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## US ECO/Vacheret

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## GENERAL INTEREST

*Olivier Blanchard and Adam. S. Posen*

### **Reality Check for the Global Economy**

Peterson Institute – PIIIE Briefing - March 2016 - 39 pages

<http://piie.com/publications/briefings/piieb16-3.pdf>

“After five years of disappointing recovery throughout the major economies, almost everyone is ready to believe the worst. The widespread large declines in global asset prices indicate a significant divergence between what financial markets fear and what most mainstream macroeconomic forecasts are showing for the world economy. Having some clarity to distinguish between the more solid underlying economic outlook and the shadows thrown by financial puppetry is critical to avoid an unnecessary recession. In this Briefing, a group of PIIIE scholars came together to provide a reality check for the global economy. They set out what is known, both about macroeconomic dynamics and policy capabilities, in a context where distrust of both mainstream economic analysis and policymakers' credibility has become excessive. Global economic fundamentals today are not so grim, though there is room for improvement in key areas including China, the United States, European banks, Brazil and Latin America, oil markets, global trade, and monetary policy options.”

### **2016 Economic Report of the President**

White House – February 2016

<https://www.whitehouse.gov/administration/eop/cea/economic-report-of-the-President/2016>

Introduction: Economic Report of the President, Annual Report of the Council of Economic Advisers

Chapter 1: Inclusive Growth in the United States

Chapter 2: The Year in Review and the Years Ahead

Chapter 3: The Global Macroeconomic Situation

Chapter 4: Inequality in Early Childhood and Effective Public Policy Interventions

Chapter 5: Technology and Innovation

Chapter 6: The Economic Benefits of Investing in U.S. Infrastructure

Chapter 7: The 70th Anniversary of the Council of Economic Advisers

### **The Graying of the American Economy**

FRB Atlanta - Annual Report – March 2016

<https://www.frbatlanta.org/economy-matters/annual-report>

“Between 2010 and 2030, the number of Americans over the age of 65 will nearly double, from 40 million to 74 million. As they live longer, Americans are retiring later—but the sheer number of older Americans and the slow growth in the number of 20- to 64-year-olds are combining to slow labor force growth. Moreover, the number of individuals dependent on Medicare, Medicaid, and other publicly funded programs is rising, and the

number of individuals contributing revenue to these programs is declining. This year, we take a close look at the changing demographic profile and how this will affect the nation's potential for economic growth.”

### **Seven Years Ago, the American Recovery and Reinvestment Act Helped Bring Our Economy Back from the Brink of a Second Great Depression**

The White House. Office of the Press Secretary - Fact Sheet - February 25, 2016

<https://www.whitehouse.gov/the-press-office/2016/02/25/fact-sheet-seven-years-ago-american-recovery-and-reinvestment-act-helped>

This month marks the seven-year anniversary of the American Recovery and Reinvestment Act (Recovery Act). The President signed the Recovery Act into law on February 17, 2009—less than a month after taking office—as our economy teetered on the brink of a second Great Depression. In fact, by a number of measures, the economy was collapsing as fast or faster in late 2008 and early 2009 than it was when the Depression began. But the Recovery Act and the Federal government’s broader response to the crisis helped ensure that the U.S. economy not only climbed out of the crisis but emerged stronger than before—an historic turnaround in part attributable to what the Recovery Act did to restart near-term growth and build a new foundation for long-term economic strength.

*Jared Bernstein and Ben Spielberg*

### **Preparing for the Next Recession: Lessons from the American Recovery and Reinvestment Act**

Center on Budget and Policy Priorities – Policy Futures – Report - March 21, 2016 – 19 pages

<http://www.cbpp.org/sites/default/files/atoms/files/3-21-16econ.pdf>

“Recessions generate significant risks for both people and the economy...Consequently, measures that can quickly respond to a recession by bolstering the economy and at least moderating the downturn’s negative impacts are important. While the Federal Reserve lowers interest rates and expands access to credit, the President and Congress can tap various “stabilizers” through budget and tax policy that can offset some of the financial losses that households experience and help them maintain higher levels of consumer spending.”

