areas with low income, high poverty rates, or high unemployment rates with contracting opportunities in the form of “set-asides,” sole-source awards, and price-evaluation preferences. Firms must be certified by the SBA to participate in the HUBZone program. On December 17, 2013, there were 5,799 certified HUBZone small businesses.”

R&D - INNOVATION

Federal Research and Development Funding: FY2013

Congressional Research Service - December 5, 2013 – 61 pages

<http://www.fas.org/sgp/crs/misc/R42410.pdf>

The 112th Congress continued to take a strong interest in the health of the U.S. research and development (R&D) enterprise and in providing support for federal R&D activities. However, widespread concerns about the federal debt and recent and projected federal budget deficits drove difficult decisions involving prioritization of R&D within the context of the entire federal budget and among competing priorities within the federal R&D portfolio. The U.S. government supports a broad range of scientific and engineering research and development. Its purposes include addressing specific concerns (e.g., national defense, health, safety, the environment, energy security), advancing knowledge generally, developing the scientific and engineering workforce, and strengthening U.S. innovation and competitiveness in the global economy.

D. Atkinson and Luke A. Stewart

University Research Funding: Still Lagging and Showing No Signs of Improvement

The Information Technology & Innovation Foundation – Report – December 2013 - 19 pages

<http://www2.itif.org/2013-university-research-funding-no-sign-improvement.pdf>

“It will come as a surprise to many that America is no longer, and nowhere near, the lead nation in terms of funding university research. In fact, of 39 nations, the United States ranks just 24th in government funding and 27th in business funding as a share of GDP. Meanwhile, the leading seven nations invest more than double the level of the United States.”

Frank Gottron

Science and Technology Issues in the 113th Congress

Congressional Research Service 6 Report - December 27, 2013 – 47 pages

<http://www.fas.org/sgp/crs/misc/R43114.pdf>

Science and technology (S&T) have a pervasive influence over a wide range of issues confronting the nation. Public and private research and development spurs scientific and technological advancement. Such advances can drive economic growth, help address national priorities, and improve health and quality of life. The constantly changing nature and ubiquity of science and technology frequently create public policy issues of congressional interest. This report briefly outlines an array of science and technology policy issues that may come before the 113th Congress. The selected issues are grouped into 11 categories: Overarching S&T issues; Workforce and Education; Agriculture; Biomedical Research and Development; Physical Science and Material Sciences; Defense; Space; Environment; Energy; Homeland Security; and Information Technology.

Protecting Small Businesses and Promoting Innovation by Limiting Patent Troll Abuse

Senate Judiciary Committee - December 17, 2013

<http://www.judiciary.senate.gov/hearings/hearing.cfm?id=32caee8082f9297f0e7df6280b03ff1f>

“The patent system has become an avenue for abuse and economic gain for opportunists, and Adobe is one of the many U.S. companies being victimized. Traditionally, the potential of a patent counterclaim ensured that patent holders chose good patents and performed reasonable due diligence before bringing a suit against a competitor. But patent trolls make no product and therefore they do not have the natural disincentive to bring meritless lawsuits. Unfortunately, the patent litigation system has not developed to provide any other barriers to that behavior. In fact, the current system is quite easy for predatory litigants to exploit.”

TRANSPORTATION

R. Richard Geddes and Dimitar N. Nentchev

Road Pricing and Asset Publicization: A New Approach to Revitalizing US Infrastructure

American Enterprise Institute – Report – December 2013 – 22 pages

http://www.aei.org/files/2013/12/10/-road-pricing-and-asset-publicization_12592596596.pdf

“The United States faces major challenges related to the funding of transportation infrastructure, such as roads, bridges, and tunnels. Revenues from fossil fuel taxes are declining as vehicles become more fuel efficient and as the purchasing power of fuel tax revenue declines with inflation. Such revenue declines are occurring at the same time that investment needs are rising because of aging infrastructure. Many states and localities are considering new and innovative models to fund and finance their transportation infrastructure. Such models almost invariably include a greater role for the private sector in the form of public-private partnerships (P3s).”

David Randall Peterman, John Frittelli, William J. Mallett

The Development of High Speed Rail in the United States: Issues and Recent Events

Congressional Research Service – Report - December 20, 2013 – 35 pages

<http://www.fas.org/sgp/crs/misc/R42584.pdf>

“The provision of \$8 billion for intercity passenger rail projects in the 2009 American Recovery and Reinvestment Act (ARRA; P.L. 111-5) reinvigorated efforts to expand intercity passenger rail transportation in the United States... Lack of long-term funding represents a significant obstacle to HSR development in the United States. The federal government does not have a dedicated funding source for HSR, making projects that can take many years to build vulnerable to year-to-year changes in discretionary budget allocations.”

