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A SELECTION OF DOCUMENTS RECENTLY PUBLISHED ON THE WEB

N° 16 – January 2013

GENERAL INTEREST

William A. Strauss and Jacob Berman
Economic Outlook Symposium: Summary of 2013 results and 2014 forecasts
FRB Chicago – Fed Letter – February 2014 – 4 pages
http://chicagofed.org/digital_assets/publications/chicago_fed_letter/2014/cflfebruary2014_319.pdf

"According to participants in the Chicago Fed's annual Economic Outlook Symposium, the U.S. economy is forecasted to grow at its fastest pace in three years in 2014, with inflation remaining low and the unemployment rate edging down."

John H. Makin
Can Policy Boost Growth?
American Enterprise Institute – Outlook - January 2014 – 5 pages
http://www.aei.org/outlook/economics/can-policy-boost-growth/

"The United States has seen disappointing economic growth of at or less than 2 percent of gross domestic product per capita since the 2008 financial crisis, and some economic experts have suggested that the nation may be in a period of secular stagnation, or protracted slow growth, similar to what followed the Great Depression. They propose further monetary and fiscal stimulus, but those have proven to provide only a temporary boost for short-term growth. Traditional macro policy also will not boost long-term growth. While improving long-term growth is difficult, the best places to begin are with advances in areas such as tax reform, deregulation, and freer trade. These structural measures, along with efforts to reduce current high levels of policy uncertainty, might help boost sustainable, long-term economic growth."

Building the Creative Economy: An interview with Richard Florida
McKinsey – Interview Transcript – December 2013
http://www.mckinsey.com/insights/urbanization/building_the_creative_economy_an_interview_with_richard_florida?cid=other-eml-nsl-mip-mck-oth-1401

"The financial crisis profoundly altered the economic landscape, particularly in the United States. In this interview, academic and author Richard Florida explains how energy and creative, knowledge-based companies—particularly in the high-tech field—are increasingly consolidating in urban areas, generating a new economic growth model."

J.B. Cooke and Christoffer Koch
Weakly Capitalized Banks Slowed Lending Recovery after Recession
FRB Dallas – Economic Letter – January 2014 – 4 pages
http://www.dallasfed.org/assets/documents/research/eclett/2014/el1401.pdf

"This article finds that large, highly leveraged banks and thrifts followed a softer lending growth path than their better-capitalized counterparts in 2009-10 during the sluggish recovery from the Great Recession."

INEQUALITY

Most See Inequality Growing, but Partisans Differ over Solutions
Pew Research Institute – January 23, 2013
http://www.people-press.org/2014/01/23/most-see-inequality-growing-but-partisans-differ-over-solutions/

"There is broad public agreement that economic inequality has grown over the past decade. Yet there is a sharp disagreement over whether this gap needs government attention. Among Democrats, 90% say the government should do "a lot" or "some" to reduce the gap between the rich and everyone else, including 62% who say it should do a lot. But only half as many Republicans (45%) think the government should do something about this gap, with just 23% saying it should do a lot. Instead, nearly half of Republicans say the government should do "not much" (15%) or "nothing at all" (33%) about the wealth divide."

Income Inequality in the United States
U.S. Congress Joint Economic Committee – Hearing - January 16, 2014
http://www.jec.senate.gov/republicans/public/index.cfm?p=Hearings&ContentRecord_id=d6af902e-8d5b-46ae-ba64-fd0e6f87da9c&ContentType_id=062d1525-6790-426c-801f-7edadffc127f&Group_id=db519b61-34f1-44b2-9bd3-5139571a67ee

Scott Winship, Walter B. Wriston Fellow, Manhattan Institute for Policy Research
Robert Reich. Chancellor's Professor of Public Policy at the Goldman School of Public Policy at the University of California at Berkeley
Aparna Mathur, Resident Scholar in Economic Policy Studies, American Enterprise Institute
Dr. Melissa Kearney, Director of the Hamilton Project and Senior Fellow at the Brookings Institution

A Progress Report on the War on Poverty: Expanding Economic Opportunity
House Budget Committee – Hearing – January 28, 2014
http://budget.house.gov/hearingschedule2014/hearing1282014.htm

Witnesses:
Ron Haskins, Co-Director, Center on Children and Families, Brookings Institution
Scott Winship, Walter B. Wriston Fellow, Manhattan Institute for Policy Research
Robert Greenstein, President, Center on Budget and Policy Priorities

Isabel V. Sawhill and Quentin Karpilow
A No-Cost Proposal to Reduce Poverty & Inequality
Brookings - Paper - January 10, 2014
http://www.brookings.edu/~/media/research/files/papers/2014/01/09%20no%20cost%20proposal%20to%20reduce%20poverty%20inequality%20sawhill/no%20cost%20proposal%20sawhill.pdf

"A better way to boost earnings is to combine the best elements of each policy, allowing them to work in tandem to reduce poverty and inequality. Specifically, we recommend the following hybrid policy:
• Raise the minimum wage to $10.10 and index it for inflation;
• Provide a more generous EITC to families with young children (and somewhat less to large families);
• Provide a significant benefit to childless individuals;
• Eliminate the marriage penalty for most households by basing credits on personal instead of family income;
• Impose a work requirement for childless workers (and a less stringent one for second earners) and restrict eligibility for these two groups to households below 200 percent of the federal poverty line."

Henry J. Aaron and Gary Burtless
Potential Effects of the Affordable Care Act on Income Inequality
Brookings - Paper - January 27, 2014 – 44 pages

http://www.brookings.edu/~/media/research/files/papers/2014/01/potential%20effects%20affordable%20care%20act%20income%20inequality%20aaron%20burtless/potential%20effects%20affordable%20care%20act%20income%20inequality%20aaron%20burtless.pdf

"The Affordable Care Act (ACA) will improve the well-being and incomes of Americans in the bottom fifth of the income distribution. Under our broadest and most comprehensive income measure we project that incomes in the bottom one-fifth of the distribution will increase almost 6%; those in the bottom one-tenth of the distribution will rise more than 7%. These estimated gains represent averages. Most people already have insurance coverage that will be left largely unaffected by reform. Those who gain subsidized insurance will see bigger percentage gains in their income."

Ben Olinsky
Six Policies to Combat Inequality
Center for American Progress - January 28, 2014
http://www.americanprogress.org/issues/economy/news/2014/01/28/82929/6-policies-to-combat-inequality/

"As the consensus to build an economy that works for everyone and not just the wealthy grows, we believe that there are a few key policies that the president should call for that would begin to roll back income inequality in both the short and long term. While these policies by no means represent all that must be done to address inequality, they represent new, common-sense approaches that could enjoy broad support and help restore an economy that works for everyone."

Tomas Hellebrandt
Income Inequality Developments in the Great Recession
Peterson Institute - Policy Brief – January 2014 – 17 pages
http://www.piie.com/publications/pb/pb14-3.pdf

"The Great Recession—which cost tens of millions of people their jobs, was accompanied by large movements in asset values, and threatened the global financial system—has strengthened concerns over the fairness of the distribution of wealth and income in many societies. Using data on eight advanced economies (Germany, Greece, Ireland, Italy, Slovakia, Spain, the United Kingdom, and the United States) between 2007 and 2010, Tomas Hellebrandt shows how the Great Recession affected income inequality in different countries and how families and the state tried to mitigate its impact—primarily through redistributing income within households and through benefit and tax policies. The social safety net and changes in direct taxes have counteracted the increase in income disparities. This Policy Brief argues that increasing direct taxes can contribute to reducing inequality, while tax cuts tend to make the distribution of disposable incomes more unequal. In addition, means-tested social assistance benefits mitigate inequality better than work-related social insurance programs."

