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GENERAL INTEREST

Reaching America's Potential: Delivering Growth and Opportunity for All Americans

House Ways and Means Committee – Hearing – February 2, 2016

<http://waysandmeans.house.gov/event/hearing-rescheduled-brady-announces-first-committee-hearing-of-2016/>

“Throughout the hearing, the witnesses and members discussed their ideas about the best ways to grow our economy, create jobs and increase paychecks for millions of Americans.”

Gregory Tasse

Why the US Needs a New, Tech-Driven Growth Strategy

Information Technology & Innovation Foundation – Report - February 1, 2016 – 21 pages

<http://www2.itif.org/2016-us-tech-driven-growth-strategy.pdf>

“The most important measure of long-term growth is the rate at which we increase productivity, because that is what drives up living standards. Unfortunately, U.S. policymakers over-rely on macro stabilization tools, especially monetary policy. This report outlines a new, technology-driven growth strategy focusing on robust investments in four key asset classes that drive productivity advances.”

Glenn D. Rudebusch

Will the Economic Recovery Die of Old Age?

FRB San Francisco Economic Letter - February 8, 2016 - 5 pages

<http://www.frbsf.org/economic-research/files/el2016-03.pdf>

“Is the current recovery more likely to end because it’s lasted so long? Have various imbalances and rigidities accumulated to make the economy frailer and more susceptible to a recessionary shock? Recent history suggests the answer is no. Instead, a long recovery appears no more likely to end than a short one. Like Peter Pan, recoveries appear to never grow old.”

Barry P. Bosworth

U.S. Economic Policy in a Low-Interest Rate World

Brookings - Paper - January 14, 2016 – 29 pages

<http://www.brookings.edu/~media/research/files/papers/2016/01/14-us-monetary-policy/u-s-monetary-policy.pdf>

“Over the past quarter century, interest rates around the world have declined to extremely low levels. In "U.S. economic policy in a low-interest rate world," (PDF) Barry Bosworth argues that, at the present low rates, monetary policy is largely ineffectual as a tool for economic stimulus, greatly raising the risks of a downward spiral of lower inflation, higher real interest rates, and further downward pressure on economic activity. Bosworth examines the causes and implications from two perspectives. First, why has the United States been so reluctant to raise rates when by most standard measures the United States has returned to full employment? And second, can we explain the causes of today’s low rates and their persistence?”

INCOMES – INEQUALITY

Most Americans Say Government Doesn't Do Enough to Help Middle Class

Pew Research Center – February 4, 2016

<http://www.pewsocialtrends.org/2016/02/04/most-americans-say-government-doesnt-do-enough-to-help-middle-class>

At a time when the middle class in the United States is losing ground, most Americans say the federal government provides too little help to this segment of society. And as voters begin casting the first ballots in the

2016 presidential election, neither political party is widely viewed as supportive of the middle class in this country. GOP seen as favoring the rich over middle class, poor; mixed views on which class the Democratic Party favors.

Barry Bosworth & Gary Burtless, Kan Zhang

Later Retirement, Inequality in Old Age, and the Growing Gap in Longevity Between Rich and Poor

Brookings – Report – February 2016 – 174 pages

<http://www.brookings.edu/research/reports2/2016/02/life-expectancy-gaps-promise-social-security>

“The U.S. Social Security system, which established old age benefits, is designed to be highly progressive by redistributing income from workers with high average lifetime earnings to workers—and their dependents—who have low lifetime earnings... The program is one reason America’s senior citizens, when taken as a whole, have fared so well—even throughout the Great Recession... But new research finds evidence that some of the program’s progressivity is being offset due to a growing gap in life expectancy between the rich and the poor. That gap, when taken together with the rise in average retirement ages since the early 1990s, means the gap between lifetime benefits received by poor and less educated workers and the benefits received by high-income and well educated workers is widening in favor of the higher income workers.”

Alan J. Auerbach, Laurence J. Kotlikoff and Darryl Koehler

U.S. Inequality, Fiscal Progressivity, and Work Disincentives

National Center for Policy Analysis – Study - February 02, 2016 – 70 pages

<http://www.ncpa.org/pdfs/U%20S%20%20Inequality%20Fiscal%20Progressivity%20and%20Work%20Disincentives%201-30-16%20final.pdf>

This study combines the 2013 Federal Reserve Survey of Consumer Finances data and the Fiscal Analyzer, a highly detailed life-cycle consumption-smoothing program, to a) measure ultimate economic inequality – inequality in lifetime spending power – within cohorts, b) assess fiscal progressivity within cohorts, c) calculate marginal remaining lifetime net tax rates, taking into account all major federal and state tax and transfer policies, d) evaluate the ability of current income to correctly classify households as rich, middle class, and poor, e) determine whether current-year average net tax rates accurately capture actual fiscal progressivity, and f) determine whether current-year marginal tax rates on labor supply accurately capture actual remaining lifetime marginal net tax rates.

The American Dream on Hold - Economic Challenges in the African American Community

US Congress Joint Economic Committee – Fact-sheet – February 2016 – 5 pages

http://www.jec.senate.gov/public/_cache/files/26014260-8497-4e77-a90b-cc15d1f2be11/jec-black-history-month-fact-sheet.pdf

African Americans have made significant social and economic progress since the passage of the Civil Rights Act of 1964. However, by the most important measures of economic well-being, they continue to lag far behind white Americans.

FISCAL AND TAX POLICIES

The President's Budget for Fiscal Year 2017

White House - February 2016

<https://www.whitehouse.gov/omb/budget>

“The Budget makes critical investments while adhering to the bipartisan budget agreement signed into law last fall. It lifts sequestration in 2018 and beyond so that we continue to invest in our economic future and our national security. It also drives down deficits and maintains our fiscal progress through smart savings from health care, immigration, and tax reforms.”

Unsustainable Federal Spending and the Debt Limit

House Committee on Financial Services – Hearing - February 2, 2016

<http://financialservices.house.gov/calendar/eventsingle.aspx?EventID=400205>

Witness List:

Tom McClintock, Representative (CA-4th District), U.S. House of Representatives

Mark Pocan, Representative (WI-2nd District), U.S. House of Representatives

Daniel Mitchell, Senior Fellow, Cato Institute

Veronique de Rugy, Senior Research Fellow, Mercatus Center, George Mason University

Romina Boccia, Deputy Director, Thomas A. Roe Institute for Economic Policy Studies, The Heritage Foundation

Dr. Chad Stone, Chief Economist, Center on Budget and Policy Priorities

Jeffrey Miron

U.S. Fiscal Imbalance over Time: This Time Is Different

Cato Institute - White Paper - January 26, 2016

<http://www.cato.org/publications/white-paper/us-fiscal-imbalance-over-time-time-different>

“The U.S. fiscal imbalance—the excess of what we expect to spend, including repayment of our debt, over what government expects to receive in revenue—is large and growing. And with politicians proposing large new expenditures, little is being done to rectify the country’s fiscal health. Although some policymakers argue that fiscal meltdowns have never happened in U.S. history and that therefore “this time is no different,” the reality is that the nation’s fiscal situation has been deteriorating since the mid-1960s, is far worse than ever before, and could lead to a fiscal crisis if no major spending adjustments occur in the next few decades. To demonstrate this argument, this paper projects fiscal imbalance as of every year between 1965 and 2014, using data-supported assumptions about gross domestic product (GDP) growth, revenue, and trends in mandatory spending on Social Security, Medicare, Medicaid, and other programs.”

