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GENERAL INTEREST

Prospects for Growth: An Interview with Robert Solow

McKinsey Quarterly - September 2014

http://www.mckinsey.com/insights/economic_studies/prospects_for_growth_an_interview_with_robert_solow

The economist who won a Nobel Prize for advancing our understanding of technology looks at the past and future of productivity-led growth.

Makin, John H.

America Can Afford Tax Rate Cuts To Boost Growth, Wages, and Employment

American Enterprise Institute - November 17, 2014 – 9 pages

<http://www.aei.org/publication/america-can-afford-tax-rate-cuts-boost-growth-wages-employment/>

“US fiscal health is currently robust enough to support a package of \$300 billion in tax rate cuts, which could help get the nation’s economy back on track. Lower marginal income tax rates for households and businesses would incentivize greater work and investment while reducing distortions in the tax system. The recent midterm elections signal a need for Congress and the president to cooperate on enhancing economic growth, and these tax cuts would be an effective step toward this goal.”

INCOMES – INEQUALITY

Stephen Rose

Was JFK Wrong? Does Rising Productivity No Longer Lead to Substantial Middle Class Income Gains?

The Information Technology & Innovation Foundation – Report - December 2014 – 28 pages

<http://www2.itif.org/2014-rising-productivity-middle-class.pdf>

“In contrast to Piketty’s analysis, data from the Congressional Budget Office over the same years show that the bottom 90 percent received 59 percent of the growth and the people at the median income level grew by 50 percent. These results are much more consistent with the discussion on rising consumption across the board than the paltry 5 percent growth in the bottom 90 percent found in the Piketty approach. Nevertheless, since the bottom 90 percent did not get its proportional share of growth, inequality rose at the same time that middle class standards of living was rising.”

Ellen A. Merry and Logan Thoma

Asset Holdings of Young Households: Trends and Patterns

Federal Reserve Bank of St. Louis Review – Economic Review - Fourth Quarter 2014 - pp. 391-411

<http://research.stlouisfed.org/publications/review/2014/q4/merry.pdf>

The authors use multiple waves of the triennial Survey of Consumer Finances (SCF) from 1989 to 2013 to examine the composition of the asset portfolios of young households whose head of household is between 18 and 41 years of age. The focus is on households’ decisions to hold different types of assets, including both financial assets (e.g., bank accounts, stocks, and retirement accounts) and nonfinancial assets (e.g., residential real estate, businesses, and automobiles). The authors describe the patterns of acquisition of broad asset categories in the early part of the life cycle with attention to patterns that appear to have changed over time and explore how the propensity to hold different types of assets varies across households.”

Wealth Inequality Has Widened Along Racial, Ethnic Lines since End of Great Recession

Pew Research Center – December 12, 2014

<http://www.pewresearch.org/fact-tank/2014/12/12/racial-wealth-gaps-great-recession/>

“The Great Recession, fueled by the crises in the housing and financial markets, was universally hard on the net worth of American families. But even as the economic recovery has begun to mend asset prices, not all households have benefited alike, and wealth inequality has widened along racial and ethnic lines.”

Bhashkar Mazumder

Inequality in Skills and the Great Gatsby Curve

FRB Chicago – Fed Letter – November 2014 – 4 pages

[file:///C:/Users/Vacheret%20Eco/Downloads/cf1330-pdf%20\(1\).pdf](file:///C:/Users/Vacheret%20Eco/Downloads/cf1330-pdf%20(1).pdf)

This article presents evidence relating cross-country differences in intergenerational mobility to differences in inequality of skills.

Inequality, Opportunity, and the Housing Market

Senate Committee on Banking, Housing, and Urban Affairs – Hearing - December 9, 2014

http://www.banking.senate.gov/public/index.cfm?FuseAction=Hearings.Hearing&Hearing_ID=9a041872-9581-4912-8414-16c343da15f2

The witnesses are: Mr. Wayne Meyer, President, New Jersey Community Capital; Ms. Julia Gordon, Director of Housing Finance and Policy, Center for American Progress; Ms. Mabel Guzmán, 2014 Chair of the Conventional Financing and Policy Committee, National Association of Realtors; and Ms. Deborah Goldberg, Special Project Director, National Fair Housing Alliance.

Daniel Cooper and J. Christina Wang

Student Loan Debt and Economic Outcomes

FRB Boston - Current Policy Perspectives – October 2014 - 38 pages

<http://www.bostonfed.org/economic/current-policy-perspectives/2014/cpp1407.pdf>

“This policy brief examines the impact of student loan debt on individuals' homeownership status and wealth accumulation, employing a rich set of financial and demographic variables that are not available in many of the existing studies that use credit bureau data. It is important to understand whether and, if so, how student loan debt affects households' economic decisions because student loan debt has now surpassed credit card debt to become the second largest amount of household debt outstanding after mortgage debt.”

For Women to Lead, They Have to Stay in the Game

Center for American Progress - December 11, 2014 – 32 pages

<https://cdn.americanprogress.org/wp-content/uploads/2014/12/CaseforPublicPolicy-FINAL.pdf>

The issue of women's “leadership” is, at its core, about women's economic empowerment and advancement: their ability to get into the workforce, stay in the workforce, and rise. At a time when roughly half of all American workers are women and two-thirds of families rely on a female breadwinner or co-breadwinner to make ends meet, the ability of women to fully deploy their resources and work to the full extent of their capabilities is of urgent importance to family economic security—and to the fortunes of the nation as a whole.

FISCAL AND TAX POLICIES

William R. Cline

Sustainability of Public Debt in the United States and Japan

Peterson Institute – Working Paper – November 2014 – 24 pages

<http://www.piie.com/publications/wp/wp14-9.pdf>

“The United States must do more to keep the debt-to-GDP ratio from escalating in coming years, while Japan must do much more in that regard. Using the probability-weighted ratio of net debt to GDP (federal debt held by the public for the United States), holding the ratio flat at its 2013 level would require cutting the 2024 debt ratio by 8 percentage points of GDP for the United States and by 32 percentage points of GDP for Japan. Achieving this outcome would involve reducing the average primary deficit by about 0.75 percent of GDP from the baseline in the United States and by about 3 percent of GDP in Japan.”

Troy Davig and Michael Redmond

Accounting for Changes in the U.S. Budget Deficit

FRB Kansas City – Economic Review – Forthcoming – 24 pages

<http://kansascityfed.org/publicat/econrev/pdf/14q4Davig-Redmond.pdf>

“After rising substantially during the Great Recession, the U.S. federal budget deficit has been declining the past few years. From 2008 through 2012, the deficit measured relative to the size of the economy was larger than in any year since 1945. By 2014, however, the deficit had fallen to where it was no longer unusually large compared with deficits during the previous three decades. While the cyclical recovery in economic activity has played a role in this improvement, about half of the decline since 2009 is due to an array of temporary factors, particularly Federal Reserve remittances to the U.S. Treasury, dividend payments from Fannie Mae and Freddie Mac, and the unwinding of one-time policies intended to stimulate economic activity following the Great Recession. The pace of improvement over the next few years, however, is likely to slow as these temporary factors fade and economic growth proceeds closer to trend levels.”