FISCAL AND TAX POLICIES

Robert D. Atkinson
An Innovation and Competitiveness-Centered Approach to Deficit Reduction
The Information Technology and Innovation Foundation - Report - January 7, 2014 – 21 pages
http://www2.itif.org/2014-innovation-competitiveness-approach-deficit-reduction.pdf

"The "Washington Consensus" on the federal budget process is grounded in a faulty economic doctrine which leads to a fixation on reducing the debt and a focus on putting "everything on the table," coming at the expense of policies to spur long-term growth. This report argues that Washington needs to start by "digging the hole deeper" by significantly increasing public investments and dramatically cutting corporate taxes, while cutting unproductive spending, especially on entitlements, and raising taxes on individuals."

Molly F. Sherlock and Donald J. Marples
Overview of the Federal Tax System
Congressional Research Service – Report - January 23, 2014 – 29 pages
http://www.fas.org/sgp/crs/misc/RL32808.pdf

"The major sources of federal tax revenue are individual income taxes, Social Security and other payroll taxes, corporate income taxes, excise taxes, and estate and gift taxes. This report describes the federal tax structure, provides some statistics on the tax system as a whole, and presents analysis of selected tax concepts."

Jane G. Gravelle and Donald J. Marples
Tax Rates and Economic Growth
Congressional Research Service - January 2, 2013 – 12 pages
http://www.fas.org/sgp/crs/misc/R42111.pdf

This report summarizes the evidence on the relationship between tax rates and economic growth, referring in a number of cases to other CRS reports providing more substance and detail. Potentially negative effects of tax rates on economic growth have been an issue in the debates about whether to increase taxes to reduce the deficit and whether to reform taxes by broadening the base to lowering tax rates.

Tim Sablik
Taxing the Behemoths
Federal Reserve Bank of Richmond – Third Quarter 2013 – 3 pages
http://www.richmondfed.org/publications/research/econ_focus/2013/q3/pdf/feature4.pdf

"Corporate income tax revenue has fallen as a share of federal revenue from 30 percent in the 1950s to around 10 percent today… After accounting for state tax burdens, the United States boasts the highest corporate tax rate in the developed world -- a whopping 39 percent rate. Many economists suggest that the rate should be dropped to zero. As to who actually pays the corporate income tax -- shareholders, workers (in the form of lower wages) or consumers (in the form of higher prices) -- economists are mixed."

Benjamin H. Harris, C. Eugene Steuerle and Amanda Eng
New Perspectives on Homeownership Tax Incentives
Brookings - Paper - January 6, 2014 – 17 pages
http://www.brookings.edu/~/media/research/files/papers/2014/new%20perspectives%20on%20homeownership%20tax%20incentives/new%20perspectives%20on%20homeownership%20tax%20incentives%20harris.pdf

"This report presents three tax reforms designed to promote homeownership that are fundamentally different from earlier proposals. Many of those earlier proposals would convert existing deductions into credits but would mistakenly, in our view, perpetuate flaws in the current system—namely, the failure to adequately promote the accumulation of home equity. The reforms examined here instead share the common characteristic of subsidizing homeownership through a channel other than the deductibility of mortgage interest, which is the largest tax expenditure for housing. These reforms include a first-time home buyer tax credit, a refundable tax credit for property taxes paid, and an annual flat amount tax credit for homeowners—all largely paid for by restricting the home mortgage interest deduction to a rate of 15 percent."

Donald J. Marples
Taxation of Hedge Fund and Private Equity Managers
Congressional Research Service - January 2, 2013 – 11 pages
http://www.fas.org/sgp/crs/misc/RS22689.pdf

"Private equity and hedge funds are investment pools generally available only to institutions and individuals able to make investments in excess of $200,000. Private equity funds acquire ownership stakes in other companies and seek to profit by improving operating results or through financial restructuring. Hedge funds follow many strategies, investing in any market where managers see profit opportunities. The two kinds of funds are generally structured as partnerships: the fund managers act as general partners, while the outside investors are limited partners. Since the 110th Congress, concerns have been raised that the current tax rules are inequitable and inconsistent with some tax policy principles. This report discusses the major issues surrounding the tax treatment of hedge fund and private equity managers."

Jane G. Gravelle
International Corporate Tax Rate Comparisons and Policy Implications
Congressional Research Service – Report - January 6, 2014 – 33 pages
http://www.fas.org/sgp/crs/misc/R41743.pdf

"Is the U.S. tax rate higher than the rest of the world, and what does that difference imply for tax policy? The answer depends, in part, on which tax rates are being compared. Although the U.S. statutory tax rate is higher, the average effective rate is about the same, and the marginal rate on new investment is only slightly higher… This report focuses on the global issues relating to tax rate differentials between the United States and other countries. It provides tax rate comparisons; discusses policy implications, including the effect of a corporate rate cut on revenue, output, and national welfare; and discusses the outlook for and consequences of a revenue neutral corporate tax reform."

MONETARY POLICY

Marc Labonte
Monetary Policy and the Federal Reserve: Current Policy and Conditions
Congressional Research Service - January 12, 2013 – 21 pages
http://www.fas.org/sgp/crs/misc/RL30354.pdf

Congress has delegated responsibility for monetary policy to the Federal Reserve (the Fed), but retains oversight responsibilities to ensure that the Fed is adhering to its statutory mandate of "maximum employment, stable prices, and moderate long-term interest rates. The Fed's responsibilities as the nation's central bank fall into four main categories: monetary policy, ensuring financial stability through the lender of last resort function, supervision of bank holding companies, and providing payment system services to financial firms and the government. This report discusses the first two areas of responsibility.

Donald Kohn
Federal Reserve Independence in the Aftermath of the Financial Crisis: Should We Be Worried?
Brookings - Paper - January 16, 2014 – 11 pages
http://www.brookings.edu/~/media/research/files/papers/2014/01/16%20federal%20reserve%20independence%20financial%20crisis%20kohn/16%20federal%20reserve%20independence%20financial%20crisis%20kohn.pdf

"Former Federal Reserve Vice Chairman Donald Kohn writes that Federal Reserve independence is at risk, thanks to the dramatic actions that it had to take during and after the global financial crisis. Kohn says keeping the central bank independent from elected politicians is crucial: Across time and across countries, there's plenty of evidence that less independence leads to more inflation."

International Impacts of the Federal Reserve's Quantitative Easing Program
House Committee on Financial Services – Hearing - January 9, 2014
http://financialservices.house.gov/calendar/eventsingle.aspx?EventID=365272

Witness List
Dr. Benn Steil, Senior Fellow and Director of International Economics, Council on Foreign Relations
Dr. Allan H. Meltzer, Professor of Political Economy, Tepper School of Business, Carnegie Mellon University
Dr. Desmond Lachman, Resident Fellow, American Enterprise Institute
Dr. Arvind Subramanian, Senior Fellow, Peterson Institute for International Economics and Senior Fellow, Center for Global Development

David J. Stockton
Five Challenges for Janet Yellen at the Federal Reserve
Peterson Institute - Policy Brief – December 2013 – 4 pages
http://www.piie.com/publications/pb/pb13-30.pdf

"Janet Yellen, who will serve as the 15th chair of the Board of Governors of the Federal Reserve System faces formidable challenges as the US economy and financial system recover from the Great Recession. Stockton lists five imperatives for Yellen: (1) exercise caution in further scaling back the Fed's third round of large-scale asset purchases; (2) attend to the Fed's dual mandate of achieving maximum sustainable employment and stable prices; (3) improve integration of financial stability considerations into the monetary policy framework; (4) further improve the Fed's communications and transparency; and (5) effectively regulate the financial sector as called for in the 2010 Dodd-Frank law."