The State of American Aviation

House Transportation and Infrastructure Committee – Hearing – December 12, 2013

<http://transportation.house.gov/calendar/eventsingle.aspx?EventID=363412>

“The Subcommittee will receive testimony on the economic health of American aviation, including impediments to growth, as well as issues or policy areas that should be considered in the next Federal

Aviation Administration (FAA) reauthorization bill. The Subcommittee will receive testimony from representatives of the Department of Transportation (DOT), National Business Aviation Association (NBAA), American Association of Airport Executives (AAAE), Transportation Trades Department (TTD), General Aviation Manufacturers Association (GAMA), and Airlines for America (A4A).”

OTHER ECONOMIC POLICIES

The FTC at 100: Where Do We Go From Here?

House Energy and Commerce Committee – Hearing - December 3, 2013

<http://energycommerce.house.gov/hearing/ftc-100-where-do-we-go-here>

“Today we will examine the important role of the Federal Trade Commission, its impact on jobs and the economy, and what to look forward to in the agency’s next century. The FTC’s grasp reaches far and wide, and it is the only federal agency with both consumer protection and competition jurisdiction. From the smallest, independent corner store to the largest industry, from online data collection to multi-million dollar merger reviews, the FTC is charged with ensuring industry players play fair, competition thrives, and that consumers enjoy the fruits of that competition as well as protection from fraudsters.”

Allan A. Friedman, Austen Mack-Crane and Ross A. Hammond

Cyber-enabled Competitive Data Theft: A Framework for Modeling Long-Run Cybersecurity Consequences

Brookings Center for Technology Innovation – Paper – December 2013 - 18 pages

http://www.brookings.edu/~media/research/files/papers/2013/12/06%20cyberenabled%20theft%20competitive%20data/cyberenabled%20theft%20of%20competitive%20data_revised.pdf

“Cybersecurity has become a pressing policy issue, and has drawn the attention of the national security community. Yet there is an emerging consensus among experts that one of the largest policy problems faced in cyberspace may be not a question of military threats in a new domain, but the massive exfiltration of competitive information from American companies. Economic espionage has existed at least since the industrial revolution, but the scope of modern cyber-enabled competitive data theft may be unprecedented.”

Internet Domain Names: Background and Policy Issues

Congressional Research Service - December 5, 2013 – 24 pages

<http://www.fas.org/sgp/crs/misc/97-868.pdf>

With the expiration of the Internet Corporation for Assigned Names and Numbers (ICANN)-Department of Commerce (DOC) Joint Project Agreement on September 30, 2009, the announcement of the new Affirmation of Commitments (AoC), the renewal of the Internet Assigned Numbers Authority (IANA) contract, and the rollout of the new generic top level domain (gTLD) program, the 113th Congress and the Administration are likely to continue assessing the appropriate federal role with respect to Internet Corporation for Assigned Names and Numbers (ICANN) and the Domain Name System (DNS), and examine to what extent ICANN is positioned to ensure Internet stability and security, competition, private and bottom-up policymaking and coordination, and fair representation of the global Internet community.

Information Resellers: Consumer Privacy Framework Needs to Reflect Changes in Technology and the Marketplace

U.S. Government Accountability Office - December 18, 2013 – 22 pages

<http://gao.gov/assets/660/659769.pdf>

Members of Congress and others have raised privacy concerns about information resellers (data brokers) and consumer information. In part, their concerns stem from consumers not always knowing the nature and extent of the information collected and how it is used. Growing use of the Internet, social media, and mobile

applications has intensified privacy concerns because these media greatly facilitate gathering of personal information, tracking of online behavior, and monitoring of individuals' locations and activities. This statement for the record discusses existing federal laws and regulations on the privacy of consumer information held by information resellers; any gaps that may exist in this legal framework; and views on approaches for improving consumer data privacy.

Daniel Castro

The False Promise of Data Nationalism

The Information Technology & Innovation Foundation – Report – December 2013 - 13 pages

<http://www2.itif.org/2013-false-promise-data-nationalism.pdf>

“A growing number of policymakers believe that data is more private and secure if it is stored domestically. This report shows why this is a false promise by providing a short guide to the implications of storing data on servers in foreign countries, with a foreign-owned service provider, or both, under various conditions. It also recommends that the United States engage its trade partners in developing a "Geneva Convention on the Status of Data" to establish international legal standards for government access to information.”

ENVIRONMENTAL ECONOMICS

Kate Gordon, Robert Borosage, and Derek Pugh

The Green Industrial Revolution and the United States - In the Clean Energy Race, Is the United States a Leader or a Luddite?

Center for American Progress – Report - December 10, 2013 – 40 pages

<http://www.americanprogress.org/wp-content/uploads/2013/12/GreenIndustrial.pdf>

“A new green industrial revolution—driven by a variety of concerns and opportunities—is gathering steam across the globe... The countries that lead this transformation will benefit enormously, not just from breathing healthier air and drinking untainted water, but also from economic expansion in the forms of new markets, profits, and jobs. The countries that lead this green revolution will lead the 21st century. Those that ignore it will become this century's Luddites. The question facing the United States is clear: Which one will we choose to be, leader or Luddite... This report—a joint effort of the BlueGreen Alliance, the Institute for America's Future, and the Center for American Progress—summarizes the stakes involved in this choice. We propose a bold strategy for the United States, one that relies on this country's great natural and economic strengths, to capture a leading role in this 21st-century green industrial transformation.”