Options for Reducing the Deficit: 2015 to 2024

C.B.O. – Report - November 20, 2014 – 71 pages

<http://www.cbo.gov/sites/default/files/cbofiles/attachments/49638-BudgetOptions.pdf>

“The Congress faces an array of policy choices as it confronts the prospect of large annual budget deficits and further increases in the already-large government debt that are projected to occur in coming decades under current law. To help inform lawmakers about the budgetary implications of changing federal policies, CBO periodically issues volumes of policy options and their effects on the federal budget, of which this is the most recent. The agency also issues separate reports that present policy options in particular areas.”

Alan J. Auerbach

Fiscal Uncertainty and How to Deal With It

Brookings - Hutchins Center – Working Paper - December 15, 2014 – 29 pages

http://www.brookings.edu/~media/research/files/papers/2014/12/15%20fiscal%20uncertainty%20auerbach/15_fiscal_uncertainty_auerbach.pdf

Long-term projections of the federal budget show significant future imbalances, but these projections are enormously uncertain. Some argue that this uncertainty means we should pay less attention to the long-term budget projections, so as to avoid taking painful measures that may prove to be unnecessary. But in general, the appropriate response to uncertainty is instead to take more action now, as a precautionary measure against the possibility of worse-than-expected outcomes. “What is clear is that hoping for a better future does not constitute an appropriate policy response to uncertainty, and waiting until the size of the problem is known is waiting too long.”

Molly F. Sherlock and Donald J. Marples

Overview of the Federal Tax System

Congressional Research Service – Report - November 21, 2014 – 25 pages

<http://www.fas.org/sfp/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.”

The Distribution of Household Income and Federal Taxes, 2011

CBO – Report – November 2019 – 35 pages

<http://www.cbo.gov/sites/default/files/cbofiles/attachments/49440-Distribution-of-Income-and-Taxes.pdf>

In 2011, households in the top, middle, and bottom quintiles received 52, 14, and 5 percent of the nation's before-tax income, respectively; the shares of federal taxes paid by those households were 69, 9, and 1 percent.

Sharon Parrott and Robert Greenstein

Policymakers Often Overstate Marginal Tax Rates for Lower-Income Workers and Gloss over Tough Trade-Offs in Reducing Them

Center on Budget and Policy Priorities – Report – December 2014 - 15 pages

<http://www.cbpp.org/files/12-3-14tax.pdf>

“Some in Washington are focusing more attention on the issue of how both tax-based and safety net program benefits for low- and moderate-income families phase down in response to higher earnings, how the phase-down translates into what are known as “marginal tax rates” (as explained below), and how those rates affect the work habits of beneficiaries. This issue surely deserves attention. However, some overstate the magnitude of these tax rates — as Senators Lee and Rubio did — and their impact on employment while overlooking the tough trade-offs involved in trying to reduce these rates.”

Gene Falk and Margot L. Crandall-Hollick

The Earned Income Tax Credit (EITC): An Overview

Congressional Research Service – Report - December 3, 2014 – 24 pages

<http://www.fas.org/sgp/crs/misc/R43805.pdf>

“The Earned Income Tax Credit (EITC) is a refundable tax credit available to eligible workers with relatively low earnings. Because the credit is refundable, an EITC recipient need not owe taxes to receive the benefit. The credit is authorized by Section 32 of the Internal Revenue Code (IRC) and administered as part of the federal income tax system. In 2012, a total of \$64.1 billion was claimed by 27.8 million tax filers, making the EITC the largest need-tested anti-poverty cash assistance program.”

Mark P. Keightley and Jeffrey M. Stupak

U.S. International Corporate Taxation: Basic Concepts and Policy Issues

Congressional Research Service – Report - December 2, 2014 – 9 pages

<http://www.fas.org/sgp/crs/misc/R41852.pdf>

“Recent deficit reduction and tax reform plans have included broad proposals to reform the U.S. international corporate tax system. These proposals have raised concerns over how changing the way American multi-national corporations are taxed could impact the deficit and debt, domestic job markets, competitiveness, and the use of corporate tax havens, among other things. An informed debate about how to reform the system governing the taxation of U.S. multi-national corporations requires careful consideration of these issues, as well as a basic understanding of several features of the current system. This report provides a general introduction to the basic concepts and issues relevant to the U.S. international corporate tax system.”

MONETARY POLICY

Canyon Bosler, Mary C. Daly, and Fernanda Nechio

Mixed Signals: Labor Markets and Monetary Policy

FRBSF Economic Letter - December 1, 2014 – 5 pages

<http://www.frbsf.org/economic-research/publications/economic-letter/2014/december/unemployment-labor-monetary-policy-taylor-rule-job-market/>

“Since the Great Recession, standard ways of measuring the labor market have given mixed signals about the strength of the U.S. recovery. This has increased the uncertainty around how to interpret job market conditions, which has made calibrating monetary policy to achieve full employment more challenging. Ultimately, policymakers need to make judgments about how much these conflicting indicators reflect cyclical weakness in the job market versus structural factors that would be less easily remedied with monetary policy.”

Early Elias, Helen Irvin, and Óscar Jordà

Monetary Policy When the Spyglass Is Smudged 2014-35

FRBSF Economic Letter - November 24, 2014 - 5 pages

<http://www.frbsf.org/economic-research/publications/economic-letter/2014/november/unemployment-monetary-policy-economic-growth-taylor-rule/el2014-35.pdf>

“An accurate measure of economic slack is key to properly calibrate monetary policy. Two traditional gauges of slack have become harder to interpret since the Great Recession: the gap between output and its potential level, and the deviation of the unemployment rate from its natural rate. As a consequence, conventional policy rules based on these measures of slack generate wide-ranging policy rate recommendations. This variability highlights one of the challenges policymakers currently face.”

Vasco Cúrdia

The Risks to the Inflation Outlook

FRB San Francisco - Economic Letter - November 17, 2014 – 5 pages

<http://www.frbsf.org/economic-research/publications/economic-letter/2014/november/fed-inflation-monetary-policy-outlook-financial-crisis/el2014-34.pdf>

“Although inflation is currently low, some commentators fear that continued highly accommodative monetary policy may lead to a surge in inflation. However, projections that account for the different policy tools used by the Federal Reserve suggest that inflation will remain low in the near future. Moreover, the relative odds of low inflation outweigh those of high inflation, which is the opposite of historical projections. An important factor continuing to hold down inflation is the persistent effects of the financial crisis.”

FINANCE

Richard Kovacevich

The Financial Crisis: Why the Conventional Wisdom Has It All Wrong

Cato Institute – Cato Journal – Fall 2014 – 16 pages

<http://object.cato.org/sites/cato.org/files/serials/files/cato-journal/2014/9/cj34n3-5.pdf>

“With the appropriate monetary, regulatory, and fiscal policies our economy should be growing at 3 percent or even higher, which is what is needed to bring employment, our budget deficits, and the labor participation rate to acceptable levels. One of the many reasons our economy is growing at historically low rates is the extraordinary and unprecedented increase in regulations facing job creators—the most by any administration ever... My focus today will be on financial regulation, but similar regulatory burdens are impacting all industries.”

Improving Financial Institution Supervision: Examining and Addressing Regulatory Capture

Committee on Banking, Housing, and Urban Affairs – Hearing - November 21, 2014

http://www.banking.senate.gov/public/index.cfm?FuseAction=Hearings.Hearing&Hearing_ID=ba1c89dc-8a7b-4cad-9e16-514fd6e6a489

The witnesses are: Mr. William C. Dudley, President and CEO, Federal Reserve Bank of New York, Mr. David O. Beim, Professor of Professional Practice, Columbia Business School; Mr. Robert C. Hockett, Edward Cornell Professor of Law, Cornell Law School; and Dr. Norbert J. Michel, Research Fellow in Financial Regulations, Heritage Foundation.