*David M. Byrne, John G. Fernald and Marshall B. Reinsdorf*

### **Does The United States Have A Productivity Slowdown or A Measurement Problem?**

Brookings Papers on Economic Activity - March 2016 – 75 pages

[http://www.brookings.edu/~media/Projects/BPEA/Spring-2016/ByrneEtAl\\_ProductivityMeasurement\\_ConferenceDraft.pdf?la=en](http://www.brookings.edu/~media/Projects/BPEA/Spring-2016/ByrneEtAl_ProductivityMeasurement_ConferenceDraft.pdf?la=en)

After 2004, measured growth in labor productivity and total-factor productivity (TFP) slowed. We find little evidence that the slowdown arises from growing mismeasurement of the gains from innovation in IT-related goods and service. First, mismeasurement of IT hardware is significant prior to the slowdown... Second, many of the tremendous consumer benefits from smartphones, Google searches, and Facebook are, conceptually, non-market: Consumers are more productive in using their nonmarket time to produce services they value... Third, other measurement issues we can quantify (such as increasing globalization and fracking) are also quantitatively small relative to the slowdown. Finally, we suggest high-priority areas for future research.”

*Michael Redmond and Willem Van Zandweghe*

### **The Lasting Damage from the Financial Crisis to U.S. Productivity**

FRB Kansas City – Economic Review – Forthcoming – 26 pages

<https://www.kansascityfed.org/~media/files/publicat/econrev/econrevarchive/2016/1q16redmondvanzandweghe.pdf>

We examine the empirical relationship between credit conditions and total factor productivity growth during the financial crisis. Our empirical analysis shows the crisis indeed altered this relationship. During normal times, total factor productivity growth fluctuates over the business cycle along with changes in the intensity with which available labor and capital are used; credit conditions are unimportant. During the

crisis, however, distressed credit markets and tighter lending conditions were significant drags on total factor productivity growth.”

*Thomas Klitgaard and Harry Wheeler*

**What Tracks Commodity Prices?**

FRB New York - Liberty Street Economics – March 21, 2016

<http://libertystreeteconomics.newyorkfed.org/2016/03/what-tracks-commodity-prices.html#.VvbX3nrrXRc>

“Our bloggers look beyond China’s economic slowdown for possible explanations of the downturn in commodity prices in 2015. They show that both global economic growth and the dollar track commodity prices, and that it is the rise of the dollar that captures most of the last year’s drop in commodity prices.”

*Avinash Persaud*

**Breaking the Link between Housing Cycles, Banking Crises, and Recession**

Peterson Institute - Policy Brief – March 2016 – 9 pages

<http://www.piie.com/publications/pb/pb16-3.pdf>

“The housing market has repeatedly been at the center of the biggest banking crises across the world. The recessions that follow these banking crises are generally deeper and longer than others. The collapse of housing prices amid rising unemployment is a major source of increases in inequality. Persaud argues that the nexus between housing, banking, and the business cycle can be broken. He shows that two modest regulatory changes could induce life insurers and pension funds to replace banks as providers of mortgage finance, which would better insulate the economy and homeowners from the housing cycle than financing from banks or markets can. History shows that safer housing finance would do more to make the financial system resilient than all the other recent initiatives combined.”

**INCOMES – INEQUALITY**

*Jesse Bricker, Alice Henriques, John Sabelhaus, and Jacob Krimmel*

**Measuring Income and Wealth at the Top Using Administrative and Survey Data**

Brookings Papers on Economic Activity - March 2016 – 52 pages

[http://www.brookings.edu/~media/Projects/BPEA/Spring-2016/BrickerEtAl\\_MeasuringIncomeAndWealthAtTheTop\\_ConferenceDraft.pdf?la=en](http://www.brookings.edu/~media/Projects/BPEA/Spring-2016/BrickerEtAl_MeasuringIncomeAndWealthAtTheTop_ConferenceDraft.pdf?la=en)

The authors “reconcile widely divergent estimates of increases in wealth and income, demonstrating how specific choices in data sets and methodological decisions affect the levels and trends. They find that while the concentration of wealth and income of the top 1 percent has indeed increased since 1992, it increased far less than prior research has found... The mismeasurement has implications for policies designed to benefit families in the middle and bottom of the wealth and income distribution...The failure to properly measure the effects of government policies and market practices that disproportionately benefit families in the middle and bottom of the wealth or income distribution leads directly to overstatement of top wealth and income shares.”