Keith Phillips, Edward Rodrigue and Mine Yücel

Water Scarcity a Potential Drain on the Texas Economy

Federal Reserve Bank of Dallas - Southwest Economy - Fourth Quarter 2013 – 5 pages

<http://www.dallasfed.org/assets/documents/research/swe/2013/swe1304b.pdf>

“As Texas' growing population has strained its limited water resources, the allocation of water has become increasingly important... Historically, users drew water freely from nearby streams or from groundwater aquifers—subterranean bodies of water replenished by rain seeping through the soil and rock. But as Texas' growing population has strained its limited water resources, the allocation of water has become increasingly important. Property rights and markets can play a significant role in allocating water efficiency.”

Federal Pollution Control Laws: How Are They Enforced?

Congressional Research Service - December 16, 2013 – 55 pages

<http://www.fas.org/sgp/crs/misc/RL34384.pdf>

This report provides an overview of the statutory framework, key players, infrastructure, resources, tools, and operations associated with enforcement and compliance of the major pollution control laws and regulations administered by EPA. It also outlines the roles of federal (including regional offices) and state regulators, as

well as the regulated community. Understanding the many facets of how all federal pollution control laws are enforced, and the responsible parties involved, can be challenging. Enforcement of the considerable body of these laws involves a complex framework and organizational setting.

EPA Regulations: Too Much, Too Little, or On Track?

Congressional Research Service - December 12, 2013 – 42 pages

<http://www.fas.org/sgp/crs/misc/R41561.pdf>

This report discusses factors that affect the timeframe in which regulations take effect, including statutory and judicial deadlines, public comment periods, judicial review, and permitting procedures, the net results of which are that existing facilities are likely to have several years before being required to comply with most of the regulatory actions under discussion. Unable to account for such factors, which will vary from case to case, timelines that show date for proposal and promulgation of EPA standards effectively underestimate the complexities of the regulatory process and overstate the near-term impact of many of the regulatory actions.

Abigail Jones, Nigel Purvis and Cecilia Springer

Trading Up: The Case for an International Carbon Market Reserve to Reduce Volatility at the Limits in 2020 and Beyond

The Brookings Institution – Paper – December 2, 2013 – 40 pages

http://www.brookings.edu/~media/research/files/papers/2013/12/international%20carbon%20market%20reserve%20volatility%20purvis/trading%20up_webready3.pdf

“In this paper we make the case for one useful, albeit partial, solution: a new international carbon market reserve with the authority and mandate to adjust the supply of global carbon market securities when prices rise or fall to extremes. An international carbon market reserve could help nations temper likely swings in global carbon markets by increasing the supply of carbon credits when demand exceeds supply, and potentially reduce supply by purchasing credits when prices fall. Furthermore, were the reserve to forgo a price floor function, it would generate new financing—perhaps billions of dollars—to build resilience to the adverse effects of climate change in developing countries.”

EMPLOYMENT – WAGES – TRAINING

Manufacturing Jobs for the Future

Joint Economic Committee – Report – December 17, 2013 – 18 pages

http://www.jec.senate.gov/public/?a=Files.Serve&File_id=a5c87e25-ff51-4b4f-9ced-2ee4b0bee12f

“This study explores the importance of manufacturing and the impact that continued growth could have for the U.S. economy overall. It examines employment trends across manufacturing industries during the recession and recovery, as well as the growing role of exports. It also describes policy options to address challenges facing the sector and lay the groundwork for future gains.”

Melissa S. Kearney and Benjamin H. Harris | December 20, 2013

The Importance of Unemployment Insurance for American Families & the Economy: Take 2

Brookings - December 20, 2013

<http://www.brookings.edu/blogs/up-front/posts/2013/12/20-importance-of-unemployment-insurance-kearney-harris>

“The economic gains from extending UI benefits are significant. UI benefits help families through periods of financial stress as well as providing some of the greatest “bang-for-the-buck” in terms of the impact of government spending on the economy. Moreover, the empirical evidence suggests that the potential costs of reduced job search activity are likely quite modest and the slow economic recovery and the high ratio of unemployed workers to job openings are the central cause of lengthy durations of unemployment.”

David Cooper

Raising the Federal Minimum Wage to \$10.10 Would Lift Wages for Millions and Provide a Modest Economic Boost

Economic Policy Institute – Briefing Paper - December 19, 2013 – 22 pages

<http://s4.epi.org/files/2013/Raising-the-federal-minimum-wage-to-1010-would-lift-wages-for-millions-and-provide-a-modest-economic-boost-12-19-2013.pdf>

“This paper provides an update to our original analysis that reflects these higher state minimum wages, and changes in economic conditions over the past year. It begins by providing some context for the current minimum wage and the Harkin-Miller proposal, describing how today’s minimum and the proposed new minimum compare with historical benchmarks. It then provides a demographic overview of the workers who would be affected (both directly and indirectly) by raising the federal minimum wage to \$10.10. Finally, it details the GDP and job creation effects that would occur as a result of such an increase.”