Robert Greenstein, Richard Kogan, and Isaac Shapiro

Low-Income Programs Not Driving Nation’s Long-Term Fiscal Problem

Center on Budget and Policy Priorities – Paper - Updated February 24, 2016 – 8 pages

<http://www.cbpp.org/sites/default/files/atoms/files/5-10-12bud.pdf>

“Low-income programs are not driving the nation’s long-term fiscal problems, contrary to the impression that a narrow look at federal spending during the Great Recession and the years that immediately followed might leave. Lawmakers should bear this in mind as they consider proposals that may emerge in coming months or next year for deep cuts in this part of the budget.”

Alan J. Auerbach and William G. Gale

Once More Unto the Breach: The Deteriorating Fiscal Outlook

Brookings - Paper - February 22, 2016 – 15 pages

http://www.brookings.edu/~media/research/files/papers/2016/02/22-fiscal-outlook/galeaurbach_oncemoreuntobreach_022216final.pdf

“After worsening sharply during the Great Recession, the long-term fiscal outlook generally improved through 2015, due to a combination of legislative acts and lower projected growth of health care spending. The same factors and the slow but steady economic recovery helped reduce short-term deficits over that period as well. Over the past year, though, the medium- and long-term fiscal outlooks have deteriorated. Part of this is due to legislative changes, part to changes in economic and technical factors, and a small part to changes in assumptions. This deterioration has happened without much fanfare and, even with a fall in projected interest rates working in the other direction, the estimated changes are large.”

Rebecca A. Friedman and Mark L. J. Wright

How Much Debt Does The U.S. Government Owe?

FRB Chicago – Fed Letter - January 2016 – 4 pages

<https://chicagofed.org/publications/chicago-fed-letter/2016/353>

“The U.S. government is often referred to as the world’s biggest debtor. But how much debt does it owe? A visit to the website of the U.S. Department of the Treasury yields a bewildering array of different measures of U.S. federal government debt. Although the gross debt of the U.S. federal government is approaching \$18 trillion, the debt that is subject to the debt limit is a few billion dollars smaller, while debt in the hands of the public is less than \$13 trillion.”

Meta Brown

The Graying of American Debt

Federal Reserve Bank of New York – Paper - February 12, 2016 – 18 pages

<https://www.newyorkfed.org/medialibrary/media/newsevents/mediaadvisory/2016/Graying-of-American-Debt-02122016.pdf>

“In real terms, debt in the hands of Americans aged 50 to 80 has increased by 59% since 2003. Substantial shift in aggregate debt toward older borrowers relevant to credit-driven consumer goods markets, but also loan performance. The payments on the loans represented in this figure are being made by substantially older borrowers now than we’ve seen in the past. Next: how much of this shift in the age distribution of household debt is attributable to simple population aging?”

Robert Greenstein, Joel Friedman, and Isaac Shapiro

Program Spending Historically Low Outside Social Security and Medicare, Projected to Fall Further

Center on Budget and Policy Priorities – Paper - Updated February 24, 2016 – 8 pages

<http://www.cbpp.org/sites/default/files/atoms/files/2-29-12bud.pdf>

“Republican leaders in Congress are expected to unveil budget proposals in coming weeks that would reduce projected deficits solely by cutting programs and to justify that approach by claiming that the size and reach of the federal government are growing dramatically. The data do not support this claim.”

Margot L. Crandall-Hollick

The Earned Income Tax Credit (EITC): An Economic Analysis

Congressional Research Service – Report - February 1, 2016 – 33 pages

<https://www.fas.org/sgp/crs/misc/R44057.pdf>

“The Earned Income Tax Credit (EITC) is a refundable tax credit available to eligible workers earning relatively low wages. The EITC, enacted nearly 40 years ago, has evolved from a relatively modest tax benefit to a significant antipoverty program. In light of potential congressional interest in modifying the credit, this report reviews the economic research on the EITC. An understanding of the economic impact of the credit, as well as its limitations and potential drawbacks, may inform future legislative modifications of the credit.”

The Global Tax Environment in 2016 and Implications for International Tax Reform

House Ways and Means Committee – Hearing - February 24, 2016

<http://waysandmeans.house.gov/event/chairman-brady-announces-hearing-on-the-global-tax-environment-in-2016-and-implications-for-international-tax-reform/>

Witness List

Michelle Hanlon, Professor of Accounting, MIT Sloan School of Management

Raymond Wiacek, Partner, Jones Day

Itai Grinberg, Associate Professor of Law, Georgetown University Law Center

Edward D. Kleinbard, Professor of Law, University of Southern California Gould School of Law

MONETARY POLICY

The Semiannual Monetary Report to Congress

Senate - Committee on Banking, Housing, and Urban Affairs – Hearing - February 11, 2016

<http://www.banking.senate.gov/public/index.cfm/hearings?ID=EBDD6E93-DC93-415D-99E1-0CD84FFA04D5>

Witness: The Honorable Janet L. Yellen, Chair, Board of Governors of the Federal Reserve System.

Richard M. Ebeling

The Federal Reserve and Sound Money

National Center For Policy Analysis – Issue Brief – February 2016 – 4 pages

<http://www.ncpa.org/pdfs/ib188.pdf>

“We are living in a time of monetary chaos. The U.S. Federal Reserve has manipulated key interest rates down to practically zero for the last six years, and expanded the money supply in the banking system by \$4 trillion over that period. And with the true mentality of the monetary central planner, the Fed Board of Governors now plans to manipulate key interest rates in an upward direction that they deem more desirable.”

John C. Williams

The Right Profile: Economic Drivers and the Outlook

FRB San Francisco - Economic Letter - February 22, 2016 – 5 pages

<http://www.frbsf.org/economic-research/files/el2016-05.pdf>

“Headline news can give false impressions of what motivates monetary policymakers. While international developments and financial market volatility are closely monitored, what matters for policy is how those things affect jobs and inflation. The U.S. economy has had strong job growth, and inflation is low but on course to reach target. The best course remains a gradual pace of policy rate increases. The following is adapted from a presentation by the president and CEO of the Federal Reserve Bank of San Francisco to Town Hall Los Angeles on February 18.”

Vasco Cúrdia

Is There a Case for Inflation Overshooting?

FRB San Francisco - Economic Letter - February 16, 2016 – 5 pages

<http://www.frbsf.org/economic-research/files/el2016-04.pdf>

In the wake of the financial crisis, the Federal Reserve dropped the federal funds rate to near zero to bolster the U.S. economy. Recent research suggests that the constraint preventing this rate from being even lower has kept the economy from reaching its full potential. Given the lingering economic slack, allowing inflation to rise temporarily above the Fed’s 2% target might help achieve a better balance between the Fed’s dual mandates of maximum employment and stable prices more quickly.”

Olivier Blanchard

The US Phillips Curve: Back to the 60s?

Peterson Institute - Policy Brief – January 2016 – 4 pages

<http://www.piie.com/publications/pb/pb16-1.pdf>

“Blanchard reexamines the behavior of inflation and unemployment and reaches four conclusions: (1) Low unemployment still pushes inflation up; high unemployment pushes it down. Put another way, the US Phillips curve is alive. (2) Inflation expectations, however, have become steadily more anchored, leading to a relation between the unemployment rate and the level of inflation rather than the change in inflation. In this sense, the relation resembles more the Phillips curve of the 1960s than the accelerationist Phillips curve of the later

period. (3) The slope of the Phillips curve, i.e., the effect of the unemployment rate on inflation given expected inflation, has declined. But the decline dates from the 1980s rather than the crisis. (4) The standard error of the residual in the relation is large, especially in comparison to the low level of inflation. The last three conclusions present challenges for the conduct of monetary policy.”