*Jonathan Rothwell*

**Make Elites Compete: Why The 1% Earn So Much and What To Do About It**

Brookings – Long Memo - March 25, 2016

<http://www.brookings.edu/blogs/social-mobility-memos/posts/2016/03/25-make-elites-compete-why-one-percent-earn-so-much-rothwell>

“The spectacular economic rise of the top 1 percent is now common knowledge, thanks in large part to the work of Thomas Piketty and his collaborators. The top 1 percent of U.S. residents now earns 21 percent of total national income, up from 10 percent in 1979. Curbing this inequality requires a clear understanding of its causes. Three of the standard explanations—capital shares, skills, and technology—are myths. The real cause

of elite inequality is the lack of open access and market competition in elite investment and labor markets. To bring the elite down to size, we need to make them compete.”

*Jeffrey L. Jordan, Aparna Mathur, Abdul Munasib, Devesh Roy*

**Did Right-To-Work Laws Impact Income Inequality? Evidence from US States Using the Synthetic Control Method**

AEI Economics Working Paper Series - March 17, 2016 – 36 pages

<https://www.aei.org/wp-content/uploads/2016/03/rtw-laws-inequality.pdf>

There is an ongoing debate about the effect of changes in labor regulations such as Right-to-Work (RTW) laws on rising income inequality in the U.S. In this paper, we use a relatively new methodology, the Synthetic Control Method – which we argue is more suitable for analyzing this data – to examine the impact of a state’s adoption of an RTW law on income inequality. We use a wide range of inequality measures for states that enacted their RTW laws between the 1960s and the 2000s. Unlike some earlier papers that suggest a negative link between the RTW laws and correlates of inequality such as wages, we find that RTW laws had no significant impact on income inequality in these states.

*Elise Gould*

**Wage Inequality Continued Its 35-Year Rise In 2015**

Economic Policy Institute – Briefing Paper - March 10, 2016 – 20 pages

<http://www.epi.org/files/2016/wage-inequality-2015.pdf>

A new EPI report finds that while real (inflation-adjusted) wages increased across the board in 2015 due to a sharp dip in inflation, the gap between top earners and everyone else continued to grow. “Real wage growth in 2015 is welcome news, since it means workers’ standards of living increased. However, this comes with two large caveats,” said Elise Gould, the report’s author. “First, wage inequality showed no sign of slowing down last year. And, relying on falling inflation is an unwanted and unsustainable strategy for increasing living standards.”

**FISCAL AND TAX POLICIES**

**An Analysis of the President’s 2017 Budget**

CBO – Report - March 29, 2016 – 20 pages

<https://www.cbo.gov/sites/default/files/114th-congress-2015-2016/reports/51383-APB.pdf>

“Under the President’s proposals, the federal budget deficit would decline in 2017 and 2018. After that, however, outlays would rise more quickly than revenues, so deficits would grow. As a result, federal debt held by the public would grow as well. By 2026—the end of the period covered by the President’s budget—such debt would be higher than it is now, measured as a percentage of the nation’s economic output, and it would be rising.”

*Grant A. Driessen*

**The Federal Budget: Overview and Issues for FY2017 and Beyond**

Congressional Research Service – Report - March 24, 2016 – 24 pages

<https://www.fas.org/sgp/crs/misc/R44428.pdf>

“The federal budget is a central component of the congressional «power of the purse.” Each fiscal year, Congress and the President engage in a number of practices that influence short-and long-run revenue and expenditure trends. This report offers context for the current budget debate, and tracks legislative events related to the federal budget as they occur March 24, 2016.”

## **Preventing America's Looming Fiscal Crisis: the Need for a Balanced Budget Amendment to the Constitution**

Senate Judiciary Committee – Hearing - Wednesday, March 16, 2016

<http://www.judiciary.senate.gov/meetings/preventing-americas-looming-fiscal-crisis-the-need-for-a-balanced-budget-amendment-to-the-constitution>

“The balanced budget amendment is supported by my Republican colleagues. But this issue is not a partisan one. In years past, there were significant elements of support from Democrats for a balanced budget, including a former member of this committee from Illinois, Senator Simon. And at least one of our witnesses today who formerly opposed a balanced budget amendment now supports one. I hope that will help other people who may be disinclined to support the proposal to reexamine their positions.”