On Pay Gap, Millennial Women near Parity – For Now

Pew Research Center – Report – December 11, 2013 – 81 pages

<http://www.pewsocialtrends.org/2013/12/11/on-pay-gap-millennial-women-near-parity-for-now/>

“Millennial women have made big gains in education and earnings in relation to their male counterparts. But when they look ahead, they see roadblocks to their success.”

Heather Boushey, Jane Farrell, and John Schmitt

Job Protection Isn’t Enough - Why America Needs Paid Parental Leave

Center for American Progress and the Center for Economic and Policy Research – December 2013 – 25 pages

<http://www.americanprogress.org/wp-content/uploads/2013/12/ParentalLeave-report-updated-2.pdf>

Twenty years ago, the Family and Medical Leave Act, or FMLA, was signed into law. The FMLA granted certain workers new and important rights, including the ability to take up to 12 weeks of job-protected leave after a birth or adoption, but it fell short in at least two important respects. First, the leave guaranteed under the law is unpaid, making it difficult for many covered workers to take advantage of their new rights. Second, the FMLA does not cover about 40 percent of the American workforce... Without downplaying the historical significance of the FMLA’s guarantee of job-protected leave for a majority of U.S. workers, this review of Census Bureau data from the first two decades of the FMLA suggests that the law had a limited impact on the frequency of parental leave and no impact on the likelihood that parental leave is paid.”

Ben Olinsky and Sarah Ayres

Training for Success: A Policy to Expand Apprenticeships in the United States

Center for American Progress – Report – December 2013 – 66 pages

http://www.americanprogress.org/wp-content/uploads/2013/11/apprenticeship_report.pdf

“Apprenticeships are not a familiar concept to many Americans, but expanding the use of this highly effective training model can help our nation meet the demand for skilled workers, create pathways to well-paying careers for unemployed young workers, and give American businesses a competitive edge in the global marketplace... In this report, we will discuss America’s insufficient workforce training system, demonstrate that apprenticeships are a time-tested solution to our workforce training challenges, and propose a set of policies to expand apprenticeships while addressing the reasons they have not yet been widely adopted in the United States.”

Elisabeth Jacobs

Principles for Reforming Workforce Development and Human Capital Policies in the United States

Brookings - Paper - December 4, 2013 – 30 pages

<http://www.brookings.edu/~media/research/files/papers/2013/12/04%20workforce%20development%20jacobson/fedroleworkforcedev.pdf>

“Despite his-toric levels of long-term unemployment and concern about the gap between the skills demanded by employers and the skills profile of the available supply of workers, the United States has an under-developed and confused vision when it comes to workforce development. This paper provides an overview of status quo federal job training policy, and offers a review of the historical evolution of the policy field as a way of understanding how the contemporary landscape developed. It then offers a set of principles for future federal involvement in workforce development policy, in order to provide a framework for a muscular government role that moves America toward a human capital strategy well-suited to a globally competitive future.”

RETIREMENT

Chuck Marr, Nathaniel Frentz, and Chye-Ching Huang

Retirement Tax Incentives Are Ripe for Reform: Current Incentives Are Expensive, Inefficient, and Inequitable

Center on Budget and Policy Priority – Report - December 13, 2013 – 10 pages

<http://www.cbpp.org/files/12-13-13tax.pdf>

“Current tax incentives for retirement saving are expensive, inequitable, and economically inefficient, giving the largest subsidies to the people who least need help in saving adequately for retirement and are most able to shift assets to capture the subsidies. These subsidies are ripe for reform that can help accomplish two important goals — raising revenue for deficit reduction and tax-reform goals, and improving retirement saving incentives for low- and moderate-income households, the groups with the most people who need to boost their retirement assets.”

Andrew G. Biggs

The Multiplying Risks of Public Employee Pensions to State and Local Government Budgets

American Enterprise Institute- Economic Perspectives – December 2013 – 4 pages

http://www.aei.org/files/2013/12/18/-the-multiplying-risks-of-public-employee-pensions-to-state-and-local-government-budgets_142010313690.pdf

“State and local government pensions tout their ability to couple generous, guaranteed benefits for public employees with low and stable contributions from taxpayers. In reality, the risks that public pensions pose to taxpayers and government budgets have multiplied by a factor of 10 over the past four decades. While elected officials—including a number of Democratic mayors—are pushing for reforms, even they may not be aware of how much pension risk government budgets are truly bearing.”