Federico J. Diez and Gita Gopinath

The Effects of a Stronger Dollar on U.S. Prices

FRB Boston - Current Policy Perspectives – February 2016 – 24 pages

<http://www.bostonfed.org/economic/current-policy-perspectives/2015/cpp1509.pdf>

“Since 2014:Q3, the U.S. dollar has experienced the third-fastest appreciation in over 30 years, with its nominal exchange and real exchange rate rising 15 percent against almost all foreign currencies (as measured by the Major Currencies Dollar Index). This sudden and rapid gain has engendered concerns about how a stronger dollar will affect U.S. export and import prices and ultimately, consumer prices and inflation in the United States. This paper assembles a rich database, spanning the period from 1985:Q1 through 2014:Q4, that combines several measures of prices and exchange rates in order to examine the likely outlook for U.S. import and export prices and consumer prices in the short run (one quarter) and over a 24-month period.”

Eswar Prasad

China's Efforts to Expand the International Use of the Renminbi

Brookings - Report - February 4, 2016 – 140 pages

<http://www.brookings.edu/~media/Research/Files/Reports/2016/02/04-china-international-use-renminbi-prasad/RMBReportFinal.pdf?la=en>

“China’s economy is now the second largest in the world and a key driver of global growth. Its currency, the renminbi (RMB), was only recently elevated to the status of an official reserve currency. The potential for the RMB to develop quickly into an international currency is not without historical precedent. However, any discussion of the RMB’s ascendance might seem premature given that China has neither a flexible exchange rate nor an open capital account, once considered essential prerequisites for a country’s currency to have a major role in global financial markets.”

FINANCE

Dennis McCuiston and David Grantham

Causes of the 2008 Financial Crisis

National Center for Policy Analysis -Backgrounder - February 2016 – 8 pages

<http://www.ncpa.org/pdfs/bg181.pdf>

“Experts point to a variety of issues that likely caused the 2008 financial crisis, such as modern banking practices, unethical behavior or government policy. The available evidence suggests, however, that a convoluted interaction between the public sector and private sector business was the primary culprit. This relationship created the subprime mortgage crisis, which caused the 2008 meltdown. Why is this crisis any different, though? After all, government action in private finance is not a new phenomenon.”

Neel Kashkari

Lessons from the Crisis: Ending Too Big to Fail

Brookings – Remarks - February 16, 2016 – 7 pages

<http://www.brookings.edu/events/2016/02/16-kashkari-lessons-financial-crisis>

<http://www.brookings.edu/~media/events/2016/02/16-kashkari/kashkaribrookings2162016.pdf>

“Neel Kashkari, the new president of the Federal Reserve Bank of Minneapolis, delivered his first public speech at the Hutchins Center on Fiscal & Monetary Policy at Brookings on February 16. President Kashkari,

who was the assistant Treasury secretary overseeing the Troubled Asset Relief Program, assessed the post-crisis legislative and regulatory arrangements for preventing financial crises. Following the remarks, there was a panel discussion moderated by David Wessel, director of the Hutchins Center.”

Continuing the Conversation on Liquidity

FRB New York – Liberty Street Economics - February 8, 2016

<http://libertystreeteconomics.newyorkfed.org/2016/02/continuing-the-conversation-on-liquidity.html>

“Building off of previous research, our economists present an 11-part blog series on how market liquidity has evolved since the financial crisis. The series includes analysis on liquidity in the corporate, MBS and Treasury bond markets, as well as a look at asset managers’ vulnerability to fire sales and spillovers from runs on high-yield funds.”

Paul H. Kupiec

Fixing Prompt Corrective Action

AEI - Working Paper - January 29, 2016 – 15 pages

<https://www.aei.org/wp-content/uploads/2016/01/Kupiec-Fixing-Prompt-Corrective-Action-Jan-2016.pdf>

“Prompt Corrective Action (PCA) requires regulators to sanction banks before they become insolvent and to resolve institutions within 90 days of reaching critically undercapitalized status. Forensic studies of the financial crisis conclude that the PCA process not only failed to rehabilitate troubled banks, it also produced a higher average failed-bank loss rate compared to the pre-PCA period. The most promising approach for PCA reform is to replace PCA capital ratios with a bank’s nonperforming-asset coverage ratio. Research has demonstrated that this simple revision identifies failing institutions before current PCA measures which could significantly reduce Deposit Insurance Fund losses.”

Jonas Crews, Kevin L. Kliesen, Christopher J. Waller

Focus on Low Real Interest Rate Might Be Misplaced

FRB Saint Louis – The Regional Economist – January 2016 – 4 pages

https://www.stlouisfed.org/~media/Publications/Regional%20Economist/2016/January/real_interest_rate.pdf

“U.S. and global real returns on safe, liquid government debt have fallen substantially over the past 25 years or so. Some have argued that real yields have been depressed by a global savings glut while others have pointed to the exact opposite—a lack of profitable investment opportunities that has reduced the demand for fixed investment. On balance, the evidence modestly supports the global savings glut story. However, this debate misses the larger and more important point: What matters for long-term growth is the real return to capital. And on that score, real returns to productive U.S. fixed investment in tangible capital have not fallen over the past 25 years.”

Ricardo T. Fernald and Christoffer Koch

Why Are Big Banks Getting Bigger?

Federal Reserve Bank of Dallas - Working Paper - February 18, 2016 – 46 pages

<http://www.dallasfed.org/assets/documents/research/papers/2016/wp1604.pdf>

The U.S. banking sector has become substantially more concentrated since the 1990s, raising questions about both the causes and implications of this consolidation. We address these questions using nonparametric empirical methods that characterize dynamic power law distributions in terms of two shaping factors — the reversion rates (a measure of cross-sectional mean reversion) and idiosyncratic volatilities of assets for different size-ranked banks... We show that the greater concentration of U.S. bank-holding company assets is a result of lower mean reversion, a result consistent with policy changes such as interstate branching deregulation and the repeal of Glass-Steagall. In contrast, the greater concentration of both U.S. commercial bank and thrift assets is a result of higher idiosyncratic volatility, yet, idiosyncratic volatility of parent bank-holding company assets fell.”

Andrew Haughwout, Donghoon Lee, Joelle Scally, and Wilbert van der Klaauw

Whither Mortgages?

FRB New York - Liberty Street Economics - February 22, 2016

<http://libertystreeteconomics.newyorkfed.org/2016/02/whither-mortgages.html#.VsyZheZdrRc>

“Our most recent Quarterly Report on Household Debt and Credit showed that although total household debt has increased somewhat since 2012, that growth has been driven almost entirely by nonhousing debt—credit cards, auto loans and student loans. The largest category of household debt—mortgages—has been essentially flat since 2012, in spite of a substantial rise in housing prices over that period. In this post, we explore the sources of the sluggish growth in mortgage debt using our New York Fed Consumer Credit Panel, which is based on Equifax credit data.”