Joseph E. Gagnon and Brian Sack Monetary
Policy with Abundant Liquidity: A New Operating Framework for the Federal Reserve
Peterson Institute - Policy Brief – January 2014 – 15 pages
http://www.piie.com/publications/pb/pb14-4.pdf

"The amount of assets held by the Federal Reserve has dramatically increased since 2009. It recently exceeded $4 trillion and will likely peak at about $4.5 trillion. This increase is the result of the Federal Reserve's large-scale asset purchase programs, which were intended to support economic growth. These purchases also have created unprecedented amounts of liquidity in the financial system. Gagnon and Sack doubt that the Fed can smoothly conduct monetary policy along the lines of the previous operating framework in this environment of high liquidity. Instead of reducing bank reserves to achieve a target level for the federal funds rate, they propose a new operating framework that would allow the Fed to maintain an elevated balance sheet along with abundant liquidity in the financial system. They argue that the Fed should set the rate at which it will offer overnight reverse repurchase agreements as its policy instrument, with the interest rate paid on bank reserves set at the same level."

John C. Williams
Monetary Policy at the Zero Lower bound: Putting Theory into Practice
Brookings - Paper - January 16, 2014 – 19 pages
http://www.brookings.edu/~/media/research/files/papers/2014/01/16%20monetary%20policy%20zero%20lower%20bound/16%20monetary%20policy%20zero%20lower%20bound%20williams.pdf

"Williams, who has been president of the Federal Reserve Bank of San Francisco since March 2011, wrote that the Federal Reserve should prepare for possibility that interest rates will hit zero again sometime in the future. Central bankers should not assume that episodes in which short-term interest rates go to zero – the "zero lower bound" – will be infrequent or short-lived. Williams observed that the depth and duration of the recent recession appear extraordinary compared to the U.S. economy's postwar experience, but a broader look at economic history around the world shows that such deep and long-lasting downturns aren't all that rare."

FINANCE

Paul Tucker
Regulatory Reform, Stability, and Central Banking
Brookings - Paper - January 16, 2014 – 23 pages
http://www.brookings.edu/~/media/research/files/papers/2014/01/16%20regulatory%20reform%20stability%20central%20banking%20tucker/16%20regulatory%20reform%20stability%20central%20banking%20tucker.pdf

"The crisis that broke in 2007 and brought the international financial system to its knees in late 2008, threatening a repeat of the Great Depression, left the credibility of financial regulation and supervision in tatters. Until this is repaired, confidence in the financial system itself will remain fragile."

Morgan Ricks
A Simpler Approach to Financial Reform
Cato – Regulation – Article - Winter 2013-14 – 8 pages
http://object.cato.org/sites/cato.org/files/serials/files/regulation/2014/1/regulation-v36n4-8.pdf

"This simpler approach—which we can call the "licensed money" approach—obviously centers around the financial sector's short term debt (think maturities of under a year). The approach confines the issuance of broad money to the existing deposit banking system; it gives the Fed the power to cap the quantity of broad money outstanding and to adjust the cap in the conduct of monetary policy; it wraps broad money with a public backstop, making it sovereign and default-free; and it charges the banking system a fee for this public commitment."

Eric A. Posner and E. Glen Weyl
The Case for Cost- Benefit Analysis of Financial Regulations
Cato – Regulation – Article - Winter 2013-14 – 5 pages
http://object.cato.org/sites/cato.org/files/serials/files/regulation/2014/1/regulation-v36n4-2.pdf

"The use of cost-benefit analysis has become common, and even uncontroversial, in environmental and health and safety rulemaking. However, it remains largely unused in financial rulemaking, even though it seems readily adaptable to that field. Part of the reason for its non-use is that financial regulatory agencies have little experience with cost-benefit analysis and thus little expertise on its use. It is time for cost-benefit analysis to be used in financial rulemaking, and its adoption will likely improve the performance of financial regulatory agencies."

Examining the GAO Report on Government Support for Bank Holding Companies
Senate Committee on Banking – Hearing - January 8, 2014
http://www.banking.senate.gov/public/index.cfm?FuseAction=Hearings.Hearing&Hearing_ID=88d4aa7d-32c3-4bb1-8ccb-a0c917bfb2e7
Report: http://www.gao.gov/products/gao-14-18

The witnesses will be: Mr. Lawrence Evans, Director, Financial Markets and Community Investment, U.S. Government Accountability Office; Dr. Luigi Zingales, Robert C. McCormack Professor of Entrepreneurship and Finance, University of Chicago Booth School of Business; Dr. Simon Johnson, Ronald A. Kurtz Professor of Entrepreneurship, MIT Sloan School of Management; Dr. Harvey Rosenblum, Adjunct Professor of Finance, Cox School of Business, Southern Methodist University and Retired Director of Research, Federal Reserve Bank of Dallas; Dr. Allan Meltzer, Allan H. Meltzer University Professor of Political Economy, Carnegie Mellon University Tepper School of Business.

Peter J. Wallison
Unrisky Business: Asset Management Cannot Create Systemic Risk
American Enterprise Institute – Outlook - January 13, 2014 – 7 pages
http://www.aei.org/files/2014/01/13/-unrisky-business-asset-management-cannot-create-systemic-risk_125738458823.pdf

"In a September 2013 report, the Office of Financial Research (OFR), a US Treasury agency set up by the Dodd-Frank Act, suggested that the asset management industry could be a future source of systemic risk. OFR's position was based on the assumption that losses in collectively managed funds of various kinds—including mutual funds, hedge funds, and pension funds—could produce a systemic event similar to the mortgage market crash in 2008. If so, that would be a basis for designating investment managers and the funds they manage as systemically important financial institutions (SIFIs). However, OFR missed a vital difference between financial institutions such as banks and entities such as managed funds. Unlike banks, losses in collective funds of various kinds flow through immediately to their investors and thus are spread among and absorbed by millions of investors and trillions of dollars in equity capital. Because of this difference, the chances that an asset manager could trigger a systemic event is vanishingly small."

M. Maureen Murphy
Privacy Protection for Customer Financial Information
Congressional Research Service – Report - January 9, 2014 – 9 pages
http://www.fas.org/sgp/crs/misc/RS20185.pdf

With modern technology's ability to gather and retain data, financial services businesses have increasingly found ways to take advantage of their large reservoirs of customer information. Not only can they enhance customer service by tailoring services and communications to customer preferences, but they can benefit from sharing that information with affiliated companies and others willing to pay for customer lists or targeted marketing compilations. Although some consumers are pleased with the wider access to information about available services that information sharing among financial services providers offers, others have raised privacy concerns, particularly with respect to secondary usage.

Mortgage Finance Working Group
Expanding Access Through Responsible Innovation: The Market Access Fund
Center for American Progress – Report - January 8, 2014 – 7 pages
http://www.americanprogress.org/wp-content/uploads/2014/01/MarketAccessFund1.pdf

"An essential goal of a reformed housing finance system must be to serve all markets, including low- and moderate-income communities, communities of color, and other underserved or hard-to-serve markets. To help meet this goal, we recommend that the new system include a Market Access Fund, or MAF, which would enable private-sector participants in the new system—such as lenders, issuers, and guarantors—to safely and sustainably serve the broadest possible market. The MAF would provide grants and credit enhancement to support product research and development aimed at these markets. It would also encourage testing at a scale sufficient to enable commercial evaluation of new products and processes. Over time, private actors would adopt successful models without the need for further subsidy."