Gary Burtless and Barry P. Bosworth

Impact of the Great Recession on Retirement Trends in Industrialized Countries

Brookings – Paper - November 5, 2013 – 37 pages

<http://www.brookings.edu/research/papers/2013/12/16-impact-great-recession-retirement-trends-bosworth-burtless>

“The Great Recession had a large impact on unemployment rates and growth in wealthy industrial countries. When the recession began most rich countries were experiencing an increase in labor force participation rates after age 60. This paper examines whether the downturn slowed or reversed the trend toward higher old-age participation rates. We use straightforward time series analysis to test for a break in labor force trends after 2007. Our results indicate that the average rate of increase in labor force participation slowed in only a handful of countries. Averaging across all 20 countries in our sample, we find that the average pace of labor force participation increase was faster after 2007 than before. Countries that experienced unusually severe

downturns represent exceptions to this generalization. In most countries, however, the trend toward later retirement not only continued, it accelerated.”

The Role of Social Security, Defined Benefits, and Private Retirement Accounts in the Face of the Retirement Crisis

Senate Subcommittee on Social Security, Pensions, and Family Policy – Hearing - December 18, 2013

<http://www.finance.senate.gov/hearings/hearing/?id=e6f377e0-5056-a032-5232-ebdc7d54d21f>

“Maintaining or expanding Social Security is the single most effective thing we can do to prevent poverty and economic ruin for millions of senior citizens, while promoting economic mobility for their children and grandchildren. The budget debate creates a vacuum that does not take into account the economic impact of Social Security programs... Social Security is not a simple budgetary issue – it is a macroeconomic issue. Shifting the costs from the federal ledger does not resolve our retirement and savings problems. Social Security reforms should be considered as part of the Finance Committee’s examination of the burgeoning retirement crisis. And I see this hearing as an important first step in that direction.”

HEALTH ECONOMIC ISSUES

Devon Herrick

A Brief History of Health Savings Accounts

National Center for Policy Analysis – Brief Analysis - December 9, 2013

<http://www.ncpa.org/pub/ba791>

“Health Savings Accounts is truly an idea whose time has come. More than 30 million people now control some of their own health care dollars through an HSA or HRA. HSAs promise to revolutionize the American medical marketplace. However, Congress should allow insurance companies and employers more flexibility to experiment and innovate, so that the market can discover what works best.”

Jonathan Rauch

Opportunity Knocks at Home: How Home-Based Primary Care Offers a Win-Win for U.S. Health Care

Brookings - Paper - December 5, 2013 – 15 pages

http://www.brookings.edu/~media/research/files/papers/2013/12/05%20home%20based%20primary%20care%20rauch/rauch_latelifecare.pdf

“For far too many Americans, growing old and frail today means confronting repeated cycles of crisis, hospitalization, and expensive but ineffective or even counterproductive treatment—leading to still more of the same. Instead of reliably providing high-value treatment aiming to maximize quality of life in our declining years, the health-care system often provides high-cost treatment that seemingly aims to maximize treatment itself. The result is bad for the federal budget and in many cases, alas, even worse for patients. “There’s a lot of spending, but also a lot of suffering,” as Dr. Steven Landers, the president and CEO of the Visiting Nurse Association Group of New Jersey, said in a recent discussion with the author.”

INTERNATIONAL ECONOMIC RELATIONS - TRADE

James K. Jackson

Financing the U.S. Trade Deficit

Congressional Research Service – Report - December 23, 2013 – 19 pages

<http://www.fas.org/sgp/crs/misc/RL33274.pdf>

“Some Members of Congress and other observers have grown concerned over the magnitude of the U.S. merchandise trade deficit and the associated increase in U.S. dollar-denominated assets owned by foreigners. International trade recovered from the global financial crisis of 2008-2009 and the subsequent slowdown in

global economic activity that reduced global trade flows and, consequently, reduced the size of the U.S. trade deficit. Now, however, U.S. exporters face new challenges with economies in Europe and Asia confronting increased risks of a second phase of slow growth. This report provides an overview of the U.S. balance of payments, an explanation of the broader role of capital flows in the U.S. economy, an explanation of how the country finances its trade deficit or a trade surplus, and the implications for Congress and the country of the large inflows of capital from abroad.”

James K. Jackson

Foreign Direct Investment in the United States: An Economic Analysis

Congressional Research Service - December 11, 2013 – 12 pages

<http://www.fas.org/sgp/crs/misc/RS21857.pdf>

“Foreign direct investment in the United States dropped sharply in 2012 after rebounded slowly in 2010 and 2011 after falling from the \$310 billion recorded in 2008. According to preliminary data, foreign direct investment in the United States in 2013 could fall by 10% below the amount recorded in 2012.”

James K. Jackson

U.S. Direct Investment Abroad: Trends and Current Issues

Congressional Research Service - December 11, 2013 – 10 pages

<http://www.fas.org/sgp/crs/misc/RS21118.pdf>

“The United States is the largest investor abroad and the largest recipient of direct investment in the world. For some Americans, the national gains attributed to investing overseas are offset by such perceived losses as displaced U.S. workers and lower wages. Some observers believe U.S. firms invest abroad to avoid U.S. labor unions or high U.S. wages, however, 74% of the accumulated U.S. foreign direct investment is concentrated in high income developed countries, who are members of the Organization for Economic Cooperation and Development (OECD). Even more striking is the fact that the share of investment going to developing countries has fallen in recent years.”