Norbert J. Michel

Repealing Dodd–Frank and Ending “Too Big to Fail”

Heritage Foundation – Backgrounder - November 3, 2014 – 7 pages

http://thf_media.s3.amazonaws.com/2014/pdf/BG2973.pdf

“Despite the slow economic rebound, and in the face of contradictory historical evidence, many critics still try to blame these events on the supposed failure of the free market. They claim that a lack of regulation caused the crisis and that the federal response vindicates government’s role in the economy. But government bailouts designed to preserve a few irresponsible and overextended companies came at the expense of the taxpayer, and with the consequence of punishing other banks and financial institutions with egregious regulations that only increase the danger of financial crises... Financial institutions that fail should be allowed to wind down through an orderly bankruptcy process. Government corporations Fannie Mae and Freddie Mac should be shut down and the housing market made more stable by relying on private financial firms that are not backstopped by taxpayers.”

Initial Effects of Basel III on Capital, Credit, and International Competitiveness

GAO – Report – November 2014 – 78 pages

<http://www.gao.gov/assets/670/667112.pdf>

This report examines how (1) the U.S. Basel III regulations may affect U.S. banks, including smaller ones, and (2) implementation of Basel III by different countries and other jurisdictions may affect U.S. banking organizations’ international competitiveness.

Ivana Ruffini and Robert S. Steigerwald

OTC Derivatives—A Primer on Market Infrastructure and Regulatory Policy

FRB Chicago – Economic Perspectives – Third Quarter, 2014 - 20 pages

<file:///C:/Users/Vacheret%20Eco/Downloads/3q2014-part2-ruffini-steigerwald-pdf.pdf>

“In this article, we discuss some recent developments relating to the regulation of derivatives markets, specifically the Group of Twenty (G-20) mandates, and examine the infrastructure that supports derivatives markets (including both the trade execution and posttrade clearing and settlement processes). Then we identify some of the policy issues raised by the G-20 market structure mandates. To provide a foundation for that discussion, first we explain some key concepts and terms.”

David Ranson

The Death of Cash as a Vehicle for Saving

National Center for Policy Analysis – Issue Brief - December 9, 2014

<http://www.ncpa.org/pub/ib153>

“The Federal Reserve’s zero interest rate policy has encouraged spending rather than saving, and low-risk options like U.S. Treasury bills provide little in the way of returns, leaving investors to take on risky and volatile assets in order to generate wealth. This situation is a problem not just for individual investors, but for the American economy, which relies on capital and savings to generate growth. But though cash is no longer a viable savings vehicle, Ranson says there is another way to generate decent and stable returns: by using a

specific mix of inverse, volatile assets, investors can produce returns similar to those previously produced by cash.”

Matthew Plosser

What Do Banks Do with All That "Fracking" Money?

FRB New York – Liberty Street Economics – December 1&3, 2014

<http://libertystreeteconomics.newyorkfed.org/2014/12/what-do-banks-do-with-all-that-fracking-money.html#.VI7FZiuG8y4>

<http://libertystreeteconomics.newyorkfed.org/2014/12/why-do-banks-keep-all-that-fracking-money.html#.VI7FSCuG8y4>

“In a recent post, I discussed the significant impact that “fracking” and other unconventional energy development has had on bank deposits. Using this deposit windfall, I estimated how banks allocate these funds, finding that over the recent business cycle they reduced the portion used for loans. In this post, I will discuss what may have influenced the decision to lend these funds or to hold liquid assets like cash or securities.”

Transitioning to Alternative Structures for Housing Finance

Congressional Budget Office - Report - December 16, 2014 – 67 pages

http://www.cbo.gov/sites/default/files/cbofiles/attachments/49765-Housing_Finance.pdf

“More than six years after the federal government took control of Fannie Mae and Freddie Mac, policymakers are weighing a comprehensive overhaul of the mortgage finance system that could shrink or eventually close the two entities and create a system with more private capital... This report examines various mechanisms that policymakers could use to attract more private capital to the secondary mortgage market. The report also addresses how those mechanisms could be combined in different ways to help the market make the transition to a new structure during the coming decade. CBO analyzed transition paths to four alternative structures that involve choices about whether the government would continue to guarantee payment on mortgages and MBSs and, if so, what form and prices those guarantees would have.”

Avinash D. Persaud

Why Bail-In Securities Are Fool's Gold

Peterson Institute – Policy Brief – November 2014 – 7 pages

<http://www.piie.com/publications/pb/pb14-23.pdf>

“Costs imposed on creditors, sometimes called bail-ins, have long been a feature of resolutions and recapitalizations when banks are bailed out or dissolved. The public outcry against taxpayer bailouts has led to a new type of securities known as "cocos" (contingent, convertible capital instruments), which convert into equity once a bank's capital falls below a preannounced level. Banks have started to issue cocos, and the market has quickly grown to a capitalization of \$150 billion. But while bail-in securities may make sense for an idiosyncratic bank failure, they are not appropriate when a large number of banks get into trouble at roughly the same time. On such occasions these securities will shift the burden of bank resolution on to ordinary pensioners and possibly spread a bank crisis. Crises may in fact become more likely, because the procyclicality of cocos may also encourage excessive lending in the preceding boom.”

Anna Neumann

Fostering Payments Innovations

Federal Reserve Bank of Chicago – Fed Letter – December 2014 – 4 pages

[file:///C:/Users/Vacheret%20Eco/Downloads/cfl332-pdf%20\(1\).pdf](file:///C:/Users/Vacheret%20Eco/Downloads/cfl332-pdf%20(1).pdf)

“The Federal Reserve Bank of Chicago hosted its 14th annual Payments Symposium on September 25–26, 2014. Industry leaders met to discuss ways to make the U.S. payment system faster, more convenient, and more secure as a whole. Participants evaluated emerging domestic payments trends and examined other countries’ recent experiences with payment system upgrades to help develop a U.S. framework for future innovations.”

LOCAL ECONOMIC DEVELOPMENT

Federal Spending in the States 2004 to 2013

The Pew Charitable Trusts - Issue Brief - December 02, 2014

<http://www.pewtrusts.org/en/research-and-analysis/issue-briefs/2014/12/federal-spending-in-the-states>
http://www.pewtrusts.org/~media/Assets/2014/12/Federal_Spending_in_the_States_report_web_final.pdf

“The federal government spent \$3.1 trillion in the states during its 2013 fiscal year.¹ But the amount and composition of federal spending vary widely from state to state. As a result, federal budget decisions that increase or decrease different areas of spending affect each state differently. The distribution of federal spending provides important context for understanding the effect that federal fiscal policy has on the states.”

Recovering from Volatile Times

The Pew Charitable Trusts – Report - November 11, 2014 – 21 pages

<http://www.pewtrusts.org/~media/Assets/2014/11/RecoveringFromVolatileTimes1114.pdf>

“This report examines how America's big cities navigated fiscal challenges during the Great Recession and in the years following that downturn. It evaluates the fiscal conditions of 30 large American cities, identifies the factors that drove cities' decline and rebound during the Great Recession, and the mechanisms cities employed to address the fiscal strain.”