LOCAL ECONOMIC DEVELOPMENT

David B. Oppedahl

Labor Issues Facing Agriculture and the Rural Midwest

FRB Chicago – Chicago Fed Letter – January 2016 – 4 pages

<https://www.chicagofed.org/publications/chicago-fed-letter/2016/354>

For years the rural Midwest has faced concerns about its falling population, waning work force vitality, and increasing health problems—all of which have contributed to slower economic growth relative to that of the region’s urban areas. The Federal Reserve Bank of Chicago and the W. E. Upjohn Institute for Employment Research held a conference on November 16–17, 2015, to address labor-related issues confronting the Midwest’s rural economy and, in particular, its agricultural sector.

Little Town, Layered Ecosystem: A Case Study of Chattanooga

Kauffman Foundation - Research Paper – February 2016 – 32 pages

http://www.kauffman.org/~media/kauffman_org/research%20reports%20and%20covers/2016/chattanooga_entrepreneurship_ecosystem_study.pdf

“This paper “examines the long history of collaboration and public-private partnerships that have paved the way for an entrepreneurial ecosystem and permeate the city’s economic development strategy in Chattanooga, Tenn. It outlines steps that provide implications for small cities around the country and identifies multiple layers of intertwined supporting organizations that have bolstered entrepreneurship in Chattanooga. The report is the newest installment in the Kauffman Foundation Research Series on City, Metro and Regional Entrepreneurship. Previous reports in the series focus on the entrepreneurial ecosystems in Kansas City, Mo., St. Louis and Indianapolis.”

At the Heart of Texas: Cities' Industry Clusters Drive Growth

FRB Dallas – February 2016

<http://dallasfed.org/research/heart/index.cfm>

“Houston’s economic diversification from its energy base won’t allow it to escape pain from the oil price collapse, while Dallas’ large and growing business and financial services sector should lead to continued growth as the state economy slows... This paper is a comprehensive look at the industry clusters, history and demographics shaping eight of the state’s key metropolitan areas: Austin, Dallas, El Paso, Fort Worth, Houston, McAllen, Midland-Odessa and San Antonio. For each city, the report’s authors identify the dominant industry clusters—those that exceed the national average in their share of employment—that drive that city’s economy.”

OTHER ECONOMIC POLICIES

Robert Jay Dilger and Sean Lowry

Small Business Administration: A Primer on Programs and Funding

Congressional Research Service – Report - February 9, 2016 – 36 pages

<https://www.fas.org/sgp/crs/misc/RL33243.pdf>

“The Small Business Administration (SBA) administers several types of programs to support small businesses, including loan guaranty and venture capital programs to enhance small business access to capital; contracting programs to increase small business opportunities in federal contracting; direct loan programs for businesses, homeowners, and renters to assist their recovery from natural disasters; and small business management and technical assistance training programs to assist business formation and expansion.”

Triple Threat to Workers and Households: Impacts of Federal Regulations on Jobs, Wages and Startups

House Committee on the Judiciary – Hearing – February 24, 2016

<http://judiciary.house.gov/index.cfm/hearings?ID=8A408BA7-1EFB-40C0-88D9-E258BA789112>

Witnesses

Janet Whitacre-Kaboth, President, Whitacre-Greer Company

Ryan M. Murray, Vice President of Operations, Murray Energy Corporation

Jared Meyer, Fellow, Economics21 at the Manhattan Institute

Patrick McLaughlin, Senior Research Fellow of Health Policy Studies, Mercatus Center

Robert Weissman, President, Public Citizen

Josh Bivens, Research and Policy Director, Economic Policy Institute

BUSINESS

Sarah A. Donovan, David H. Bradley, and Jon O. Shimabukuro

What Does the Gig Economy Mean for Workers?

Congressional Research Service – Report - February 5, 2016 – 20 pages

<https://www.fas.org/sgp/crs/misc/R44365.pdf>

“The gig economy is the collection of markets that match providers to consumers on a gig (or job) basis in support of on-demand commerce. In the basic model, gig workers enter into formal agreements with on-demand companies (e.g., Uber, TaskRabbit) to provide services to the company’s clients... Recent trends in on-demand commerce suggest that gig workers may represent a growing segment of the U.S. labor market. In response, some Members of Congress have raised questions, for example, about the size of the gig workforce, how workers are using gig work, and the implications of the gig economy for labor standards and livelihoods more generally.”

Aparna Mathur

New Economy, Old Challenges Facing Entrepreneurs

American Enterprise Institute – Paper – February 2016 – 15 pages

https://www.aei.org/wp-content/uploads/2016/02/NEG-7_Policy_-MATHUR.pdf

The U.S. economy is facing many challenges today. Economic growth and dynamism are down. This shows up in the lower rates of entrepreneurship that have been observed over the last decade, as well as in the extended periods of slack in the labor market, with high levels of long-term unemployment and youth unemployment. At the same time, many of the traditional factors that affect entrepreneurial dynamism, such as policy uncertainty, taxes, sales, and financing, are even more challenging in this economic environment. The new economy, or the gig economy, presents many opportunities. On the one hand, it offers individuals who otherwise might be left out of the entrepreneurial process an opportunity to behave in an entrepreneurial manner by sharing their skills, assets, and time. However, this new economy lacks much of the safety net that perhaps comes with traditional

jobs. In this paper, I discuss these new and old challenges and offer some policy ideas that might help the transition to an economy that offers more stability, security, and opportunity for American entrepreneurs and their families.

Marcus Noland, Tyler Moran, and Barbara Kotschwar

Is Gender Diversity Profitable? Evidence from a Global Survey

Peterson Institute - Working Paper - February 2016 – 35 pages

<http://www.iie.com/publications/wp/wp16-3.pdf>

Analysis of a global survey of 21,980 firms from 91 countries suggests that the presence of women in corporate leadership positions may improve firm performance. This correlation could reflect either the payoff to nondiscrimination or the fact that women increase a firm's skill diversity. Women's presence in corporate leadership is positively correlated with firm characteristics such as size as well as national characteristics such as girls' math scores, the absence of discriminatory attitudes toward female executives, and the availability of paternal leave. The results find no impact of board gender quotas on firm performance, but they suggest that the payoffs of policies that facilitate women rising through the corporate ranks more broadly could be significant

The New Economy of Fashion

US Congress – Joint Economic Committee – Report - February 2016 – 13 pages

http://www.jec.senate.gov/public/_cache/files/01498736-4605-4715-a894-4a04f65b01fc/the-new-economy-of-fashion---joint-economic-committee-final-lp-.pdf

“Fashion is a multi-trillion dollar global *industry*, encompassing everything from textile and apparel brands to wholesalers, importers and retailers. Over a trillion dollars is spent annually on apparel and footwear around the globe, with nearly \$370 billion spent here in the United States. The fashion industry—including retailers, manufacturers, designers and wholesalers—employs more than 1.8 million people in the United States... The U.S. fashion industry has changed dramatically since the early part of the 20th century when its main focus was manufacturing... There are strong signs of a bright future for sectors of the fashion industry—primarily in design and high-tech manufacturing.”

The Impact of International Regulatory Standards on the Competitiveness of U.S. Insurers: Part II

House Subcommittee on Housing and Insurance – Hearing - February 25, 2016

<http://financialservices.house.gov/calendar/?EventTypeID=309&Congress=114>

“This hearing will examine the various international regulatory standards being considered by the G-20, the Financial Stability Board, the International Association of Insurance Supervisors, and other international supervisory authorities. Witnesses will discuss how best to: coordinate global and domestic insurance policy; promote a competitive marketplace that allows U.S. insurers to effectively compete with international counterparts; preserve the authority of the states to regulate insurance; and enhance cooperation between state and federal entities on both international and domestic insurance regulatory regimes. In addition, this hearing will review draft legislation to enhance Congress's oversight of insurance-related international deliberations to which the United States is a party.”