The Impact of the Volcker Rule on Job Creators, Part I"
House Committee on Financial Services – Hearing - January 15, 2014
http://financialservices.house.gov/calendar/eventsingle.aspx?EventID=366279

Witness List:
Kenneth E. Bentsen, Jr., President and Chief Executive Officer, Securities Industry and Financial Markets Association
Charles Funk, President and Chief Executive Officer, MidWest One Bank
Professor Simon Johnson, Ronald Kurtz Professor of Entrepreneurship, MIT Sloan School of Management

Elliot Ganz, General Counsel and Executive Vice President, The Loan Syndications and Trading Association
David C. Robertson, Partner and Director, Treasury Strategies

SEC's Crowdfunding Proposal: Will it Work for Small Businesses?
House Committee on Small Business – Hearing - January 16, 2014
http://smallbusiness.house.gov/calendar/eventsingle.aspx?EventID=364965

This hearing examined how the Securities and Exchange Commission's (SEC) JOBS Act of 2012 proposed rules are expected to affect both the crowdfunding model and small businesses seeking to use it as a source of capital.

LOCAL ECONOMIC DEVELOPMENT

Which States Will Generate Jobs in 2014?
Pew – Stateline - January 7, 2014
http://www.pewstates.org/projects/stateline/headlines/which-states-will-generate-jobs-in-2014-85899531072

"The United States is expected to generate 2.6 million jobs in 2014, says Stateline. Of the new jobs projected for 2014, Moody's Analytics projects that almost 572,000 of them will be added in Texas and California, with 176,000 in Florida and 77,000 in Arizona. Western states are expected to have especially high growth rates: Arizona, Colorado, Oregon, Idaho and Utah are five of the top 10 states expected to see the highest rate of growth due to home construction, high tech and aerospace investment, and trade with Asia."

Bo Zhao and David Coyne
Walking a Tightrope: Are U.S. State and Local Governments on a Fiscally Sustainable Path?
FRB Boston – Working Paper – December 2013 – 44 pages
http://www.bostonfed.org/economic/wp/wp2013/wp1318.pdf

"This paper develops a new measure of state and local fiscal sustainability called the "trend gap," which is based on socioeconomic and other fundamental factors and removes the short-term influence of the business cycle. The paper estimates the trend gap and finds that the nationwide per capita trend gap has been on a growing path over the past three decades, a different conclusion than found in previous studies. Social insurance and income maintenance programs have played a major role in the growth of the trend gap, while pension and other post-employment benefits (OPEB) plans have become increasingly important in driving it up. In addition, there are large and growing disparities in the trend gap across states."

Erica Williams and Michael Leachman
States Can Adopt or Expand Earned Income Tax Credits to Build a Stronger Future Economy
Center on Budget and Policy Priorities – January 30, 2014 - 7 pages
http://www.cbpp.org/files/1-30-14sfp.pdf

"State EITCs build on the success of the federal credit by keeping working parents on the job and families and children out of poverty. They extend the federal EITC's well-documented long-term positive effects on children, which in turn boosts the nation's future economic prospects. And, they are straightforward to administer and to claim. Lawmakers in states without their own EITC should consider enacting one. States that have cut back or eliminated their state credits should reverse course and bring the credits back."

State Budget Solutions' Fourth Annual State Debt Report
State Budget Solutions - January 8, 2014
http://www.statebudgetsolutions.org/publications/detail/state-budget-solutions-fourth-annual-state-debt-report

"State Budget Solutions' (SBS) fourth annual State Debt Study reveals that state governments face a combined $5.1 trillion in debt. This total equals roughly $16,178 per capita, or 33 percent of annual gross state product. Another telling way to view the problem - state debt is equal to 469% of all fiscal year state general and other fund expenditures."

Wayne H. Winegarden
Going Broke One City at a Time: Municipal Bankruptcies in America
Pacific Research Institute - January 2014 – 30 pages
http://www.pacificresearch.org/fileadmin/templates/pri/images/Studies/PDFs/2013-2015/MunicipalBankruptcy2014_F.pdf

"Municipal debt has traditionally been regarded as very safe for investors, but that trend could be changing. As debt and pension liabilities pile up in city after city, more municipalities are likely to become insolvent… To provide greater perspective on this subject, this study overviews the purpose of Chapter 9 bankruptcy and then reviews the bankruptcy (or near-bankruptcy) of several prominent cases."

Matt Kasper and Daniel J. Weiss
Five Growing Threats to America's Cities - Federal Investments in Resiliency Needed in the Face of Extreme Weather
Center for American Progress - January 23, 2014 – 10 pages
http://www.americanprogress.org/wp-content/uploads/2014/01/FiveThreatsCitiesFace.pdf
"The frequency of such destructive and billion-dollar extreme weather events grew from an annual average of fewer than two events per year in the 1980s to an annual average of more than nine events from 2010 to 2012…In this issue brief, we detail the five growing threats to cities that their residents and officials must address in the coming years, the cities that are taking action, and what the federal government can do to not only help mayors and city managers but also lessen the burden for American taxpayers."

Pia M. Orrenius, Madeline Zavodny and Melissa LoPalo
Gone to Texas: Immigration and the Transformation of the Texas Economy
Federal Reserve Bank of Dallas – January 2014 - 20 pages
http://www.dallasfed.org/assets/documents/research/pubs/gonetx.pdf

"Texas benefits from having a large, diversified immigrant population but also faces several challenges to ensure its continued economic advancement. This special report provides a comprehensive portrait of Texas immigrants and examines economic issues related to surging immigration to Texas."

OTHER ECONOMIC POLICIES

Sam Batkins
A Regulatory Flurry: The Year in Regulation, 2013
American Action Forum - January 8, 2014
http://americanactionforum.org/research/a-regulatory-flurry-the-year-in-regulation-2013

"This year regulators published $112 billion in net regulatory costs, including deregulatory measures. They added 157.9 million paperwork burden hours, according to the daily tally from the Office of Information and Regulatory Affairs (OIRA). At the beginning of 2013, the American Action Forum predicted $123 billion in regulatory costs, or 8 percent from the actual figure."

Sam Batkins, Ben Gitis
Billion-Dollar Regulations: Trends and Employment Implications
American Action Forum - January 15, 2014

http://americanactionforum.org/research/billion-dollar-regulations-trends-and-employment-implications

"In the American Action Forum's (AAF) previous study, "Cumulative Impact of Regulation and Employment," we examined the employment impact of significant regulations that also affect small entities. In this study, AAF examined how the largest regulations ($1 billion or greater) affect employment. We found the cumulative impact of five or more billion-dollar regulations on an industry reduces employment by more than 54 percent. In addition, average pay for employees still working declines by more than 12 percent after five or more billion-dollar rules. These results are far more striking than our previous study, which found three significant regulations could reduce industry employment by approximately 20 percent."

Richard O. Zerbe Jr.
What Should Be the Return on Public-Sector Investment?
Cato – Regulation – Article - Winter 2013-14 – 4 pages
http://object.cato.org/sites/cato.org/files/serials/files/regulation/2014/1/regulation-v36n4-3.pdf

"Public sector investments should occur if and only if their return exceeds the opportunity cost of available projects. This cost consists of reduced consumption and displaced private capital. Other suggested rates are confusing because they incorporate extraneous values as part of the rate, including special values for goods such as health or life, or rates derived from polls of economists,"

The Scope of Fair Use
House Committee on the Judiciary – Hearing – January 28, 2014
http://judiciary.house.gov/index.cfm/2014/1/the-scope-of-fair-use

"The fair use doctrine provides that under certain conditions, unlicensed uses of copyrighted material should be considered non-infringing because they contribute significantly to cultural progress and innovation in the information economy – a doctrine that the recent Commerce Department copyright Green Paper referred to as "a fundamental linchpin of the U.S. copyright system." Over this period, I've come to the conclusion that fair use is definitely alive and well in U.S. copyright law, and that, after a rocky start, the courts are doing an excellent job implementing the congressional direction contained in Sec. 107. Fair use doesn't need legislative "reform."