*Marc Labonte and Jared C. Nagel*

### **Foreign Holdings of Federal Debt**

Congressional Research Service – Report - March 28, 2016 – 10 pages

<https://www.fas.org/sgp/crs/misc/RS22331.pdf>

“This report presents current data on estimated ownership of U.S. Treasury securities and major holders of federal debt by country. Federal debt represents the accumulated balance of borrowing by the federal government. To finance federal borrowing, U.S. Treasury securities are sold to investors. Treasury securities may be purchased directly from the Treasury or on the secondary market by individual private investors, financial institutions in the United States or overseas, and foreign, state, or local governments. Foreign investors have held slightly less than half of the publicly held federal debt in recent years, prompting questions on the location of the foreign holders and how much debt they hold.”

*Richard C. Auxier, Leonard E. Burman, Jim Nunns, Jeff Rohaly*

### **An Analysis of Hillary Clinton's Tax Proposals**

Tax Policy Center - March 03, 2016 – 40 pages

<http://taxpolicycenter.org/UploadedPDF/2000638-an-analysis-of-hillary-clintons-tax-proposals.pdf>

“Hillary Clinton proposes raising taxes on high-income taxpayers, modifying taxation of multinational corporations, repealing fossil fuel tax incentives, and increasing estate and gift taxes. Her proposals would increase revenue by \$1.1 trillion over the next decade. Nearly all of the tax increases would fall on the top 1 percent; the bottom 95 percent of taxpayers would see little or no change in their taxes. Marginal tax rates would increase, reducing incentives to work, save, and invest, and the tax code would become more complex. The analysis does not address a forthcoming proposal to cut taxes for low- and middle-income families.”

*Leonard E. Burman, Jim Nunns, Jeff Rohaly, Joseph Rosenberg, Frank Sammartino*

### **An Analysis of Senator Bernie Sanders's Tax Proposals**

Tax Policy Center - March 04, 2016 – 49 pages

<http://taxpolicycenter.org/UploadedPDF/2000639-an-analysis-of-senator-bernie-sanderss-tax-proposals.pdf>

“Presidential candidate Bernie Sanders proposes significant increases in federal income, payroll, business, and estate taxes, and new excise taxes on financial transactions and carbon. New revenues would pay for universal health care, education, family leave, rebuilding the nation’s infrastructure, and more. TPC estimates the tax proposals would raise \$15.3 trillion over the next decade. All income groups would pay some additional tax, but most would come from high-income households, particularly those with the very highest income. His proposals would raise taxes on work, saving, and investment, in some cases to rates well beyond recent historical experience in the US.”

*Leonard E. Burman, Jim Nunns, Jeff Rohaly, Joseph Rosenberg*

### **An Analysis of Donald Trump's Tax Plan**

Tax Policy Center - December 22, 2015 – 33 pages

<http://taxpolicycenter.org/UploadedPDF/2000560-an-analysis-of-donald-trumps-tax-plan.pdf>

“This paper analyzes presidential candidate Donald Trump’s tax proposal. His plan would significantly reduce marginal tax rates on individuals and businesses, increase standard deduction amounts to nearly four times current levels, and curtail many tax expenditures. His proposal would cut taxes at all income levels, although the largest benefits, in dollar and percentage terms, would go to the highest-income households. The plan would reduce federal revenues by \$9.5 trillion over its first decade before accounting for added interest costs or considering macroeconomic feedback effects. The plan would improve incentives to work, save, and invest. However, unless it is accompanied by very large spending cuts, it could increase the national debt by nearly 80 percent of gross domestic product by 2036, offsetting some or all of the incentive effects of the tax cuts.”

*Daniel Berger, Leonard E. Burman, Jim Nunns, Joseph Rosenberg*

**An Analysis of Ted Cruz's Tax Plan**

Tax Policy Center - February 16, 2016 – 37 pages

<http://taxpolicycenter.org/UploadedPDF/2000612-an-analysis-of-ted-cruzs-tax-plan.pdf>

“Presidential candidate Ted Cruz’s tax proposal would (1) repeal the corporate income tax, payroll taxes for Social Security and Medicare, and estate and gift taxes; (2) collapse the seven individual income tax rates to a single 10 percent rate, increase the standard deduction, and eliminate most other deductions and credits; and (3) introduce a new 16 percent broad-based consumption tax. The plan would cut taxes at most income levels, although the highest-income households would benefit the most and the poor the least. Federal tax revenues would decline by \$8.6 trillion (3.6 percent of gross domestic product) over a decade.”