Rebalance to Asia IV: Economic Engagement in the Asia-Pacific Region

U.S. Senate Committee on Foreign Relations – Hearing - December 18, 2013

<http://www.foreign.senate.gov/hearings/rebalance-to-asia-iv-economic-engagement-in-the-asia-pacific-region>

“Recognizing that America’s future prosperity and security are very much intertwined with the prosperity and security of the East Asia-Pacific region, President Obama made a strategic commitment when he came into office to rebalance our interests and investments to this region. The President set out a clear, overarching objective for the United States in the region to sustain a stable security environment and advance a regional order rooted in economic openness, peaceful resolution of disputes, and respect for universal rights and freedoms. The Administration remains committed to this objective and is building an increasingly active and enduring presence in the East Asia-Pacific region, including through our economic engagement.”

Sadanand Dhume and Julissa Milligan with Aparna Mathur and Hemal Shah

Falling Short - How Bad Economic Choices Threaten the Us–India Relationship and India’s Rise

American Enterprise Institute - October 2013 – 50 pages

http://www.aei.org/files/2013/10/07/-falling-short_173129519169.pdf

“The importance of the United States to India’s economy may be declining... The researchers argue that the key to fulfilling the strategic potential of the U.S.-India relationship is to foster a vibrant, entrepreneurial Indian economy linked to America by ideas, capital, people and technology.”

K. William Watson

Stay off the Fast Track: Why Trade Promotion Authority Is Wrong for the Trans-Pacific Partnership

Cato Institute - Free Trade Bulletin - December 19, 2013 - 4 pages

<http://object.cato.org/sites/cato.org/files/pubs/pdf/ftb56.pdf>

“Many will argue that you need fast track to pass free trade agreements, but right now trade promotion authority is largely useless and unacceptably costly. Recent history with fast track shows that the obstacles to passing free trade agreements depend more on the partisan and ideological balance of Congress. Imposing Congress’s policy objectives into the negotiations at this stage won’t help get the TPP accomplished any sooner, and will surely reduce the value of the agreement as a vehicle to liberalize trade. A clean fast track bill that reduces the role of controversial non-essential objectives in the TPP negotiations would do wonders for the U.S. trade agenda.”

Michelle Wein and Stephen Ezell

Concluding a High-Standard, Innovation-Maximizing TPP Agreement

The Information Technology & Innovation Foundation – Report – December 2013 – 39 pages

<http://www2.itif.org/2013-concluding-innovation-maximizing-tpp.pdf>

“The Trans-Pacific Partnership (TPP) should be designed to maximize innovation in the U.S. and the 11 other participating Asia-Pacific countries. However, it will only do so if it holds the nations that sign it to the highest standards regarding intellectual property, trade liberalization and enforcement. This report presents a series of recommendations designed to ensure that the TPP meets these goals, including restrictions on preferential treatment toward state-owned enterprises, the elimination of non-tariff barriers to trade between participants and the promotion of at least equal, if not greater, emphasis on enforcement as on market access.”

MISCELLANEOUS

Jim Monke, Randy Alison Aussenberg, and Megan Stubbs

Expiration and Extension of the 2008 Farm Bill

Congressional Research Service - December 16, 2013 – 29 pages

<http://www.fas.org/sgp/crs/misc/R42442.pdf>

“What happens if Congress does not enact a new farm bill in 2013, or by the end of the fiscal year? Will some programs cease to operate? What is “permanent law” and what does it affect? Do the Supplemental Nutrition Assistance Program (SNAP) and crop insurance benefits end? This report answers these and other questions about the expiration of the farm bill.”

Leslie McGranahan and Diane W. Schanzenbach

The Earned Income Tax Credit and Food Consumption Patterns

FRB Chicago – Working Paper – November 2013 – 38 pages

http://www.chicagofed.org/digital_assets/publications/working_papers/2013/wp2013_14.pdf

“The Earned Income Tax Credit is unique among social programs in that benefits are not paid out evenly across the calendar year. We exploit this feature of the EITC to investigate how the credit influences the food expenditure patterns of eligible households. We find that eligible households spend relatively more on healthy items including fresh fruit and vegetables, meat and poultry, and dairy products during the months when most refunds are paid.”

Diane Whitmore Schanzenbach

Strengthening SNAP for a More Food-Secure, Healthy America

Brookings – The Hamilton Project - Paper - December 4, 2013 – 32 pages

<http://www.brookings.edu/research/papers/2013/12/03-strengthening-snap-food-secure-healthy-america-schanzenbach>

“The Supplemental Nutrition Assistance Program (SNAP) is the fundamental safety-net program in the United States. Over its fifty-year history, it has effectively reduced hunger and buffered American families against economic downturns. This paper provides an overview of SNAP’s shortcomings, and a proposed detailed policy agenda to improve SNAP’s effectiveness. In particular, I propose to subsidize healthy foods in order to encourage better nutrition among SNAP recipients and to reform eligibility and payment rules to enable SNAP to better fight hunger and support program beneficiaries.”