Critical Minerals Policy Act of 2013
Senate Committee on Energy and Natural Resources – Hearing - January 28, 2014
http://www.energy.senate.gov/public/index.cfm/hearings-and-business-meetings?ID=4257c751-1911-4467-aaa5-0ff7863777fa

"The Department believes in the importance of ensuring a stable, sustainable, domestic supply of critical minerals. We look forward to continuing our discussions with Congress on ways to: monitor and identify critical materials as they potentially impact the energy economy; address the production, use, and recycling of critical minerals throughout the supply chain; as well as develop alternatives to critical minerals moving forward."

R&D - INNOVATION

100 Data Innovations
The Information Technology & Innovation Foundation – Report – January 23, 2014 – 15 pages
http://www2.datainnovation.org/2014-100-data-innovations.pdf

"Businesses, government agencies, and non-profits in countries around the world are transforming virtually every facet of the economy and society through innovative uses of data. This list provides a sampling of some of the most interesting and important contributions data-driven innovations have made in the past year."

Stem Education for the Innovation Economy
U.S. Congress Joint Economic Committee – Report - January 2014 – 10 pages
http://www.jec.senate.gov/public/?a=Files.Serve&File_id=9bfced75-07a0-466b-a94b-8ab399582995

"Innovation is a primary driver of American prosperity. A significant portion of economic growth in the United States has been attributed to improved productivity resulting in part from innovation. To ensure that innovation and productivity growth continue, more Americans than ever will need to be equipped with science, technology, engineering and math (STEM) skills… This report examines the growing number of STEM jobs in the United States and how to help American students take advantage of those opportunities. It also suggests policy changes that can be implemented to help the workforce become more STEM proficient."

Richard Bennett
System Error: How Bad Analysis Poisons Tech Policy
American Enterprise Institute - January 28, 2014 – 10 pages
http://www.aei.org/files/2014/01/27/-system-error-how-bad-analysis-poisons-tech-policy_155239669425.pdf

"Technology policy is especially difficult because it combines four complex disciplines: law, economics, engineering, and policy analysis. Very few people have comprehensive backgrounds in all four fields, so they tend to rely on the judgments of people with stronger grounding. But policy advocates often misstate facts in their own areas of expertise, either intentionally or as a result of subconscious bias."

The Future of Unmanned Aviation in the U.S. Economy: Safety and Privacy Considerations
Senate Committee on Commerce, Science, and Transportation – Hearing – January 2014
http://www.commerce.senate.gov/public/index.cfm?p=Hearings&ContentRecord_id=a4f35af1-be81-454f-9fa5-5bae600dd474&ContentType_id=14f995b9-dfa5-407a-9d35-56cc7152a7ed&Group_id=b06c39af-e033-4cba-9221-de668ca1978a

"Some believe that unmanned aerial systems (UAS) – which many people call "drones" – are the latest evidence that robots or machines are going to take over the world. Other people believe these vehicles present a massive opportunity for American productivity and economic growth. The truth probably lies somewhere in between. Unmanned aircraft are a rapidly emerging technology with great commercial potential. But along with this potential there are some serious concerns. Just as we have done in the past, our job is to foster the growth of this new industry while managing the risks."

Autonomous Vehicle Technology: A Guide for Policymakers
RAND Corporation - January 2014 – 217 pages
http://www.rand.org/content/dam/rand/pubs/research_reports/RR400/RR443-1/RAND_RR443-1.pdf

For the past hundred years, innovation within the automotive sector has created safer, cleaner, and more affordable vehicles, but progress has been incremental. The industry now appears close to substantial change, engendered by autonomous, or "self-driving," vehicle technologies. This technology offers the possibility of significant benefits to social welfare — saving lives; reducing crashes, congestion, fuel consumption, and pollution; increasing mobility for the disabled; and ultimately improving land use. This report is intended as a guide for state and federal policymakers on the many issues that this technology raises.

MANUFACTURING

Harold L. Sirkin, Michael Zinser, and Justin Rose
The U.S. as One of the Developed World's Lowest-Cost Manufacturers
Boston Consulting Group - August 20, 2013

https://www.bcgperspectives.com/content/articles/lean_manufacturing_sourcing_procurement_behind_american_export_surge/#chapter1

"Export manufacturing has recently become the unsung hero of the U.S. economy. Despite all the public focus on the U.S. trade deficit, little attention has been paid to the fact that the country's exports have been growing more than seven times faster than GDP since 2005. As a share of the U.S. economy, in fact, exports are at their highest point in 50 years. But this is likely to be just the beginning. We project that the U.S., as a result of its increasing competitiveness in manufacturing, will capture $70 billion to $115 billion in annual exports from other nations by the end of the decade."

John F. Sargent Jr.
The Obama Administration's Proposal to Establish a National Network for Manufacturing Innovation
Congressional Research Service – Report - January 29, 2014 – 23 pages
http://www.fas.org/sgp/crs/misc/R42625.pdf

"In particular, the NNMI seeks to "advance technological innovation at a pace much faster than any one company could on its own,"11 integrate innovation resources, improve the competitiveness of U.S. manufacturing, and encourage investment in the United States.12 The NNMI is to be managed collaboratively by the Department of Commerce's (DOC's) National Institute of Standards and Technology (NIST), DOD, DOE, National Science Foundation (NSF), the National Aeronautics and Space Administration (NASA), and other agencies through the Advanced Manufacturing National Program Office (AMNPO),13 a multi-agency coordination office."

BUSINESS

Beyond Metropolitan Startup Rates: Regional Factors Associated with Startup Growth
Kauffman Foundation – Study – January 2014 – 22 pages
http://www.kauffman.org/~/media/kauffman_org/research%20reports%20and%20covers/2014/beyond_metropolitan_startup_rates.pdf

"The report "highlights the impact of education on rates of business startups and growth in metropolitan areas, while disputing the impact of certain factors that previously have been touted for their influence. It reports on entrepreneurship activity in 356 U.S. metros as examined from three angles: the startup rate for all industries, the startup rate for high-tech sectors and the rate for high-growth firms. Contrary to the conclusions of earlier studies, this regionally focused analysis found that the public sector can affect few significant factors to encourage entrepreneurship. For example, despite billions of dollars in government research expenditures, which widely are believed to trickle down to the private sector, area research universities and patents do not contribute to higher rates of entrepreneurship."

Kitty Richards and John Craig
Offshore Corporate Profits - The Only Thing 'Trapped' Is Tax Revenue
Center for American Progress – Report - January 9, 2014 – 10 pages
http://www.americanprogress.org/wp-content/uploads/2014/01/TrappedRevenues-brief1.pdf

"Recent investigations have revealed that multinational corporations are stockpiling trillions of dollars in "offshore" income, purportedly trapped overseas because of U.S. corporate taxes. This has created the illusion that there is a large stock of cash somewhere offshore, just waiting to be invested in our struggling economy, if only we could somehow unlock it… these "trapped overseas" profits are neither overseas nor trapped. It is true that for accounting purposes, multinational corporations keep these dollars off of their U.S. books. But in the real world, the money is often deposited in U.S. banks, circulating in the U.S. economy, and available for a wide variety of domestic investments… the only thing "trapped offshore" is federal revenue."