An Examination of Changes to the U.S. Patent System & Impacts on America's Small Businesses

Senate Committee on Small Business – Hearing – February 25, 2016

http://www.sbc.senate.gov/public/index.cfm?p=Hearings&ContentRecord_id=4965AFC0-A04D-4001-B6E7-A238E620049E&ContentType_id=14F995B9-DFA5-407A-9D35-56CC7152A7ED&Group_id=43eb5e02-e987-4077-b9a7-1e5a9cf28964

“Our conversation today will focus on whether the patent litigation abuse problem demands a major rewrite of our patent laws or if the changes taking place are having the desired effect, specifically with regards to small businesses... In the past twenty years, U.S. university licensing activity contributed \$181 billion to the U.S. GDP. The numbers clearly speak for themselves. Unfortunately, the rise of so-called “patent trolls” who acquire patents solely for the purpose of making money through royalty demands or lawsuits have had a

detrimental effect on businesses, innovators, and universities alike. Patent reform is needed. However, before Congress jumps to overhaul the entire system, the extent of necessary reform needs to be clarified.”

R&D – INNOVATION

Adams Nager, David M. Hart, Stephen Ezell, and Robert D. Atkinson

The Demographics of Innovation in the United States

Information Technology & Innovation Foundation – Report – February 2016 – 87 pages

<http://www2.itif.org/2016-demographics-of-innovation.pdf>

“Behind every technological innovation is an individual or team for the hard scientific or engineering work. But who are they, and what kind of education and experiences have they had to gain the requisite knowledge, expertise, and opportunity? To find out, ITIF surveyed more than 900 award-winning innovators and international patent applicants. This groundbreaking report finds that the demographics of U.S. innovation are different from the demographics of the country as a whole—even from the demographics of college graduates or those with Ph.Ds. in science or engineering.”

Ian Hathaway

Accelerating Growth: Startup Accelerator Programs In the United States

Brookings Metropolitan Program – Paper – February 2016

<http://www.brookings.edu/research/papers/2016/02/17-startup-accelerator-programs-hathaway>

“A convergence of factors in information technology and capital markets have helped propel a boom in venture capital-backed startups in recent years. While well-established regions such as San Francisco-Silicon Valley, Boston-Cambridge, and New York account for the lion’s share of startup activity and funding, significant evidence suggests that a non-trivial amount of early stage capital is dispersing geographically throughout the United States... Startup accelerators have become increasingly popular elements of local efforts to cultivate innovation-driven entrepreneurship. This new report defines startup accelerators, examines their recent growth and regional location, and highlights best practices for governments seeking to support their success.”

Robert D. Atkinson

Why Life-Sciences Innovation Is Politically “Purple”—and How Partisans Get It Wrong

Information Technology & Innovation Foundation – Report – February 2016 – 25 pages

http://www2.itif.org/2016-life-sciences-purple.pdf?_ga=1.214198103.1562931536.1436366239

“There has long been bipartisan consensus that America leads the world in discovering and developing new drugs because the federal government provides robust funding for scientific research, and the U.S. system has strong IP protections and a drug reimbursement system that encourage vigorous private-sector innovation. But now that consensus is coming under attack from left-wing populists and right-wing libertarians. If the center cannot hold, then the future of biomedical innovation will be in peril.”

TELECOMMUNICATIONS

Seeing the Forest for the Trees: Why the Digital Single Market Matters for Transatlantic Relations

German Marshall Fund – Policy Paper – January 2016

http://www.gmfus.org/publications/seeing-forest-trees?mc_cid=906ebb1dea&mc_eid=c56f7c6ab9

Contributing to a volume for the German Marshall Fund, Rob Atkinson writes that many of the European Commission’s proposals under the Digital Single Market focus on discrete goals, such as privacy protection, in ways that will make it harder to achieve broader goals, such as having the EU become a digital industry leader.

Martin A. Weiss and Kristin Archick

U.S.-EU Data Privacy: From Safe Harbor to Privacy Shield

Congressional Research Service – Report - February 12, 2016 – 17 pages

<https://www.fas.org/sgp/crs/misc/R44257.pdf>

“This report provides background on U.S. and EU data protection policies and the Safe Harbor Agreement, discusses the CJEU ruling, and reviews the key elements of the newly-proposed Privacy Shield. It also explores various issues for Congress, including implications for U.S. firms of Safe Harbor’s invalidation and the role of the proposed Judicial Redress Act in helping to ameliorate U.S.-EU tensions on data privacy and protection issues.”

International Conflicts of Law Concerning Cross Border Data Flow and Law Enforcement Requests

House Committee on the Judiciary – Hearing – February 25, 2016

<http://judiciary.house.gov/index.cfm/hearings?ID=61F0B4C3-0539-4A69-A62E-BEF6F8396907>

I will address three topics in my testimony. First, I will discuss the increasingly important role that cross-border access to data plays in the protection of the public, for both the United States and our foreign partners. Second, I will address existing U.S. law related to obtaining access to information across borders, including the role of the Stored Communications Act (“SCA”) and Mutual Legal Assistance Treaties (“MLATs”), which affect the ability of both the United States and other countries to successfully investigate and prosecute serious crimes. Third, I will address possible legislation, including the opportunity to build a new framework for effective, efficient, and privacy-protecting cross-border access to data — as well as the need to avoid legislation that would erect new obstacles to our ability to protect Americans, without adding any meaningful protections for privacy.”

Don’t Panic: Making Progress on the “Going Dark” Debate

The Berkman Center for Internet & Society at Harvard University - February 1, 2016 – 37 pages

https://cyber.law.harvard.edu/pubrelease/dont-panic/Dont_Panic_Making_Progress_on_Going_Dark_Debate.pdf

This report offers a new perspective on the “going dark” debate as some companies are encrypting services by default, making their customers’ messages accessible only to the customers themselves, at the same time that terrorist groups seek to use encryption to conceal their communication from surveillance. The report outlines how market forces and commercial interest point to a future with more opportunities for surveillance, not less.

INFRASTRUCTURE – TRANSPORTATION

Elizabeth C. McNichol

It’s Time for States to Invest in Infrastructure

Center on Budget and Policy Priorities – Paper – February 23, 2016 – 20 pages

<http://www.cbpp.org/sites/default/files/atoms/files/2-23-16sfp.pdf>

“A new CBPP paper out today urges states to invest in infrastructure. Reversing the decline in state investment in transportation, public buildings, water treatment systems, and other forms of vital infrastructure is key to creating good jobs and promoting full economic recovery — and this is an especially good time for states to do it. The condition of roads, bridges, schools, water treatment plants, and other physical assets greatly influences the economy’s ability to function and grow. Every state needs infrastructure improvements that have potential to pay off economically in private sector investment and job growth.”

Approaches to Making Federal Highway Spending More Productive

Congressional Budget Office – Report - February 11, 2016 – 40 pages

https://www.cbo.gov/sites/default/files/114th-congress-2015-2016/reports/50150-Federal_Highway_Spending.pdf

“Federal spending on highways (or, synonymously, roads) totaled \$46 billion in 2014, roughly a quarter of total public spending on highways. About 95 percent of that amount was spent for the construction of highways or for their improvement, expansion, and major repair, and the remainder was spent for operation and maintenance... Federal spending on highways does not correspond very well with how the roads are used. CBO examines three approaches lawmakers could consider to make highway spending more productive.”