Raymond J. Keating

Small Business Policy Index 2014

Small Business and Entrepreneurship Council - December 2014 – 59 pages

<http://www.sbecouncil.org/wp-content/uploads/2014/12/SBPI2014Final.pdf>

“Which state is best for small business and entrepreneurship? According to a new report from the Small Business and Entrepreneurship Council, South Dakota tops the list, followed by Nevada, Texas, Wyoming and Florida. Rounding out the top 10 were Washington, Alabama, Indiana, Colorado and North Dakota. The report, which analyzed the friendliest -- and least friendly -- policy environments, placed California dead last in its policy index, with New Jersey, New York, Hawaii and Minnesota not far behind. The index looked at 42 different policy measures (the majority of which were related to taxes or regulation) and explained the rationale behind the rankings.”

The South: Complex Landscape, Common Challenge

The American Prospect – November 2014

<http://prospect.org/article/report-south-urgently-needs-infrastructure-opportunity>

“The following is an excerpt from State of the South: Building an Infrastructure of Opportunity for the Next Generation, published by MDC, a non-profit organization in Durham, North Carolina, dedicated to "increasing educational attainment, connecting people to work that pays, and helping them get then resources they need to become successful," according to the group's mission statement. Here we present the report's introduction.”

A Closer Look at Earnings in the Southeast

FRB Atlanta – South Point – December 12, 2014

<http://southpoint.frbatlanta.org/southpoint/2014/12/a-closer-look-at-earnings-in-the-southeast.html>

“It is widely accepted that average incomes can vary from location to location. A look at recent data on average earnings by state compiled by the Regional Economic Analysis Project demonstrates the variability in average earnings among Southeast states. Average earnings in all six states in the Federal Reserve Bank of Atlanta’s

district fall below the national average. Within the district, average wages are notably higher in Georgia, Louisiana, and Tennessee than in Mississippi, and they are somewhat higher than in Alabama and Florida.”

Laila Assanie

Single-Family Housing Squeeze Eases in Texas; Multifamily Soars

FRB Dallas – Southwest Economy - Fourth Quarter 2014 – 6 pages

<http://www.dallasfed.org/assets/documents/research/swe/2014/swe1404b.pdf>

Single-family home sales in Texas—constrained by steadily rising prices, tight bank lending standards and insufficient new-house inventory—should gain traction in 2015. A booming apartment market moderates slightly amid still-elevated construction activity, occupancy rates and rents.

BUSINESS

Business in America: Illustrated

Tax Foundation - November 13, 2014

http://interactive.taxfoundation.org/business-in-america/?mc_cid=687f1d5736&mc_eid=c8f1a501c8#cover

“The Tax Foundation has a new report showing just how businesses are doing in today's economy. While political commentators often talk about businesses as if they are their own entities, the report begins by noting that laws that impact businesses ultimately impact people: “[T]he reality is that businesses are simply groups of people; they are workers, consumers, and shareholders.” As such, a tax on business is not a tax on some faceless corporate entity, but ultimately a tax on individual citizens, whether it results in lower wages for workers or higher prices for consumers. The report offers a number of statistics and figures that many people may not realize about businesses and corporations.”

Benjamin Pugsley and Ayşegül Şahin

Grown-Up Business Cycles

FRB New York – Staff Report - December 2014 – 47 pages

http://www.newyorkfed.org/research/staff_reports/sr707.pdf

“We document two striking facts about U.S. firm dynamics and interpret their significance for aggregate employment dynamics. The first observation is the steady decline in the firm entry rate over the last thirty years, and the second is the gradual shift of employment from younger to older firms over the same period. Both observations hold across industries and geographies. We show that, despite these trends, firms’ life-cycle dynamics and business-cycle properties have remained virtually unchanged. Consequently, the reallocation of employment toward older firms results entirely from the cumulative effect of the thirty-year decline in firm entry.”

Ian Hathaway and Robert E. Litan

What’s Driving the Decline in the Firm Formation Rate? A Partial Explanation

Brookings - Paper - November 20, 2014 – 10 pages

http://www.brookings.edu/~media/research/files/papers/2014/11/driving%20decline%20firm%20formation%20rate%20hathaway%20litan/driving_decline_firm_formation_rate_hathaway_litan.pdf

“Following a number of recent reports documenting a pervasive decline in the firm formation rate across a broad range of sectors and geographic regions in the United States during the last few decades, this report takes a first step at offering a partial explanation of contributing factors. To do this, we analyze variation in startup rates across the U.S. metropolitan areas during a three-decade period. Two prominent drivers of the cross-regional patterns stand out.”

Alicia Robb, Susan Coleman and Dane Stangler

Sources of Economic Hope: Women's Entrepreneurship

Ewing Marion Kauffman Foundation – Report - November 2014

www.kauffman.org/~media/kauffman_org/research%20reports%20and%20covers/2014/11/sources_of_economic_hope_womens_entrepreneurship.pdf

The report “suggests that accelerating female entrepreneurship could have the same positive effect on the U.S. economy that the large-scale entry of women into the labor force had during the 20th century.”

Margaret E. Blume-Kohout

Understanding the Gender Gap In STEM Fields Entrepreneurship

Small Business Administration – Report - October 2014

<https://www.sba.gov/advocacy/understanding-gender-gap-stem-fields-entrepreneurship>

“While it is generally understood that a gender gap exists in science, technology, engineering, and math (STEM) fields, less research has been done on women entrepreneurs in the STEM fields. This report expands on the limited literature specific to women entrepreneurs within STEM fields. In addition, it aims to identify any significant factors or trends that may prove useful to those interested in policies directed at increasing participation of women entrepreneurs in STEM fields.”

RESEARCH - INNOVATION

Accelerating U.S. Advanced Manufacturing

Council of Advisors on Science and Technology – Report to the President – October 2014 – 108 pages

http://www.whitehouse.gov/sites/default/files/microsites/ostp/PCAST/amp20_report_final.pdf

Building upon its initial findings and growing interest in a resurgent U.S. manufacturing sector, the Advanced Manufacturing Partnership was re-chartered (AMP2.0) and has worked with the federal government to implement the highest priority recommendations from its original report... As a result, this report reflects not only the significant actions taken by the Advanced Manufacturing Partnership and its members to launch public-private initiatives that build on its initial recommendations, but also offers a series of further recommendations on enabling innovation in critical emerging manufacturing technologies through additional investments in innovation, securing the talent pipeline and improving the business climate for innovative manufacturing firms.”

Federal Policies and Innovation

C.B.O. – Report - November 17, 2014 – 46 pages

<http://www.cbo.gov/sites/default/files/cbofiles/attachments/49487-Innovation.pdf>

“Innovation produces some benefits for society from which individual innovators are not able to profit, and, as a result, those innovators tend to underinvest in such activity. Policymakers endeavor to promote innovation to compensate for that underinvestment. The federal government influences innovation through two broad channels: spending and tax policies, and the legal and regulatory systems. In this report, the Congressional Budget Office (CBO) examines the effects on innovation of existing policies and systems and the possible effects of a variety of proposals for changing those policies and systems.”

John F. Sargent Jr.