The Power of Connection: Peer-to-Peer Businesses
House Committee on Small Business – Hearing - January 15, 2014
http://smallbusiness.house.gov/calendar/eventsingle.aspx?EventID=364939

"The purpose of the hearing was to examine the rise of this distinctive business model and its ability to create or advance the development of microentrepreneurs and small businesses."

AGRICULTURE

Vincent H. Smith and Barry K. Goodwin
The Devil is in the Details: Base Updating and the Cost of New Farm Bill Programs
American Enterprise Institute – Policy Brief – January 2014 – 11 pages
http://www.aei.org/files/2014/01/08/-the-devil-is-in-the-details-base-updating-and-the-cost-of-new-farm-bill-programs_120213508400.pdf

"With farm subsidy programs, as with many other government programs, it is often necessary to delve through the legislative and implementation details to understand how costly they may become. This analysis examines the impact of the definitions of base acres, base yields, and base levels of production on the potential costs of the proposed ARC and PLC programs."

Matthew Mitchell
Ending Farm Subsidies: Unplowed Common Ground
Mercatus Center - January 6, 2014 – 4 pages
http://mercatus.org/sites/default/files/Mitchell_Farm-Subsidy_MOP_010313.pdf

Eighty percent of farm bill spending is spent on food stamps, and much of the media attention has focused on that area. However, the other 20 percent of the bill contains subsidies and price supports that do nothing but transfer money to wealthy farmers while raising grocery and tax bills for everyone else. Farm household income exceeds average household income, and it has done so for the last 15 years.

David B. Oppedahl
Taming Agricultural Risks
FRB Chicago – Fed Letter – January 2014 – 4 pages
http://chicagofed.org/digital_assets/publications/chicago_fed_letter/2014/cfljanuary2014_318b.pdf

On November 19, 2013, the Federal Reserve Bank of Chicago held a conference to explore the key risks faced by agricultural producers and lenders, as well as the risk-management tools available to them, in today's volatile environment.

Ed Bolen, Dorothy Rosenbaum, and Stacy Dean
Summary of the 2014 Farm Bill Nutrition Title: Includes Bipartisan Improvements to SNAP While Excluding Harsh House Provisions
Center on Budget and Policy Priorities – January 27, 2014 – 17 pages
http://www.cbpp.org/files/1-28-14fa.pdf

"The nutrition title of the farm bill that House and Senate negotiators unveiled yesterday represents a solid outcome after a difficult two-year congressional effort. While it unfortunately doesn't make progress in addressing hunger and poverty by investing new resources in SNAP (or by reinvesting the SNAP savings that it generates), it includes sound reforms that should strengthen SNAP over time. Most important, it rejects the harsh eligibility cuts in the House-passed version of the farm bill."

Renée Johnson
The U.S. Trade Situation for Fruit and Vegetable Products
Congressional Research Service – Report - January 15, 2014 – 20 pages
http://www.fas.org/sgp/crs/misc/RL34468.pdf

"Over the last decade, there has been a growing U.S. trade deficit in fresh and processed fruits and vegetables. Although U.S. fruit and vegetable exports totaled more than $7 billion in 2011, U.S. imports of fruits and vegetables exceeded $18 billion, resulting in a gap between imports and exports of $11.2 billion (excludes nuts and processed nut products). This trade deficit has widened over time—despite the fact that U.S. fruit and vegetable exports have continued to rise each year—because growth in imports has greatly outpaced export growth. As a result, the United States has gone from being a net exporter of fresh and processed fruits and vegetables in the early 1970s to being a net importer of fruits and vegetables today."

EMPLOYMENT – WAGES

Michael R. Strain
A Jobs Agenda for the Right
National Affairs – Article – Winter 2014 – 18 pages
http://www.nationalaffairs.com/doclib/20131219_Strain_Winter2014.pdf

"Conservatism properly understood is deeply concerned about society's vulnerable and about the health and functioning of society more broadly… The solution to this crisis does not consist of massive short-term stimulus programs, industrial policy, cumbersome new bureaucracy, unnecessary regulation, and cronyist giveaways. Neither will the best solution be found in lower marginal income-tax rates, cuts in federal discretionary spending, and a balanced budget, whatever the benefits of such policies may be. Instead, creative, genuinely conservative policies should be proposed and employed — policies that empower individuals, support their aspirations, increase their independence, help them to earn their own success, and promote virtue through work and personal responsibility."

Julia Dennett and Alicia Sasser Modestino
Uncertain Futures? Youth Attachment to the Labor Market in the United States and New England
FRB Boston - New England Public Policy Center Research - Report - December 2013 - 44 pages
http://www.bostonfed.org/economic/neppc/researchreports/2013/neppcrr1303.pdf

"This report analyzes data from multiple sources to trace trends in labor force attachment among youth over the past two decades and quantify the contributing forces that may be driving observed declines in labor force attachment. The data indicate that while all youth were affected by the Great Recession, teens experienced a decline in labor force attachment even prior to the most recent downturn. Between 2000 and 2006, the U.S. economy employed fewer teens within almost all industries and occupations. This trend continued during the Great Recession and subsequent recovery—suggesting continued uncertainty for youth in the labor market. Yet contrary to conventional wisdom, youth did not become increasingly idle prior to the Great Recession, largely due to rising school enrollment. The share of youth not employed and not in school is no higher than it was two decades ago in the years just after the 1990-1991 recession."

Jaison R. Abel, Richard Deitz, and Yaqin Su
Are Recent College Graduates Finding Good Jobs?
FRB New York - Current Issues in Economics and Finance – January 2014 – 8 pages
http://www.newyorkfed.org/research/current_issues/ci20-1.pdf

"According to numerous accounts, the Great Recession has left many recent college graduates struggling to find jobs that utilize their education. However, a look at the data on the employment outcomes for recent graduates over the past two decades suggests that such difficulties are not a new phenomenon: individuals just beginning their careers often need time to transition into the labor market. Still, the percentage who are unemployed or "underemployed"—working in a job that typically does not require a bachelor's degree—has risen, particularly since the 2001 recession. Moreover, the quality of the jobs held by the underemployed has declined, with today's recent graduates increasingly accepting low-wage jobs or working part-time."

The Economic Case for Continuing Federal Unemployment Insurance
U.S. Congress Joint Economic Committee – Report - January 2014 – 9 pages
http://www.jec.senate.gov/public/?a=Files.Serve&File_id=f19e47de-3ee1-4589-bc3d-e79451c0a97e

Emergency Unemployment Compensation (EUC) is a federal unemployment insurance program that provides a temporary financial lifeline for long-term unemployed workers and their families while they continue to search for work.1 For most Americans, state-funded unemployment…EUC benefits expired on December 28th, abruptly cutting off federal UI payments to 1.3 million people. An additional 3.6 million workers will lose access to benefits over the next twelve months, bringing the total number of affected workers to 4.9 million by the end of 2014. Renewing this program would boost demand and strengthen the economy. Congress should move quickly to reauthorize EUC benefits."

The "Ripple Effect" of a Minimum Wage Increase
Brookings – Hamilton Project – January 2014
http://www.hamiltonproject.org/papers/the_ripple_effect_of_the_minimum_wage_on_american_workers/

"In this month's economic analysis, The Hamilton Project explored the potential impacts of a minimum wage increase on workers earning slightly above the minimum wage. The analysis showed that the "ripple effect" of a minimum wage increase could benefit up to 35 million American workers."