Passenger Rail: Opportunities and Challenges for the National Network

Senate Committee on Commerce, Science, and Transportation – Hearing - February 23, 2016

<http://www.commerce.senate.gov/public/index.cfm/hearings?ID=A3488A64-458A-447B-853C-6CF5C595D13E>

Witnesses will testify on local, state, and federal efforts to strengthen state-supported and long-distance passenger rail routes, which account for the majority of trips taken by Amtrak passengers. It will focus on reforms advanced in the five-year transportation bill signed into law in December 2015, including measures to increase the transparency of Amtrak, streamline railroad project approvals, expand state and local participation in National Network activities, and boost innovation and competitiveness in grant programs. The hearing will also cover new initiatives, such as the Gulf Coast Working Group and State-Supported Route Committee.

AGRICULTURE

Vincent H. Smith

A Midterm Review of the 2014 Farm Bill

American Enterprise Institute - February 2016 – 11 pages

<http://www.aei.org/wp-content/uploads/2016/02/Midterm-Review.format.pdf>

“The current farm bill, formally titled the Agricultural Act of 2014, was signed into law by President Barack Obama on February 7, 2014. The act’s provisions radically changed the structure of price and revenue-per-acre subsidy programs for crops that have received subsidies for more than 70 years. Subsidy policies for dairy producers were also revamped. In addition, disaster aid programs for livestock producers, for which funding had ceased at the end of 2011, were modified and refunded, generally on more favorable terms. Federal crop insurance programs were expanded, and at least notionally, conservation programs were rationalized. Additionally, the scope of one long-standing initiative was substantially reduced the Conservation Reserve Program, a cropland retirement program under which farmers are paid to place part or all of their cropland into conserving uses.”

State of the Rural Economy

House Committee on Agriculture – Hearing - February 24, 2016

<http://agriculture.house.gov/calendar/eventsingle.aspx?EventID=3159>

"Against the backdrop of deteriorating conditions in farm country, Secretary of Agriculture Tom Vilsack will testify on the state of the rural economy. This hearing will examine the extent to which current farm policy is helping address the estimated 56 percent decline in net farm income since 2013, the largest 3-year percentage drop since the Great Depression.”

Tadlock Cowan

An Overview of USDA Rural Development Programs

Congressional Research Service – Report - February 10, 2016 – 40 pages

<https://www.fas.org/sgp/crs/misc/RL31837.pdf>

“More than 88 programs administered by 16 different federal agencies target rural economic development. The United States Department of Agriculture (USDA) administers the greatest number of rural development programs and has the highest average of program funds going directly to rural counties (approximately 50%)... This report provides an overview of the various programs administered by USDA Rural Development’s mission agencies, their authorizing legislation, program objectives, eligibility criteria, and FY2005-FY2016 funding for each program.”

K. William Watson

Reign of Terroir: How to Resist Europe’s Efforts to Control Common Food Names as Geographical Indications

Cato Institute - Policy Analysis - February 16, 2016

<http://www.cato.org/publications/policy-analysis/reign-terroir-how-resist-europes-efforts-control-common-food-names>

“The European Union’s agenda in international trade negotiations includes an effort to secure the protection of their “geographical indications” (GIs) in foreign markets. If European officials have their way, a great number of common food and drink names will disappear from American grocery store shelves... At the heart of Europe’s approach to GI protection is the idea of terroir... When others use place names in a generic way, they are, in the European view, unfairly usurping the value created in that name by generations of local producers. Supporters claim that strong GI protection is needed to prevent fraud, ensure fairness, and promote economic development. In truth, Europe’s approach to GI protection mainly serves to privilege traditional producers at the expense of consumer welfare and economic growth.”

Renée Johnson

The Role of Local and Regional Food Systems in U.S. Farm Policy

Congressional Research Service – Report - February 22, 2016 – 45 pages

<https://www.fas.org/sgp/crs/misc/R44390.pdf>

“Sales of locally produced foods comprise a small but growing part of U.S. agricultural sales. Estimates vary but indicate that local food sales total between \$4 billion to \$12 billion annually. The U.S. Department of Agriculture (USDA) estimates that local food sales totaled \$6.1 billion in 2012, reflecting sales from nearly 164,000 farmers selling locally marketed foods. This represents 8% of U.S. farms and an estimated 1.5% of the value of total U.S. agricultural production. Most (85%) of all local-food farms are smaller in size, with gross revenues under \$75,000.”

Catherine Greene, Seth J. Wechsler, Aaron Adalja, and James Hanson

Economic Issues in the Coexistence of Organic, Genetically Engineered (GE), and Non-GE Crops

USDA – Economic Research Service – Economic Information Bulletin - February 2016 - 41 pages

<http://ers.usda.gov/media/2022027/eib-149.pdf>

“Two decades after genetically engineered seeds became available, GE varieties are common in U.S. corn, soybean, cotton, canola, and sugarbeet production. Markets for food containing non-GE ingredients also exist. This report examines organic and conventional product markets, common coexistence practices, and the economic impacts when GE material is detected in non-GE products.”

Magnuson-Stevens Fishery Conservation and Management Act at 40: Successes, Challenges and the Path Forward

Senate Committee on Commerce, Science, and Transportation – Hearing - February 23, 2016

<http://www.commerce.senate.gov/public/index.cfm/hearings?ID=6A78AA91-F806-4C75-A0A3-DAC399CEE96B>

The hearing will examine the fishery law’s successes, challenges, and future on the 40th anniversary of its enactment into law. The National Oceanic and Atmospheric Administration (NOAA) is currently revising a

cornerstone of MSA implementation, known as National Standard 1, that prevents overfishing. The hearing will focus on that rulemaking and if revisions to the MSA are necessary.

EMPLOYMENT – WAGES

Definition and Policy Goals of Full Employment

US Congress – Joint Economic Committee – February 10, 2016 – 7 pages

http://www.jec.senate.gov/public/_cache/files/b0aba7c1-5a2d-4470-abb8-b1fc0222f260/2-10-full-employment-brief.pdf

“The term “full employment” has been used for decades by economists and policymakers to signify a strong and healthy labor market, in which all workers who want a job have one except for those who lack skill or ability (structural unemployment) or are simply in a period of transition between one job to another (frictional unemployment)... However, this measure has become increasingly problematic as a proxy of labor market health. For instance, while today’s U-3 “official” unemployment rate of 4.9 percent falls within the traditional concept of full employment, it would be imprudent to assume a healthy labor market given that other labor market indicators continue to show significant slack.”

Marianna Kudlyak, Juan M. Sánchez

Labor Indicators: Some of Today's Trends Pre-Date the Great Recession

FRB Saint Louis – The Regional Economist – January 2016 - 5 pages

https://www.stlouisfed.org/~media/Publications/Regional%20Economist/2016/January/labor_lead.pdf

“More than six years after the Great Recession reached its trough, policymakers and researchers are still debating whether a full-blown, robust recovery in the labor market is under way... We argue that some cyclical factors are being confused in this debate with secular, or long-term, trends in the labor markets—trends that started many years before the latest recession. We cite evidence to support the idea that the current apparent weakness in the labor market may be related to the long-term negative trends in labor force participation, real wage growth, job reallocation and business creation. In this context, many labor indicators are actually stronger today than they have been in years, and even many of the "weak" ones have rebounded from Great Recession levels.”