*Leonard E. Burman, William G. Gale, Sarah Gault, Bryan Kim, Jim Nunns and Steve Rosenthal*

**Financial Transaction Taxes in Theory and Practice**

Brookings - Paper - February 29, 2016 – 46 pages

[http://www.brookings.edu/~media/research/files/papers/2016/02/29-financial-transaction-taxes-in-theory-practice-gale/burman-et-al\\_-ntj-mar-2016-%282%29.pdf](http://www.brookings.edu/~media/research/files/papers/2016/02/29-financial-transaction-taxes-in-theory-practice-gale/burman-et-al_-ntj-mar-2016-%282%29.pdf)

“The Great Recession, which was triggered by financial market failures, has prompted renewed calls for a financial transaction tax (FTT) to discourage excessive risk taking and recoup the costs of the crisis. The chorus of FTT advocates includes Bill Gates, Jr., George Soros, and Pope Benedict XVI (Greenhouse and Bowley, 2011). The idea is not new, however. Keynes proposed a FTT in 1936 as a way to discourage the kind of speculation that fueled the stock market bubble that led to the Great Depression. More recently, leading economists Tobin (1978), Stiglitz (1989), and Summers and Summers (1989) have advocated similar taxes.”

*William G. Gale, Hilary Gelfond and Aaron Krupkin*

**Entrepreneurship and Small Business under a Value-Added Tax**

Brookings - Paper - March 16, 2016 – 17 pages

[http://www.brookings.edu/~media/research/files/papers/2016/03/14-gale-papers/galegelfondkrupkin\\_vatandentrepreneurship\\_03152016\\_dp\\_bk.pdf](http://www.brookings.edu/~media/research/files/papers/2016/03/14-gale-papers/galegelfondkrupkin_vatandentrepreneurship_03152016_dp_bk.pdf)

“The possibility of introducing a value-added tax (VAT) in the United States has been discussed on a sporadic basis for several decades. In recent years, efforts to implement a VAT have been spurred by a desire to replace the revenue lost from reducing and simplifying the income tax and/or a desire to shore up the nation’s long-term fiscal situation. One of the critical questions in designing a VAT is whether to exempt small businesses and, if so, at what threshold. Including all businesses may seem, a priori, like a natural policy choice, but the government’s administrative and private compliance costs associated with collecting tax from small businesses often prove to be high relative to the revenue generated. As a result, most countries with VATs exempt some small businesses.”



## MONETARY POLICY

*Ben S. Bernanke*

### **What Tools Does The Fed Have Left? Part 1: Negative interest rates - Part 2: Targeting longer-term interest rates**

<http://www.brookings.edu/blogs/ben-bernanke/posts/2016/03/18-negative-interest-rates>

<http://www.brookings.edu/blogs/ben-bernanke/posts/2016/03/24-rate-pegs>

Brookings – Blog – March 18 and 24, 2016

“The U.S. economy is currently growing and creating jobs, a situation I hope and expect will continue. We can’t rule out the possibility, though, that at some point in the next few years our economy will slow, perhaps significantly. How would the Federal Reserve respond? What tools remain in the monetary toolbox? In this and a subsequent post I’ll discuss some policy options the Fed might consider.”

*James Bullard and Kevin L. Kliesen*

### **Three Challenges to Central Bank Orthodoxy**

FRB St Louis – Review – March 2016 – 16 pages

<https://research.stlouisfed.org/publications/review/2016-03-22//three-challenges-to-central-bank-orthodoxy.pdf>

“Since 2007-09, the Federal Reserve has pursued a very aggressive monetary policy strategy. This strategy has been associated with healthy labor market conditions, moderate economic growth, and inflation—netting out the effects of a major oil price shock—that is close to the Federal Open Market Committee’s (FOMC’s) 2 percent target. Thus, with the economy returning to normal, it is natural for the FOMC to begin the process of exiting its highly accommodative policy. The FOMC has laid out several well-defined steps for this process. This strategy may be called central bank orthodoxy, since it is a natural extension of the classical view. However, three challenges to this orthodoxy have developed. Although each challenge is interesting and potentially helpful, the orthodox view provides a better basis for devising near- and medium-term monetary policy decisions.”

*Michael Dotsey*

### **Monetary Policy and the New Normal**

FRB Philadelphia – Economic Insights - First Quarter 2016 – 4 pages

<https://www.philadelphiafed.org/research-and-data/publications/economic-insights>

“Is the economy in for a prolonged spell of slow growth, as some believe, or a burst of innovation and productivity? In either event, policymakers must pay close attention to productivity trends.”