David R. Henderson
Most of the Benefits of a Minimum Wage Increase Would Not Go to Poor Households
National Center on Policy Analysis - Brief Analysis - January 13, 2014
http://www.ncpa.org/pub/ba792

"Most workers earning at or close to the minimum wage are not the sole earners in a household and most of them are not in poor households. For those two reasons, raising the minimum wage is not a targeted way to help poor people."

Updating Overtime Rules Is One Important Step in Giving Americans a Raise
Economic Policy Institute - January 27, 2014 – 3 pages
http://s1.epi.org/files/2014/UPDATING-OVERTIME-RULES-IS-ONE-IMPORTANT-STEP-IN-GIVING-AMERICANS-A-RAISE.pdf

"Americans are working longer hours and are more productive, yet wages are flat. Indeed, the median worker saw a wage increase of just 5.0 percent between 1979 and 2012, despite overall productivity growth of 74.5 percent. According to the authors, one reason Americans' paychecks are not keeping pace with their productivity is that millions of middle-class and even lower-middle-class workers are working overtime and not getting paid for it. This is because the federal wage and hour law is out of date. The policy memo argues the Secretary of Labor should exercise his authority to raise the salary threshold that helps determine which workers can receive overtime pay."

RETIREMENT

Pamela Villarreal
How Are Seniors Spending Their Money?
National Center for Policy Analysis - Issue Brief - January 22, 2014
http://www.ncpa.org/pub/ib135

"Forty-two million seniors currently reside in the United States, and many of the baby boomers who are approaching retirement are not financially ready. Just 20 years ago, most seniors entered retirement debt-free. Now, experts wonder if retirees will able to make ends meet throughout the rest of their lives, much less not outlive their money. While fewer seniors have guaranteed incomes, such as company pensions, to provide security during retirement, more seniors are carrying debt. How have spending patterns changed for today's seniors compared to years past?"

INTERNATIONAL ECONOMIC RELATIONS - TRADE

C. Fred Bergsten
Addressing Currency Manipulation Through Trade Agreements
Peterson Institute – Policy Brief – January 2014 – 11 pages
http://www.piie.com/publications/pb/pb14-2.pdf

"Currency manipulation—the practice of governments suppressing the value of their currencies to increase net exports at others' expense—has vexed the United States for decades. It has driven the dollar systematically to overvalued levels and widened the US current account deficit to as much as $500 billion a year. Many in Congress are agitating for a ban on currency manipulation as a condition of agreeing to future trade deals, alarming many who fear that such a move will kill the deals outright. In this Policy Brief, Bergsten argues that including such a provision in trade deals and US trade promotion authority legislation will actually secure their passage and clear the way for a more open global economy. More importantly, he proposes practical ways for such a provision to be crafted and implemented."

William H. Cooper
Trade Promotion Authority (TPA) and the Role of Congress in Trade Policy
Congressional Research Service - January 13, 2014 – 27 pages
http://www.fas.org/sgp/crs/misc/RL33743.pdf

On July 1, 2007, Trade Promotion Authority (TPA–previously known as fast track) expired. TPA is the authority Congress grants to the President to enter into certain reciprocal trade agreements, and to have their implementing bills considered under expedited legislative procedures, provided the President observes certain statutory obligations. TPA defines how Congress has chosen to exercise its constitutional authority over a particular aspect of trade policy, while giving the President added leverage to negotiate trade agreements by effectively assuring U.S. trade partners that final agreements will be given timely and unamended consideration. On July 30, 2013, President Obama requested that Congress reauthorize TPA. On January 9, 2014, legislation to renew TPA–the Bipartisan Congressional Trade Priorities Act of 2014–was introduced in the House (H.R. 3830) and in the Senate (S. 1900). The legislation would reauthorize TPA for four years with the possibility of a three-year extension. Alternative bills may also be introduced.

Bipartisan Congressional Trade Priorities Act of 2014
Senate Committee on Finance – January 2014
http://www.finance.senate.gov/issue/?id=89321119-55D3-41A5-BA3C-498A0FF9D172

"The Bipartisan Congressional Trade Priorities Act of 2014 establishes 21st century Congressional negotiating objectives and rules for the Administration to follow when engaged in trade talks, including strict requirements for Congressional consultations and access to information. Provided the Administration follows the rules, special procedures apply when moving a negotiated deal that satisfies the objectives through the Senate and House of Representatives."

Advancing Congress's Trade Agenda, the Role of Trade Negotiating Authority
Senate Committee on Finance – Hearing - January 16, 2014
http://www.finance.senate.gov/hearings/hearing/?id=bd99ab08-5056-a032-523f-27ddae65e3d0

Last week, Senator Hatch and I introduced a bill to renew TPA. It's called the Bipartisan Congressional Trade Priorities Act of 2014. Why do we need this bill? For several reasons. First, we have to level the playing field with our international competitors. The United States is already open to trade, but too often, our trading partners are not. The trade deals we're negotiating will provide new opportunities for U.S. exports in many countries, and that would mean more jobs in the U.S.

Edward Gresser
21st-Century Trade Policy: The Internet and the Next Generation's Global Economy
Progressive Economy – Paper - January 31st, 2014 – 14 pages
http://progressive-economy.org/files/2014/01/21st.Century.Trade_.pdf

"The TPP agreement is moving toward a likely conclusion this spring, and Congress has begun a discussion of Trade Promotion Authority. As both proceed, the question the uniquely '21st-century' aspects of policy can help answer is about the nature of the global economy of 2030: perhaps one in which the Internet helps create a more affluent, more pluralistic, and more humane global economy; or, alternatively, one in which the digital world fragments, thickens, and ultimately comes to mirror the divisions of the physical world."

Will TTIP Harm the Global Trading System?
YaleGlobal - January 9, 2014
http://yaleglobal.yale.edu/content/will-ttip-harm-global-trading-system

The European Union's member states form the world's largest economy followed by the United States. So, the rest of the world is wary about ongoing negotiations for a Transatlantic Trade and Investment Partnership, or TTIP. Other trading partners of the US and the EU may have to meet new regulations without having a voice in their making. Or in other areas, the partners may have to deal with two sets of regulations while the US and the EU agree to accept their own differences. The US and the EU could ease worries among their major trade partners, including China, by consulting on the proposed revisions. Global trade regulations have not kept up with business trends, and TTIP could jump-start reform, according to this report.

NAFTA at Twenty: Accomplishments, Challenges, and the Way Forward
House Foreign Affairs Committee – Hearing – January 15, 2014
http://foreignaffairs.house.gov/hearing/subcommittee-hearing-nafta-twenty-accomplishments-challenges-and-way-forward

Witnesses:
Carla A. Hills, Chairman and Chief Executive Office, Hills & Company International Consultants
David Dreier, Chairman, Annenberg-Dreier Commission at Sunnylands
Eric Farnsworth, Vice President, Council of the Americas and Americas Society
Mark T. Elliot, Executive Vice President, Global Intellectual Property Center, U.S. Chamber of Commerce
Duncan Wood, Director, Mexico Institute, Woodrow Wilson International Center for Scholars

DEVELOPMENT AID

Curt Tarnoff
Millennium Challenge Corporation
Congressional Research Service - January 13, 2014 – 42 pages
http://www.fas.org/sgp/crs/row/RL32427.pdf

The Millennium Challenge Corporation (MCC) provides economic assistance through a competitive selection process to developing nations that demonstrate positive performance in three areas: ruling justly, investing in people, and fostering economic freedom. On October 17, 2013, the President signed P.L. 113-46, the Continuing Appropriations Act, 2014, providing FY2014 MCC funding at the FY2013 post-sequester level of $853 million. The provision providing this appropriation expires on January 15, 2014. MCC issues include the level of funding to support MCC programs, the impact of budget reductions on MCC programs, the rate of program implementation, the results of MCC compacts, and procurement and corruption concerns.