Robert Hall and Nicolas Petrosky-Nadeau

Changes in Labor Participation and Household Income

FRB San Francisco Economic Letter - February 1, 2016 - 5 pages

<http://www.frbsf.org/economic-research/files/el2016-02.pdf>

The percentage of people active in the labor force has dropped substantially over the past 15 years. Part of this decline appears to be the result of secular factors like the aging of the workforce. However, the participation rate among people in their prime working years—ages 25 to 54—has also fallen. Recent research suggests this decline among prime-age workers can be attributed in large part to lower participation from among the higher-income half of U.S. households.

Anat Bracha, Mary Burke, and Arman Khachiyani

Changing Patterns in Informal Work Participation in the United States 2013-2015

FRB Boston - Current Policy Perspectives – February 2016 – 41 pages

<http://www.bostonfed.org/economic/current-policy-perspectives/2015/cpp1510.pdf>

“In light of the weak labor market conditions in the United States from 2008 until recently, one might have expected that participation in alternative income-generating activities, such as informal side-jobs, would have increased during that period. By the same logic, participation in informal work should have declined more recently, as conditions in the formal labor market improved. However, recent technological innovations have

created a number of new opportunities for engaging in informal work. Such innovations may have promoted structural increases in informal work participation; if so we would expect informal work participation to remain elevated or increase further even as the economy improves.”

Michael R. Strain

Employment Policies to Get Americans Working Again

American Enterprise Institute – Book Chapter – February 2016 – 15 pages

<http://conservativereform.com/employment-policies-get-americans-working/>

“Though the Great Recession ended in 2009, you’d never know it from the millions of Americans suffering from long-term unemployment. Michael R. Strain reminds us of the tragic consequences of long-term unemployment, and the alarming decline in male labor force participation that seems to have accelerated in recent years. To put Americans back to work, Strain offers a new conservative employment agenda that would roll back licensing requirements; offer relocation assistance in place of continued unemployment benefits; temporarily lower minimum wages for the long-term unemployed with a temporary subsidy; offer tax credits for those hiring long-term unemployed; and promote worksharing programs to prevent layoffs. More ambitiously, he recommends expanding the earned-income tax credit to make work more attractive to childless workers.”

Michael Mazerov and Michael Leachman

State Job Creation Strategies Often Off Base

Center on Budget and Policy Priorities - February 3, 2016 – 13 pages

<http://www.cbpp.org/sites/default/files/atoms/files/2-3-16sfp.pdf>

“To create jobs and build strong economies, states should focus on producing more home-grown entrepreneurs and on helping startups and young, fast-growing firms already located in the state to survive and to grow — not on cutting taxes and trying to lure businesses from other states. That’s the conclusion from a new analysis of data about which businesses create jobs and where they create them.”

WAGES - APPRENTICESHIP

David H. Bradley

State Minimum Wages: An Overview

Congressional Research Service – Report - February 5, 2016 – 36 pages

<https://www.fas.org/sgp/crs/misc/R43792.pdf>

“The Fair Labor Standards Act (FLSA), enacted in 1938, is the federal legislation that establishes the general minimum wage that must be paid to all covered workers. While the FLSA mandates broad minimum wage coverage, states have the option of establishing minimum wage rates that are different from those set in it. Under the provisions of the FLSA, an individual is generally covered by the higher of the state or federal minimum wage. As of 2016, 29 states and the District of Columbia have minimum wage rates above the federal rate of \$7.25 per hour, with rates ranging from \$0.25 to \$4.25 above the federal rate. Two states have minimum wage rates below the federal rate and five states have no state minimum wage requirement. The remaining 14 states have minimum wage rates equal to the federal rate.”

The Impact of High-Skilled Immigration on U.S. Workers

House - Subcommittee on Immigration and the National Interest – Hearing - February 25, 2016

<http://www.judiciary.senate.gov/meetings/the-impact-of-high-skilled-immigration-on-us-workers>

Some of today’s witnesses will express their concerns with the H-1B program. I share many of those concerns. When immigrant visa programs are misused to depress the wages of American workers and outsource jobs, all workers suffer. These programs should be used to help create opportunities in America, not displace them, but

the current allocation system does nothing to achieve that result... It is time to stop making up excuses to delay immigration reform. The perspectives we will hear today illustrate the serious hardships affecting American workers and our economy as a result of our outdated immigration laws and Congressional inaction. We must act on the need for comprehensive immigration reform.”

Benjamin Collins

Apprenticeship in the United States: Frequently Asked Questions

Congressional Research Service – Report - January 29, 2016 – 8 pages

<https://www.fas.org/sgp/crs/misc/R44174.pdf>

“This report focuses on the Registered Apprenticeship system, through which the U.S. Department of Labor (or a recognized state apprenticeship agency) certifies a program as meeting federal requirements related to duration, intensity, and benefit to the apprentice. Historically, the federal role in apprenticeship has primarily involved regulation and oversight. In recent years, federal funds have been made available to support the development and expansion of apprenticeship programs. There are also several established federal funding streams in which apprenticeship is an allowable, but not required, use of funds.”

RETIREMENT

Dawn Nuschler

Social Security Primer

Congressional Research Service – Report - February 9, 2016 – 18 pages

<https://www.fas.org/sgp/crs/misc/R42035.pdf>

“This report provides an overview of Social Security financing and benefits under current law. Specifically, the report covers the origins and a brief history of the program; Social Security financing and the status of the trust funds; how Social Security benefits are computed; the types of Social Security benefits available to workers and their family members; the basic eligibility requirements for each type of benefit; the scheduled increase in the Social Security retirement age; and the federal income taxation of Social Security benefits.”

Barry P. Bosworth, Gary Burtless and Kan Zhang

Later Retirement, Inequality In Old Age, And The Growing Gap In Longevity Between Rich And Poor

Brookings – Paper – February 2016 – 176 pages

<http://www.brookings.edu/research/reports2/2016/02/life-expectancy-gaps-promise-social-security>

“The U.S. Social Security system, which established old age benefits, is designed to be highly progressive by redistributing income from workers with high average lifetime earnings to workers—and their dependents—who have low lifetime earnings... While the average income (adjusted for inflation) of households with a head below the age of 65 fell by 4 percent between 2003 and 2013, the income of those with a head 65 and over rose by 15 percent. But new research from Barry Bosworth, Gary Burtless, and Kan Zhang finds evidence that some of the program’s progressivity is being offset due to a growing gap in life expectancy between the rich and the poor. That gap, when taken together with the rise in average retirement ages since the early 1990s, means the gap between lifetime benefits received by poor and less educated workers and the benefits received by high-income and well educated workers is widening in favor of the higher income workers.”

INTERNATIONAL ECONOMIC RELATIONS

James K. Jackson

U.S. Trade Deficit and the Impact of Changing Oil Prices

Congressional Research Service – Report - February 25, 2016 – 13 pages

<https://www.fas.org/sgp/crs/misc/RS22204.pdf>

“In early 2016, the price per barrel of oil slipped below \$30 at times. Similarly, the volume of crude oil imports for 2015 fell by 1.4% from the amount imported in 2014. The sharp decline in the average price of a barrel of crude oil combined with the drop in the amount, or the volume, of oil imports in 2015 compared with 2014 not only resulted in a drop in the overall value of imported crude oil, but also a sharp drop in the share of the total U.S. merchandise trade deficit that is associated with the trade deficit in energy imports... This report provides an estimate of the initial impact of the changing oil prices on the nation’s merchandise trade balance?”