ENERGY POLICY

Molly F. Sherlock

Energy Tax Policy: Issues in the 113th Congress

Congressional Research Service - December 19, 2013 – 34 pages

<http://www.fas.org/sgp/crs/misc/R43206.pdf>

The scheduled expiration of a number of energy tax incentives means energy tax policy will likely be considered by the 113th Congress.

Evaluating the Role of FERC in a Changing Energy Landscape

House Energy and Power Subcommittee – Hearing - December 5, 2013

<http://energycommerce.house.gov/hearing/evaluating-role-ferc-changing-energy-landscape>

“Today provides us the opportunity to consider the legal and regulatory authorities of the Federal Energy regulatory Commission (FERC) and evaluate the manner in which FERC carries out its statutory duties under the Federal Power Act, the Natural Gas Act, and other authorities. FERC is tasked with regulating the interstate transmission of natural gas, oil, and electricity. FERC also is responsible for evaluating proposals to build LNG terminals and interstate natural gas pipelines, as well as the licensing of non-federal hydropower projects. FERC also oversees the reliability of the electric grid.”

OIL AND GAS

Keystone XL Pipeline Project: Key Issues

Congressional Research Service - December 2, 2013 – 43 pages

<http://www.fas.org/sgp/crs/misc/R41668.pdf>

TransCanada’s proposed Keystone XL Pipeline would transport oil sands crude from Canada and shale oil produced in North Dakota and Montana to a market hub in Nebraska for further delivery to Gulf Coast refineries. The pipeline would consist of 875 miles of 36-inch pipe with the capacity to transport 830,000 barrels per day. Because it would cross the Canadian-U.S. border, construction of Keystone XL requires a Presidential Permit from the State Department. A decision to issue or deny a Presidential Permit is based on a determination that a project would serve the national interest, considering potential impacts on the environment, the economy, energy security, foreign policy, and other factors. Environmental impacts are evaluated and documented in an Environmental Impact Statement (EIS) under the National Environmental Policy Act (NEPA).

Isaac Orr

Hydraulic Fracturing: A Game-Changer for Energy and Economies

Heartland Institute – Policy Study - November 2013 – 36 pages

http://heartland.org/sites/default/files/11-10-13_isaac_orr_on_fracking.pdf

“Thirty-five states now participate in what has been christened America’s Shale Revolution. This development has resulted in a 34 percent increase in U.S. natural gas production since 2005... In Part 1 of this Policy Study, the author reviews the background and potential of hydraulic fracturing in the United States and then puts that potential in the context of the supply of and demand for oil and gas. Part 2 addresses the environmental impacts of hydraulic fracturing, both positive and negative, as well as public safety issues that have been raised by activists, such as potential harm to drinking water supplies. Part 3 discusses how oil and gas production is regulated at the state and national levels and discusses the proper interaction of these two levels of government...This Policy Study concludes hydraulic fracturing can be done in a safe and environmentally responsible manner.”

Jesse Thompson

Shale Revolution Feeds Petrochemical Profits as Production Adapts

Federal Reserve Bank of Dallas - Southwest Economy - Fourth Quarter 2013 – 4 pages

<http://www.dallasfed.org/assets/documents/research/swe/2013/swe1304g.pdf>

The marriage of advanced techniques for horizontal drilling and hydraulic fracturing has helped reverse 30 years of declining domestic production of oil, natural gas and natural gas liquids.

Matt Lee-Ashley and Jessica Goad

A Turning Point for the Bureau of Land Management

Center for American Progress – Report - December 18, 2013

<http://www.americanprogress.org/wp-content/uploads/2013/12/BLMturningpoint.pdf>

“In this brief, we assess the long-term impacts of a controversial decision by the Bush administration—one that took place five years ago this week—to lease lands near national parks in Utah for oil and gas development. We present new public opinion data that provide greater detail on Americans’ current priorities for their public lands and help explain why the Utah leasing debacle in 2008 provoked such a strong public outcry. In addition, we identify six areas to watch that, taken together, demonstrate the extent to which the Obama administration’s reforms to the nation’s oil and gas leasing program are resulting in meaningful and lasting changes in priorities, values, and decision making within the Bureau of Land Management.”

RENEWABLES

Victor Nava and Julian Morris

Stimulating Green Electric Dreams

Reason Foundation - Policy Brief - December 2013 – 37 pages

http://reason.org/files/green_electric_dreams.pdf

“Over the past decade, federal and state governments have significantly increased their support for nonconventional energy technologies, ranging from wind-powered electricity generators to battery-powered cars. One of the largest such programs was the Department of Energy’s Section 1705 Loan Guarantee Program—the subject of this study. The \$16 billion dollar program “invested” in various failed enterprises, including Solyndra and Abound Solar. But those are just the tip of the iceberg of the DOE’s poorly diversified portfolio of mostly “junk” grade investments, many of which, years later, are still “under construction.” ... To protect taxpayers from further waste and to increase the sustainability of investments in technologies that result in environmental protection, the government should stop guaranteeing loans for “green” energy projects immediately.”