Federal Research and Development Funding: FY2015

Congressional Research Service – Report - December 17, 2014 – 69 pages

<http://www.fas.org/sgp/crs/misc/R43580.pdf>

“The federal government has played an important role in supporting R&D efforts that have led to scientific breakthroughs and new technologies, from jet aircraft and the Internet to communications satellites, shale gas extraction, and defenses against disease. However, widespread concerns about the federal debt and recent and projected federal budget deficits are driving difficult decisions about the prioritization of R&D, both in the context of the entire federal budget and among competing needs within the federal R&D portfolio... Structurally, this report begins with a discussion of the overall level of R&D funding requested in the President’s budget, followed by analyses of requested R&D funding from a variety of perspectives and for selected multiagency R&D initiatives. The report concludes with discussion and analysis of the R&D budget requests of selected federal departments and agencies that, collectively, account for about 98% of total federal R&D funding.”

The Role of Research and Development in Strengthening America’s Innovation Economy

Joint Economic Committee – December 2014 – 11 pages

http://www.jec.senate.gov/public/?a=Files.Serve&File_id=76592958-30af-4eb0-8151-40a01496156c

“Yet when measuring research and development spending as a share of gross domestic product (GDP), the United States ranks tenth in the world and has lost some ground in recent years as other countries have increased their spending... This report describes the contribution of research and innovation to economic growth. It analyzes trends in research and development spending and examines how the United States compares with other countries. It concludes by discussing policy options to strengthen America’s innovation economy.”

Fifth Assessment of the National Nanotechnology Initiative

President’s Council of Advisors on Science and Technology (PCAST) – Report - October 2014 – 88 pages

http://www.whitehouse.gov/sites/default/files/microsites/ostp/PCAST/pcast_fifth_nni_review_oct2014_final.pdf

“The Federal Government has invested over \$20 billion in nanotechnology research in the past 13 years, leading to great success in creating the building blocks of nanoscience. In this review, PCAST determined that the National Nanotechnology Initiative (NNI) has reached a turning point. The vision of NNI is a future in which the ability to understand and control matter at the nanoscale leads to a revolution in technology and industry that benefits society. To realize this vision, PCAST recommends that the Federal Government transition its activities toward facilitating commercialization by directing the formulation of specific nanotechnology Grand Challenges. The Grand Challenges framework—a partnership between the public and private sectors—can drive scientific advances to revolutionary commercialized products.”

Enrico Moretti and Daniel J. Wilson

Innovation and Incentives: Evidence from Biotech

FRB San Francisco – Economic Letter - December 8, 2014 – 4 pages

<http://www.frbsf.org/economic-research/publications/economic-letter/2014/december/biotechnology-biotech-economic-growth/el2014-37.pdf>

“Financial incentives from state governments are part of a growing trend of policies designed to spur innovation clusters in specific regions. Biotechnology industry clusters in particular have benefited from these subsidies, which have boosted the number of star biotech scientists in those states by roughly 15%. Likewise, the number of biotech jobs overall has grown in states that offered incentives, although they have had little impact on salaries. Incentives have also spilled over to generate sizable effects in local service sectors.”

TELECOMS

US Government Surveillance Regulations for IT Company Networks: Toward A Global Framework

American Enterprise Institute – Report – December 2014 – 18 pages

<http://www.aei.org/wp-content/uploads/2014/12/US-government-surveillance-regulations-for-IT-company-networks.pdf>

“This paper summarizes the major US legal intercept programs to tap into the databases and IT networks of US firms and foreign firms based in the United States and to limit or prevent foreign firms from conducting reciprocal surveillance. How do these surveillance and antisurveillance programs work? To whom do they apply? To what extent do they apply to the overseas operations of US firms? To what extent do they apply to foreign firms when they enter the US market?”

Bret Swanson

Internet Traffic as a Basic Measure of Broadband Health

American Enterprise Institute – Report – November 20, 2014 – 15 pages

<http://www.aei.org/wp-content/uploads/2014/11/2014-11-Swanson.final-template2.pdf>

“Internet traffic volume is an important indicator of broadband health, as it encapsulates and distills the most important broadband factors, such as access, coverage, speed, price, and content availability. US Internet traffic is two to three times higher than that of most advanced nations, and the United States generates more Internet traffic per capita and per Internet user than any major nation except for South Korea. The US model of broadband investment and innovation—which operates in an environment that is largely free from government interference—has been a dramatic success. Overturning this successful policy by imposing heavy regulation on the Internet puts one of America’s most vital industries at risk.”

N. Eric Weiss

Legislation to Facilitate Cybersecurity Information Sharing: Economic Analysis

Congressional Research Service – Report - December 11, 2014 – 21 pages

<http://www.fas.org/sfp/crs/misc/R43821.pdf>

Data breaches affecting financial records of tens of millions of households seem to occur regularly. Companies typically respond by trying to increase their cybersecurity by hiring consultants and purchasing new hardware and software. Policy analysts have suggested that sharing information about these breaches could be an effective and inexpensive part of improving cybersecurity. Firms share information directly on an ad hoc basis and through private-sector, nonprofit organizations such as Information Sharing and Analysis Centers (ISACs) that can analyze and disseminate information.

INFRASTRUCTURE

Richard H. Mattoon

Measuring and Financing Infrastructure Investments

FRB Chicago – Fed letter – December 2014 – 4 pages

<https://chicagofed.org/publications/chicago-fed-letter/2015/331>

“On November 3, 2014, the Federal Reserve Bank of Chicago held a conference to examine recent research on measuring the economic value of infrastructure investments and to explore new funding models for infrastructure in a time when many state and local governments face fiscal challenges.”

Patrick Sabol and Robert Puentes

A Guide to Public Private Partnerships - Recommendations for Public Leaders Considering PPPs

Brookings Institution’s Metropolitan Policy Program – Report – December 2014 – 32 pages

http://www.brookings.edu/~media/Research/Files/Reports/2014/12/17%20ppp/BMPP_PrivateCapitalPublicGood.pdf

“PPPs are neither a solution to all America’s infrastructure challenges nor are they a corporate takeover of public assets,” says Sabol. “Instead, a well-executed PPP is simply a tool for procuring or managing infrastructure.” This paper addresses gaps in public knowledge of the PP funding model by explaining □ Basic PPP structure, □ How to properly weight risks and rewards, □ The purpose and rationale behind these arrangements.”

TRANSPORTATION

Bill Canis, Robert Pirog, and Brent D. Yacobucci

Natural Gas for Cars and Trucks: Options and Challenges

Congressional Research Service – Report - November 19, 2014 – 23 pages

<http://www.fas.org/sgp/crs/misc/R43791.pdf>

“The discovery of new sources of domestic natural gas from shale has given rise to new interest in using natural gas more extensively in transportation. This could occur in a number of ways. Natural gas (methane) can be burned directly in conventional diesel and gasoline engines that have been modified or retrofitted. Natural gas liquids such as propane and butane can also replace gasoline. As a petrochemical feedstock, methane can be used to produce synthetic diesel fuel and gasoline substitutes such as ethanol, methanol, and butanol. A reformation process can convert methane to hydrogen for fuel cell-powered vehicles. In addition, natural gas can be burned to generate electricity for charging electric vehicles.”