Giulia Zilio

Trade Dynamics between the United States and China: Part 1

FRB Atlanta – Economy Matters - January 28, 2016

<https://frbatlanta.org/economy-matters/2016/01/28/trade-dynamics-between-united-states-and-china>

“So how tied up in China's economic performance is the performance of the U.S. economy and, indeed, the performance of economies around the world? This three-part series will shed some light on the trade dynamics between China and the rest of the world. Part 1 looks at this issue from two different perspectives: direct (imports/exports) and indirect (imports/exports of U.S. major trading partners with China) trade exposure of the United States to China. Part 2 provides a broader view of the Chinese share of imports and exports to the world. Part 2 also looks at the types of merchandise traded worldwide. Finally, part 3 quantifies the dynamic trade linkages between the United States and the rest of the world, comparing them with China's global trade.”

Peter A. Petri and Michael G. Plummer

The Economic Effects of the Trans-Pacific Partnership: New Estimates

Peterson Institute - Working Paper – January 2016 – 33 pages

<http://www.piie.com/publications/wp/wp16-2.pdf>

“The authors use a comprehensive, quantitative trade model to estimate the economic effects of the Trans-Pacific Partnership (TPP), superseding estimates reported in 2012 by careful attention to the actual treaty provisions. The new estimates suggest that the TPP will increase annual real incomes in the United States by \$131 billion, or 0.5 percent of GDP, and annual exports by \$357 billion, or 9.1 percent of exports, over baseline projections by 2030, when the agreement is nearly fully implemented. Annual income gains by 2030 will be \$492 billion for the world. The United States will be the largest beneficiary of the TPP in absolute terms, but the agreement will benefit Japan, Malaysia, Vietnam, and other members in larger relative terms. The agreement will raise US wages but is not projected to change US employment levels; it will slightly increase "job churn" (movements of jobs between firms) and impose adjustment costs on some workers — which can be cushioned by utilizing a small part of the national gains.”

Cathleen Cimino-Isaacs and Jeffrey J. Schott, editors

Assessing the Trans-Pacific Partnership - Volume 1: Market Access and Sectoral Issues

Peterson Institute for International Economics – February 2016 – 119 pages

<http://www.piie.com/publications/briefings/piieb16-1.pdf>

The Trans-Pacific Partnership (TPP) is a comprehensive accord that encompasses not only provisions to lower barriers to trade and investment in goods and services but also covers critical new issues such as digital trade, state-owned enterprises, intellectual property rights, regulatory coherence, labor, and environment. If ratified, the pact would deliver significant economic benefits to the United States and the 11 other participating countries. This collection of ten essays analyzes the market opening and sectoral aspects of the TPP and the ramifications for governments, businesses, and ultimately for workers and households.

John R. Graham

Fast Track to Nowhere? Biological Intellectual Property in the Trans Pacific Partnership

National Center for Policy Analysis - Brief Analysis - February 24, 2016 – 2 pages

<http://www.ncpa.org/pdfs/ba822.pdf>

“The Trans Pacific Partnership is a free-trade deal between over a dozen countries which had bipartisan Congressional support. Unfortunately, President Obama's failure to protect intellectual property in biologic medicines has likely doomed the deal to failure.”

Mary Jane Bolle

Overview of Labor Enforcement Issues in Free Trade Agreements

Congressional Research Service – Report - February 22, 2016 – 10 pages

<https://www.fas.org/sgp/crs/misc/RS22823.pdf>

Since 1993, the Administration has negotiated and Congress has approved 13 free trade agreements (FTAs) with labor provisions, and is considering additional FTAs. Based on similarity of language, these FTAs can be sorted into four groups, or “models,” which have evolved to contain successively greater levels of enforceability. This report first identifies the enforceable labor provisions in each model. Second, it identifies two types of labor enforcement issues: (1) those that relate to the FTA provisions themselves, including their definitions and their enforceability, and (2) those that relate to executive branch responsibilities, such as resource availability and determining dispute settlement case priorities. This report does not address other labor issues in the various free trade agreements, including cooperative consultation and capacity-building provisions.”

ENVIRONMENTAL ECONOMIC ISSUES

James E. McCarthy and Claudia Copeland

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

Congressional Research Service – Report - February 9, 2016 – 45 pages

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

“This report provides background information on EPA regulatory activity during the Obama Administration to help address these issues. It examines major or controversial regulatory actions taken by or under development at EPA since January 2009, providing details on the regulatory action itself, presenting an estimated timeline for completion of rules not yet promulgated (including identification of related court or statutory deadlines), and, in general, providing EPA’s estimates of costs and benefits, where available.”

Cities Try \$6, \$8 Hourly Parking to Cut Congestion, Pollution

The Pew Charitable Trusts - Stateline - February 03, 2016

<http://www.pewtrusts.org/en/research-and-analysis/blogs/stateline/2016/02/03/cities-try-hourly-parking-to-cut-congestion-pollution>

“A handful of major cities across the U.S. are changing how they charge for some of the most valuable property they manage — on-street parking spaces. Parking spaces haven’t always been seen as valuable by cities, though motorists seeking them in popular commercial areas do. Many cities charge just a few dollars an hour, while motorists circle looking for the spaces, adding to congestion, pollution, and angry and distracted driving. Now, some major cities are seeking to take advantage of their supply and motorists’ demand with so-called demand-price parking. Rather than charge a flat rate for each spot in every area of the city, they are demanding motorists pay \$4, \$6 or up to \$8 an hour for a spot on a busy street, close to shops and restaurants, while keeping hourly prices lower on less busy streets just a few blocks over.”

ENERGY

Clean Energy Investment Center

U.S. Department of Energy

<http://energy.gov/technologytransitions/us-department-energys-clean-energy-investment-center>

In February 2015, the White House launched the Clean Energy Investment Initiative to catalyze expanded private sector investment in climate change solutions, including innovative technologies with breakthrough potential to reduce carbon pollution. To support this initiative the Department of Energy has responded by establishing the Clean Energy Investment Center. The center's mission is to advance private, mission-oriented investment in clean energy technologies that address the present gap in U.S. clean tech investment. It will also enhance the availability of the Department's resources to investors and the public.

Oversight of the Renewable Fuel Standard

Senate Committee on Environment and Public Works - Hearing - February 24, 2016

<http://www.epw.senate.gov/public/index.cfm/hearings?ID=029AFD91-E4D1-48D6-B2DA-BAA43B9EA4DF>

“EPA recognizes that both challenges and opportunities lie ahead for the renewable fuel sector. Introducing new fuels into the marketplace, especially cellulosic biofuels, is not an easy task. But that is the challenge that Congress took on with the RFS program, and we are committed to implementing the program in a way that responsibly pushes forward and grows renewable fuels over time, as Congress intended. And in doing so, we will continue to engage with our stakeholders and work in close consultation with USDA and DOE.”

Cities, Utilities, and Businesses Commit to Unlocking Access to Energy Data for Building Owners and Improving Energy Efficiency

The White House - Fact Sheet - January 29, 2016

<https://www.whitehouse.gov/the-press-office/2016/01/29/fact-sheet-cities-utilities-and-businesses-commit-unlocking-access>

Making businesses and homes more energy efficient is a win for jobs and economic growth, operating costs and bottom lines, and the President's commitment to reduce carbon emissions and fight climate change.