Raj Desai and Homi Kharas
The Wisdom of Crowd-Funders: What Motivates Cross-Border Private Development Aid?
Brookings – Working Paper - December 2013 – 40 pages
http://www.brookings.edu/~/media/research/files/reports/2013/12/crowd%20funders%20developoment%20aid%20desai%20kharas/wisdom%20of%20crowdfunders%20v4.pdf

"In 2010, foundations, nongovernmental organizations (NGOs), religious groups and other charitable organizations in the United States contributed $39 billion to international development causes (Hudson Institute 2012). By comparison, $30 billion in US official development assistance (ODA) was disbursed during the same year. For US-based organizations, this represented a doubling of international private, voluntary development assistance over the past decade. In recent years, the proliferation of private development aid has been facilitated by peer-to-peer (or "crowd-funding") practices… Despite the tremendous growth in private development assistance of all kinds — from mega-charities to "micro-philanthropy" — very little is known about the allocation and selectivity of private aid."

Jeffrey Gutman
Development Aid and Procurement: The Case for Reform
Brookings - Paper - December 13, 2013 – 15 pages
http://www.brookings.edu/~/media/research/files/papers/2013/12/13%20development%20aid%20procurement%20gutman/globalviews122013.pdf

"The case set forth in this paper lays out the factors driving the need for major reform of multilateral banks' procurement policies—rather than simply adapting existing policies. This paper also presents the major challenges to be addressed in designing the reforms and the tensions to be resolved or balanced as the World Bank enters the more detailed design stage of its reform effort."

ENERGY POLICY

David Frankel and Humayun Tai
Giving US Energy Efficiency a Jolt
McKinsey – Article – December 2013
http://www.mckinsey.com/insights/energy_resources_materials/giving_us_energy_efficiency_a_jolt?cid=other-eml-nsl-mip-mck-oth-1401

Many US consumers simply aren't very energy efficient. While they are increasingly aware of the benefits of using less energy and the proliferation of products to help them do so, it's hard to get them to make even modest behavioral changes. And campaigns that utilities have undertaken to promote energy efficiency as part of their energy-saving mandates are becoming less and less effective.1 So what's the disconnect? In short, we believe utilities need to follow the lead of their consumer-facing peers to improve their understanding of how consumers behave and adopt better ways of engaging them. Only then will utilities make inroads into convincing consumers to play their part in capturing the sizable energy savings that could be available.

Michael Ratner and Mary Tiemann
An Overview of Unconventional Oil and Natural Gas: Resources and Federal Actions
Congressional Research Service – Report - January 23, 2014 – 30 pages
http://www.fas.org/sgp/crs/misc/R43148.pdf

"The federal role in regulating oil and gas extraction activities—and hydraulic fracturing, in particular—has been the subject of considerable debate and legislative proposals for several years, but legislation has not been enacted. While congressional debate has continued, the Administration has pursued a number of regulatory initiatives related to unconventional oil and gas development under existing statutory authorities. This report focuses on the growth in U.S. oil and natural gas production driven primarily by tight oil formations and shale gas formations. It also reviews selected federal environmental regulatory and research initiatives related to unconventional oil and gas extraction, including the Bureau of Land Management (BLM) proposed hydraulic fracturing rule and EPA actions."

Trevor Houser and Shashank Mohan
Fueling Up: The Economic Implications of America's Oil and Gas Boom
Peterson Institute - Book – (Introduction and one chapter online) – January 2014
http://bookstore.piie.com/book-store/6567.html

"New drilling techniques for oil and natural gas are propelling an energy production renaissance in the United States. As the US economy emerges from the Great Recession, some see the boom as a possible source of reduced unemployment and revitalization of American manufacturing. Until now, however, there has been little objective analysis of the energy boom's economic consequences. The authors assess the impact of the recent and projected increase in domestic energy production on US GDP, employment growth, manufacturing competitiveness, household expenditures, and international trade balance. Alongside its economic impact, the authors address relevant environmental and trade policy questions: What are the consequences for the environment and global warming of increased domestic oil and gas production? Should companies be allowed to export the energy they produce or will doing so undermine American competitiveness?"

Tim Boersma and Charles K. Ebinger
Prevailing Debates Related to Natural Gas Infrastructure: Investments and Emissions
Brookings Institution – Report - January 17, 2014 – 8 pages
http://www.brookings.edu/~/media/research/files/reports/2014/natural%20gas%20infrastructure%20investments%20emissions/debates%20natural%20gas%20infrastructure%20investments%20emissions%20boersma%20ebinger.pdf

Less than one decade ago, it was conventional wisdom that the United States was becoming the largest importer of natural gas in the world. Hundreds of millions of dollars were invested to prepare the country for imports of liquefied natural gas (LNG). Today, because of the large-scale extraction of natural gas from shale rock layers, policy debates in the U.S., like the industry, have taken a U-turn. Discussions no longer focus on security of supply for the United States, but rather on the question how long domestic prices will remain low and attract energy-intensive industries and jobs, and the lucrative promise of exports of natural gas to Asian and European markets.

Jason P. Brown
Production of Natural Gas from Shale in Local Economies: A Resource Blessing or Curse?
FRB Kansas – Economic Review – Forthcoming 2014 - 29 pages

http://www.kansascityfed.org/publicat/econrev/pdf/14q1Brown.pdf

"Innovations in the energy sector, particularly the extraction of natural gas from shale and tight gas formations using horizontal drilling and "fracking," have helped increase U.S. reserves of natural gas to an estimated 70 years' worth of supply. Some theories suggest such a boom leads to a local resource "blessing" in employment and a positive spillover into the local economy while others suggest a boom leads to a resource "curse" for industries not related to the energy sector. Brown examines county-level labor market conditions in the central United States and finds a modest positive effect in counties where natural gas production has increased, and little evidence of a natural resource curse."

U.S. Crude Oil Exports: Opportunities and Challenges
Senate Energy Committee – Hearing - January 30, 2014
www.energy.senate.gov/public/index.cfm/2014/1/full-committee-hearing

The purpose of this oversight hearing is to explore opportunities and challenges associated with lifting the ban on U.S. crude oil exports.

Daniel J. Weiss and Miranda Peterson
Keep American Crude Oil at Home
Center for American Progress – Issue Brief - January 28, 2014 – 10 pages
http://www.americanprogress.org/wp-content/uploads/2014/01/OilExport-briefv2.pdf

"Unfortunately, the oil industry would squander this newfound price stabilization and energy security by lifting the ban on crude oil exports. Doing so would enrich oil companies by enabling them to sell their oil at the higher world price, but it could increase domestic gasoline prices and reduce our energy security. President Barack Obama and Congress should oppose these efforts to allow the export of domestically produced oil."

Sarah Dougherty and Nick Nigro
Alternative Fuel Vehicle & Fueling Infrastructure Deployment Barriers & the Potential Role of Private Sector Financial Solutions
Center for Climate and Energy Solutions - December 2013 – 32 pages
http://www.c2es.org/docUploads/barriers-to-private-finance-in-afvs-final-12-20-13.pdf

This paper examines how private financing can address the barriers to demand facing electric, natural gas, and hydrogen fuel cell vehicles and their related fueling infrastructure. Starting with a review of the state of the market, it covers significant barriers to market demand and barriers for private investors and concludes with a review of innovative finance options used in other sectors that could be applied to the alternative fuel vehicle market.