Natural Gas Vehicles: Fueling American Jobs, Enhancing Energy Security, and Achieving Emissions Benefits

Senate Finance Committee – Hearing – December 3, 2014

<http://www.finance.senate.gov/hearings/hearing/?id=1d93f6e2-5056-a032-52b1-671e421c203a>

“While various aspects of natural gas have been discussed in front of the Energy and Environment Committees – we’re here today to discuss natural gas as a transportation fuel. There’s a huge opportunity to grow this market. It’s amazing to me that over 40% of the country’s public buses are currently powered by alternative fuels or blends... As we’ll hear today, this Committee can do more to help this growing industry. Specifically, we can level the playing field on excise taxes so natural gas isn’t taxed at a higher rate than diesel. Senators Burr, Hatch and I have a bill that would do just that.”

Passenger Rail: Investing in our Nation’s Future

Senate Committee on Commerce, Science and Transportation – Hearing – December 10, 2014

http://www.commerce.senate.gov/public/index.cfm?p=Hearings&ContentRecord_id=cc6cc246-100d-45be-9521-8ed9412a7d53&ContentType_id=14f995b9-dfa5-407a-9d35-56cc7152a7ed&Group_id=b06c39af-e033-4cba-9221-de668ca1978a

“This hearing will focus on the current state of intercity passenger rail in the United States, the need to invest for future growth, and implications for future legislative action.”

Adie Tomer and Joseph Kane

Mapping Freight: The Highly Concentrated Nature of Goods Trade in the United States

Brookings – Report – November 2014 - 38 pages

<http://www.brookings.edu/research/reports2/2014/11/06-mapping-freight-tomer-kane>

Considering the importance of goods trade to the United States, strikingly little is known about which regions trade with one another. This information gap limits the country’s ability to coordinate freight policies and investments. To address this deficiency, this report analyzes domestic and international goods trade data from 2010, revealing that: The country’s 100 largest metropolitan areas drive national goods trade, with more than 80 percent of all goods either starting or ending in these areas...; Just 10 percent of the country’s trade

corridors move 79 percent of all goods, the most valuable of which are concentrated in the country's 100 largest metropolitan areas..."

AGRICULTURE - FISHING

Examining FDA's Role in the Regulation of Genetically Modified Food Ingredients

House Energy and Commerce Committee – Hearing – December 10, 2014

<http://energycommerce.house.gov/hearing/examining-fdas-role-regulation-genetically-modified-food-ingredients>

The hearing will focus on current Food and Drug Administration (FDA) authority over foods from genetically engineered plants and what the agency has learned about the safety of such products. Further, it will provide an opportunity to engage with scientific experts about the role bioengineering plays in our nation's food supply and economy as well as to hear from stakeholders that could be affected by State specific regulations of product labeling. Finally, the hearing will allow members to discuss H.R.4432, Safe and Accurate Food Labeling Act of 2014, introduced by Rep. Mike Pompeo (R-KS) and Rep. G.K. Butterfield (D-NC).

EMPLOYMENT

For Middle-Skill Occupations, Where Have All the Workers Gone?

FRB Atlanta – Blog – November 20, 2014

<http://macroblog.typepad.com/macroblog/2014/11/for-middle-skill-occupations-where-have-all-the-workers-gone.html>

"Considerable discussion in recent years has concerned the "hollowing out of the middle class." Part of that story revolves around the loss of the types of jobs that traditionally have been the core of the U.S. economy: so-called middle-skill jobs... The Great Recession brought changes to the U.S. labor market that are still being felt. But how have workers in middle-skill occupations fared in the recession's wake?"

Measuring Labor Market Slack: Three posts

FRB New York – Liberty Street Economics – November 17-19, 2014

<http://libtystreeteconomics.newyorkfed.org/2014/11/measuring-labor-market-slack-are-the-long-term-unemployed-different.html>

<http://libtystreeteconomics.newyorkfed.org/2014/11/how-attached-to-the-labor-market-are-the-long-term-unemployed.html>

<http://libtystreeteconomics.newyorkfed.org/2014/11/the-long-term-unemployed-and-the-wages-of-new-hires.html>

"There has been some debate in the Liberty Street Economics blog and in other outlets, about whether the short-term unemployment rate is a better measure of slack than the overall unemployment rate. As the chart below shows, the two measures are sending different signals, with the short-term unemployment rate back to its pre-recession level while the overall rate is still elevated because of a high long-term unemployment rate. In our next blog post, we study the labor market outcomes of long-term unemployed workers in an effort to assess their employability and labor market attachment... In our final blog post, we directly test the relationship between different unemployment-based measures of slack and the monthly earnings of new hires."

A Closer Look at Employment and Social Insurance

FRB Atlanta – Blog – November 13, 2014

<http://macroblog.typepad.com/macroblog/2014/11/a-closer-look-at-employment-and-social-insurance.html>

"The Atlanta Fed's Center for Human Capital Studies hosted its annual employment conference on October 2–3, 2014, organized once again by Richard Rogerson of Princeton University, Robert Shimer of the University

of Chicago, and the Atlanta Fed's Melinda Pitts. This macroblog post summarizes some of the discussions.” Papers on FRB Atlanta website.

Temporary Assistance for Needy Families: Action Is Needed to Better Promote Employment-Focused Approaches

GAO – Report - November 19, 2014 – 62 pages

<http://www.gao.gov/assets/670/667051.pdf>

The TANF block grant requires states to engage a certain percentage of work-eligible cash assistance recipients in specified work-related activities, such as job search assistance and training. Yet, data suggest that more TANF recipients could receive assistance that would help them gain employment and reduce their dependence. GAO was asked to provide examples of what some states are doing to achieve these goals and how to expand these efforts. This report reviews some approaches that have been identified as holding promise for engaging TANF recipients in employment and increasing their earnings and examines ways in which selected states and localities have used them, and identifies factors that influence their use.

INTERNATIONAL ECONOMIC RELATIONS

Rebecca M. Nelson

The G-20 and International Economic Cooperation: Background and Implications for Congress

Congressional Research Service – Report - November 5, 2014 – 17 pages.

<http://www.fas.org/sgp/crs/row/R40977.pdf>

Congress may want to exercise oversight over the Administration’s participation in the G-20, including the policy commitments that the Administration is making in the G-20 and the policies it is encouraging other G-20 countries to pursue. Additionally, legislative action may be required to implement certain commitments made by the Administration in the G-20 process, and commitments made at the G-20 may shape the congressional legislative agenda. This report analyzes why countries coordinate economic policies and the historical origins of the G-20; how the G-20 operates; major highlights from previous G-20 summits, plus an overview of the agenda for the next G-20 summit; and debates about the effectiveness of the G-20 as a forum for economic cooperation and coordination.

William R. Cline, Kyoji Fukao, Tokuo Iwaisako, Kenneth Kuttner, Adam S. Posen, and Jeffrey J. Schott

Lessons from Decades Lost: Economic Challenges and Opportunities Facing Japan and the United States

Peterson Institute – December 2014 – 112 pages

<http://www.piie.com/publications/briefings/piieb14-4.pdf>

“Prime Minister Shinzo Abe's economic policies—dubbed Abenomics—have been successful on some but not all fronts. The Japanese government must still pursue further measures to increase sustainable economic growth and stabilize Japanese public finances. This PIIE Briefing, released at the time of Prime Minister Abe's election victory in December, calls on Japan to be aggressive in opening Japanese agriculture in the negotiations for the Trans-Pacific Partnership (TPP) trade deal and to take steps to raise labor supply and tax revenues over the medium and long term. The volume begins with an up-to-the-minute assessment of Abenomics by PIIE president Adam S. Posen. Some of the papers in this volume were presented at the first meeting of the High-Level Working Group on Japan-US Common Economic Challenges on June 3, 2014.”