Estimating the State-Level Impact of Federal Wind Energy Subsidies

Institute for Energy Research – Report - December 2013 – 17 pages

<http://www.instituteforenergyresearch.org/wp-content/uploads/2013/12/State-Level-Impact-of-Federal-Wind-Subsidies.pdf>

“This paper examines the distributional impacts of the wind production tax credit (PTC). The obvious difficulty of this examination is the fact that over the past 10 years (the life of the PTC) some eligible wind facilities have elected to take the investment tax credit (ITC) and the Section 1603 grant program instead of the PTC. As we explain below, this does not change the distributional nature of federal wind subsidies, but merely the timing... We find that the distributional impacts of the PTC are striking. The top ten proxy PTC-taking states in 2012 received over 72 percent of the total PTC subsidy transfers for 2012. These top 10 states include Texas, Iowa, Oklahoma, Illinois, Minnesota, Washington, California, Colorado, Oregon, and North Dakota... We estimate that five states are net payers of more than \$100 million: California, New York, Florida, New Jersey, and Ohio. We also estimate that the wind producers in four states are net takers of at least \$100 million: Texas, Iowa, Oklahoma, and North Dakota.”

Oversight Hearing on Domestic Renewable Fuels

Senate Committee on Environment and Public Works – Hearing - December 11, 2013

http://www.epw.senate.gov/public/index.cfm?FuseAction=Hearings.Hearing&Hearing_ID=c30fd6c6-c92b-013d-741d-ebbefd81e87

This oversight hearing will focus on the critically important Renewable Fuel Standard program (RFS) and Environmental Protection Agency's (EPA) recent proposal to set the 2014 renewable fuel volumes. Congress created the RFS to promote a strong domestic renewable energy industry, reduce our dependence on foreign oil, and cut dangerous emissions of carbon pollution that cause climate change.

OTHER ENERGY ISSUES

Jason Brown, Jeremy Weber, and Tim Wojan

Emerging Energy Industries and Rural Growth

USDA - Economic Research Service - Report - November 2013 – 53 pages

<http://www.ers.usda.gov/publications/err-economic-research-report/err159.aspx#.Us2SmPTuIy4>

This report builds on findings from recent studies led by U.S. Department of Agriculture, Economic Research Service researchers investigating the economic effects of the emerging energy industries—unconventional natural gas extraction, wind power development, and corn-based ethanol production—in rural areas of the United States in the last decade.

The Impact of Mexico's Energy Deal on U.S. Companies

Brookings – Interview - December 19, 2013

<http://www.brookings.edu/research/interviews/2013/12/19-impact-mexico-energy-deal-on-us-companies-goldwyn>

Last week, Mexico's Senate passed a constitutional amendment opening the Mexican energy market to foreign investment for the first time in 70 years. In an interview with Monica Trauzzi of E&ETV's OnPoint, David Goldwyn discusses challenges facing Mexico as it tries to fulfill these reforms, and the impact of the energy deal on U.S. companies.

Richard J. Campbell

Increasing the Efficiency of Existing Coal-Fired Power Plants

Congressional Research Service – Report - December 20, 2013 – 30 pages

<http://www.fas.org/sfp/crs/misc/R43343.pdf>

Coal has long been the major fossil fuel used to produce electricity. However, coal-fired electric power plants are one of the largest sources of air pollution in the United States, with greenhouse gas (GHG) emissions from burning of fossil fuels believed to be the major contributor to global climate change. Regulations under

development at the Environmental Protection Agency (EPA) would impose new requirements on fossil-fueled (mostly coal-fired) power plants (CFPPs) to control GHG emissions. The first of these requirements was issued in September 2013 with proposed standards for the control of carbon dioxide (CO₂) emissions from new electric generating units burning fossil fuels. EPA's proposals for control of GHG emissions from existing power plants are expected by June 2014, with many options under consideration.

Claudia Copeland

Mountaintop Mining: Background on Current Controversies

Congressional Research Service - December 2, 2013 - 19 pages

<http://www.fas.org/sgp/crs/misc/RS21421.pdf>

Mountaintop removal mining involves removing the top of a mountain in order to recover the coal seams contained there. This practice occurs in six Appalachian states (Kentucky, West Virginia, Virginia, Tennessee, Pennsylvania, and Ohio). It creates an immense quantity of excess spoil (dirt and rock that previously composed the mountaintop), which is typically placed in valley fills on the sides of the former mountains, burying streams that flow through the valleys. Mountaintop mining is regulated under several laws, including the Clean Water Act (CWA) and the Surface Mining Control and Reclamation Act (SMCRA).