Gary Clyde Hufbauer and Barbara Kotschwar assisted by Cathleen Cimino and Julia Muir

Economic Normalization with Cuba: A Roadmap for US Policymakers

Peterson Institute – Book 2014

<http://bookstore.piie.com/book-store/6826.html>

This prescient book, published only eight months before President Obama's historic decision to normalize relations with Cuba at the end of 2014, offers a roadmap for a sequenced lifting of the Cold War era economic sanctions against Cuba. The authors, Gary Clyde Hufbauer and Barbara Kotschwar, lay out the difficulties of creating a dynamic economic relationship. They caution that a unilateral dismantling of US sanctions without insuring that proper institutions are in place in Cuba could squander this valuable opportunity for US companies and hurt average Cubans. They argue that US policies should encourage Cuba to liberalize its economy and adopt democratic institutions, so that it does not transition from a Communist dictatorship to a corrupt and authoritarian oligarchy.”

TRADE

U.S. Trade Concepts, Performance, and Policy: Frequently Asked Questions

Congressional Research Service – Report – November 17, 2014 – 40 pages

<http://www.fas.org/sgp/crs/misc/RL33944.pdf>

“Congress plays a major role in U.S. trade policy through its legislative and oversight authority. There are a number of major trade issues that are currently the focus of Congress. For example, bills were introduced in the 113th Congress to reauthorize Trade Promotion Authority (TPA), the U.S. Generalized System of Preferences (GSP), and the U.S. Export-Import Bank. Congress has also been involved with proposed free trade agreements (FTAs), including the Trans-Pacific Partnership (TPP) and the Transatlantic Trade and Investment Partnership (TTIP)... Also of interest to Congress are current plurilateral negotiations for a Trade in Services Agreement (TISA) and a new multilateral Information Technology (ITA) agreement in the World Trade Organization (WTO)... The costs and benefits of trade to the U.S. economy, firms, workers, and constituents, and the future direction of U.S. trade policy, are hotly debated topics in Congress.”

Ed Gresser

Trade and Inequality: Cause? Cure? Diversion?

Progressive Economy – Paper - December 2014 – 15 pages

<http://progressive-economy.org/2014/12/11/trade-and-inequality-cause-cure-diversion/>

The paper is an in-depth at the place of trade in the inequality debate, and offers practical ideas on ways trade policy, including conclusion of the Trans-Pacific Partnership and Trans-Atlantic Trade and Investment Partnership agreements, can help respond. The paper argues that: "Trade is not the central issue in inequality, nor is trade policy the main element of a solution. Domestic policy must be the center of any effective response. But managed creatively, trade policy can help. Creative agreements, enforcement of rules for lower-income exporters and intellectual property holders, and willingness to reform the existing [U.S.] trade regime in the interest of lower-income families would all be useful and appropriate."

Cathleen Cimino, Gary Clyde Hufbauer, Barbara Kotschwar, Thomas F. "Mack" McLarty, Eduardo Medina Mora, Tyler Moran, Theodore H. Moran, Lindsay Oldenski, Adam S. Posen, Jaana Remes, and Jeffrey J. Schott
NAFTA 20 Years Later

Peterson Institute - November 2014 – 60 pages

<http://www.piie.com/publications/briefings/piieb14-3.pdf>

“Enactment of the North American Free Trade Agreement (NAFTA) among the United States, Mexico, and Canada 20 years ago advanced economic integration—it also started a public debate running to this day about the merits of trade agreements between richer and poorer countries. As the first major trade accord between two wealthy countries and a relatively poor country, NAFTA created enormous opportunities in all three economies while generating anxieties about job losses and other kinds of displacement. This report reviews the many claims with 20 years of data to objectively assess both benefits and costs derived by Mexico and the United States from this important trade accord. As part of a new series of accessible concise topical publications called PIIE Briefings, this publication collects recent writings by PIIE scholars on NAFTA, including some previously published papers and the discussions from the Institute's NAFTA conference in July 2014.”

Ian F. Fergusson, Mark A. McMinimy, and Brock R. Williams

The Trans-Pacific Partnership (TPP) Negotiations and Issues for Congress

Congressional Research Service – Report – November 19, 2014 – 59 pages

<http://www.fas.org/sgp/crs/row/R42694.pdf>

The Trans-Pacific Partnership (TPP) is a proposed regional free trade agreement (FTA) being negotiated among the United States, Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, and Vietnam. U.S. negotiators and others describe and envision the TPP as a “comprehensive and high-standard” FTA that aims to liberalize trade in nearly all goods and services and include rules-based commitments beyond those currently established in the World Trade Organization (WTO). This report examines the issues related to the proposed TPP, the state and substance of the negotiations (to the degree that the information is publically available), the specific areas under negotiation, the policy and economic contexts in which the TPP would fit, and the issues for Congress that the TPP presents.

Alyson Cuervo

The Trans-Pacific Partnership: Opportunities for International Trade and Internal Growth

National Center for Policy Analysis - December 4, 2014 – 2 pages

<http://www.ncpa.org/pdfs/ba804.pdf>

“As with the North American Free Trade Agreement, the Trans-Pacific Partnership will have a positive effect on small businesses, increasing their access to, and allowing them to compete more effectively in, the world market. Given that a very large number of U.S. exporters are small businesses, a competitive United States means a competitive small business sector.”

Vivian C. Jones

Generalized System of Preferences: Background and Renewal Debate

Congressional Research Service – Report - December 16, 2014 – 33 pages

<http://www.fas.org/sgp/crs/misc/RL33663.pdf>

“The U.S. Generalized System of Preferences (GSP) program provides non-reciprocal, duty-free tariff treatment to certain products imported from designated beneficiary developing countries (BDCs). The United States, the European Union, and other developed countries have implemented similar programs since the 1970s. The U.S. program was first authorized in Title V of the Trade Act of 1974, and is subject to periodic renewal by Congress. The GSP program was most recently extended until July 31, 2013, in Section 1 of P.L. 112-40, and has not been renewed. Imports under the GSP program in 2012 (last full year of GSP implementation) amounted to about \$19.9 billion—about 6% of all imports from GSP countries, and about 1% of total U.S. imports. The expiration of GSP means that renewal of the program may continue to be a legislative issue in the 114th Congress.”

ENVIRONMENTAL ECONOMICS

SEED Center

<http://theseedcenter.org>

“This joint effort between the American Association of Community Colleges and ecoAmerica seeks to build and further develop clean energy technology and sustainability programs at community colleges around the country. With over 470 community colleges already participating, the program has real traction. There are troves of information on this site about Solar, Wind, Green Building, Energy Efficiency, Sustainability Education, and much more. Each category boasts curricular materials, professional development resources, employment industry projections, and other great information and tools. Also of interest, are the Featured Resources (located within the Resource Center), offering information about various SEED related opportunities for educators and workforce development professionals.”

Jonathan L. Ramseur

U.S. Greenhouse Gas Emissions: Recent Trends and Factors

Congressional Research Service – Report - November 24, 2014 – 12 pages

<http://www.fas.org/sgp/crs/misc/R43795.pdf>

“U.S. GHG emissions increased during most of the years between 1990 and 2007, and then decreased substantially in 2008 and 2009. Although emissions increased in 2010, levels decreased again in 2011 and 2012, eventually reaching levels comparable to those from 1995. In terms of the President’s 2020 emissions target, in 2012, U.S. GHG emissions were approximately 10% below 2005 levels—more than halfway toward the 2020 target.”

Dallas Burtraw, Carolyn Fischer, Clayton Munnings, Karen L. Palmer, Anthony Paul, Nathan Richardson, Jih-Shyang Shih, Roberton C. Williams III

Comments to the US Environmental Protection Agency on Its Proposed Clean Power Plan

Resources for the Future – Report - December 2014 – 82 pages

<http://www.rff.org/RFF/Documents/RFF-Rpt-CPPComments.pdf>

“RFF experts published the analysis and recommendations they submitted to the US Environmental Protection Agency as part of the public comment period for the proposed Clean Power Plan. The comments, which can be found here, cover a range of topics, including carbon tax compliance options, allowance trading, emissions leakage, and coal plant efficiency improvements.”

ENERGY

The Energy Policy and Conservation Act of 1975: Are We Positioning America for Success in an Era of Energy Abundance?

House Energy and Commerce Committee – Hearing - December 11, 2014

<http://energycommerce.house.gov/hearing/energy-policy-and-conservation-act-1975-are-we-positioning-america-success-era-energy>

“Today’s energy outlook contrasts sharply with that of the early 1970’s, when the U.S. was faced with growing demand for oil, dwindling domestic reserves, and increasing reliance on imports. The 1973 Arab Oil Embargo exposed this vulnerability and strained the U.S. economy, leading to the implementation of new governmental policies designed to control the price and supply of domestic oil. The Energy Policy and Conservation Act of 1975 (EPCA) was the most comprehensive response, with provisions intended to increase domestic production and reduce energy demand. Some programs originating from EPCA, such as the Strategic Petroleum Reserve and Corporate Average Fuel Economy Standards, remain today, while several others expired or were repealed in later years.”

Craig S. Hakkio and Jun Nie

Implications of Recent U.S. Energy Trends for Trade Forecasts

FRB Kansas City – Economic Review – Forthcoming – 24 pages

<http://kansascityfed.org/publicat/econrev/pdf/14q4Hakkio-Nie.pdf>

The energy sector has undergone significant structural change over the last two decades. Craig S. Hakkio and Jun Nie introduce a model separating energy and non-energy components of trade to predict how future changes in U.S. energy production might affect trade forecasts.

The Economic and Budgetary Effects of Producing Oil and Natural Gas from Shale

Congressional Budget Office – Report – December 2014 – 44 pages

http://www.cbo.gov/sites/default/files/cbofiles/attachments/49815-Effects_of_Shale_Production.pdf

CBO estimates that the development of shale resources will increase GDP by about two-thirds of 1 percent in 2020 and about 1 percent in 2040; the increases in GDP will lead to slightly larger percentage increases in federal revenues.

Charles Mason, Lucija Muehlenbachs, and Sheila Olmstead

The Economics of Shale Gas Development

Resources for the Future – Discussion Paper – November 2014 – 35 pages

<http://www.rff.org/RFF/Documents/RFF-DP-14-42.pdf>

“In the past decade, innovations in hydraulic fracturing and horizontal drilling have fueled a boom in the production of natural gas (as well as oil) from geological formation—primarily deep shale—in which hydrocarbon production was previously unprofitable. Impacts on US fossil fuel production and the US economy more broadly have been transformative, even in the first decade. The boom has been accompanied by concerns about negative externalities, including impacts to air, water, and quality of life in producing regions. We describe the economic benefits of the shale gas boom, including direct market impacts and positive externalities, providing back-of-the-envelope estimates of their magnitude. The paper also summarizes the current science and economics literatures on negative externalities. We conclude that the likely scope of economic benefits is extraordinarily large, and that continued research on the magnitude of negative externalities is necessary to inform risk-mitigating policies.”

Producers, Refiners View Strategies to Trim Texas’ Glut of Ultralight Condensate Oil

FRB Dallas – Southwest Economy – Fourth Quarter 2014 – 4 pages

<http://www.dallasfed.org/assets/documents/research/swe/2014/swe1404d.pdf>

“Hampered by the federal oil export ban, producers are seeking alternative means to bring to global markets the burgeoning supplies of ultralight condensate oil drawn from the Eagle Ford Shale region of South Texas.”

Joseph Kane, Robert Puentes and Adie Tomer

Keystone XL or Not: How Does America Move Oil Now?

Brookings - December 3, 2014

<http://www.brookings.edu/blogs/the-avenue/posts/2014/12/03-keystone-xl-america-oil-kane-puentes-tomer>

“The proposed Keystone XL pipeline has stirred considerable debate about the future of American energy policy. While the Senate’s recent vote to block its construction tables the discussion for the time being, it does not resolve major questions about how the U.S. transports oil today... The following figures show how Keystone XL might fit into America’s energy future by illustrating the complex, changing way we transport oil today.”

Back to the Future: Advanced Nuclear Energy and the Battle Against Climate Change

Brookings – Essay – December 12, 2014

www.brookings.edu/FutureOfNuclear

What if we could power the world with...nuclear waste? In recent decades, American interest in nuclear energy has significantly declined. No new reactors have been built and American leadership in the field has all but disappeared. But today, a major shift is quietly underway in labs across the United States. Why? Climate change. In the newest Brookings Essay, Vice President of Clean Energy at Third Way Josh Freed introduces us to two innovative MIT graduates whose new design for a nuclear reactor actually runs on nuclear waste and could serve as a promising solution to climate change.

The Future of Nuclear Energy

House, Space, Science and Technology Committee – Hearing – December 11, 2014

<http://science.house.gov/hearing/energy-subcommittee-future-nuclear-energy>

“Today, we will look at the track record and road forward for research and development within DOE’s Office of Nuclear Energy. We will also look at the progress of nuclear energy technology in the United States and the regulatory environment for licensing new reactors.”

Star Power: The Growing Role of Solar Energy in America

Environment America – Article - November 2014 – 41 pages

http://www.environmentamerica.org/sites/environment/files/reports/EA_Star_Power.pdf

America should build on the recent growth in solar energy by setting a goal of obtaining at least 10 percent of its electricity from solar power by 2030. Achieving that goal would result in a cleaner environment, less dependence on fossil fuels, and a stronger economy.

John A. “Skip” Laitner, Matthew T. McDonnell, and Karen Ehrhardt-Martinez

The Energy Efficiency and Productivity Benefits of Smart Appliances and ICT-Enabled Networks: An Initial Assessment

American Council for an Energy-Efficient Economy - Research Report - November 12, 2014 – 64 pages

<http://www.aceee.org/sites/default/files/publications/researchreports/f1402.pdf>

“The U.S. economy shows signs of weakening. Among the reasons for less vigorous economic activity is the inefficient use of resources—and especially the inefficient use of energy. New information and communication technologies (ICT) make possible dramatically reduced costs and higher levels of performance that were unachievable just a decade ago. This report explores the working hypothesis that the United States can enhance its economic productivity and energy efficiency by redirecting larger investments into ICT-enabled networks. Because we lack sufficient data to definitively test this hypothesis, we approach the analysis as a Fermi problem. Our first estimates suggest a potential \$600 billion boost in GDP. This productivity benefit is driven, in part, by a 1.1 billion barrel energy efficiency gain that might reduce the nation’s annual energy bill by about \$79 billion.”