### **Did Quantitative Easing Work?**

FRB Philadelphia – Economic Insights - First Quarter 2016 – 9 pages

<https://www.philadelphiafed.org/research-and-data/publications/economic-insights>

“Did quantitative easing lower yields and stimulate the economy as intended? What about its risks? Edison Yu explains the theory and weighs its effects so far.”

## FINANCE

### **The Annual Testimony of the Secretary of the Treasury on the State of the International Financial System**

House Committee on Financial Services – Hearing - March 22, 2016

<http://financialservices.house.gov/calendar/eventsingle.aspx?EventID=400462>

- [The Honorable Jacob J. Lew](#), Secretary, U.S. Department of the Treasury

- [Implementation Of Certain Legislative Provisions Relating To The International Monetary Fund - A Report to Congress](#)
- [Report To Congress From The Chairman Of The National Advisory Council On International Monetary And Financial Policies](#)

*Peter J. Wallison*

### **Sizing Up the Report of the Financial Crisis Inquiry Commission Five Years Later**

American Enterprise Institute – The R Street Institute - March 18, 2016 – 5 pages

<https://www.aei.org/wp-content/uploads/2016/03/Peter-Wallison-FCIC-Misleading-the-Public.pdf>

“The Financial Crisis Inquiry Commission majority have made up its analysis for why Fannie and Freddie bought risky nontraditional mortgages in order to fit the conclusion it wanted to reach: that insufficient regulation and Wall Street greed — and not government housing policy — caused the financial crisis. This was a gross disservice to the American public, whose view of the financial crisis was deliberately distorted. The consequences include the 2010 Dodd-Frank Act, which has slowed the economy’s growth, and the absurd fight in the current Democratic presidential race about who will punish Wall Street the most.”

### **Regulatory Reforms to Improve Equity Market Structure**

Senate Subcommittee on Securities, Insurance, and Investment – Hearing - March 3, 2016

<https://www.kansascityfed.org/~media/files/publicat/econrev/econrevarchive/2016/1q16redmondvanzandweghe.pdf>

The witnesses are: Mr. Stephen Luparello, Director of Division of Trading and Markets, U.S. Securities and Exchange Commission; and Mr. Richard Ketchum, Chairman and CEO, Financial Industry Regulatory Authority.

*Avinash D. Persaud*

### **A Ticking Time Bomb: TLAC and Other Attempts to Privatize Bank Bail-outs**

Peterson Institute for International Economics – Article - March 2016 – 4 pages

<http://www.piie.com/publications/papers/persaud201603.pdf>

“Regulators and bankers have struck a deal where big banks have to carry a significant amount of additional “total loss absorbing capital” (TLAC), but the additional amount can be in forms of capital that are cheaper to raise than equity. The market has responded enthusiastically, with banks issuing new bail-in securities at rock bottom yields. The intention is that these new instruments will save taxpayers from having to rescue banks, but Persaud argues they will not work and will likely draw new players messily into the center of the next crisis.”

*Rhys Bidder*

### **Worst-Case Scenarios and Asset Prices**

FRB San Francisco - Economic Letter - March 14, 2016 - 5 pages

<http://www.frbsf.org/economic-research/files/el2016-08.pdf>

“Investors have a hard time accounting for uncertainty when calculating how much risk they are willing to bear. They can use economic models to project future earnings, but many models are misspecified along important dimensions. One method investors appear to use to protect against particularly damaging errors in their model is by projecting worst-case scenarios. The responses to such pessimistic predictions provide insights that can explain many of the puzzles about asset prices.”

*Donald Morgan, Maxim Pinkovsky, and Bryan Yang*

### **Banking Deserts, Branch Closings, and Soft Information**

FRB New York - Liberty Street Economics - March 07, 2016

<http://libertystreeteconomics.newyorkfed.org/2016/03/banking-deserts-branch-closings-and-soft-information.html#.VvqnRXotHRc>

Nearly 5,000 bank branches have closed their doors since the financial crisis. That has given rise to a concern that more low-income and minority neighborhoods lack access to mainstream financial services. Our bloggers' analysis yields mixed results, but suggests that the impact of these closures merits further study."

## LOCAL ECONOMIC DEVELOPMENT

*Amy Liu*

### **Remaking Economic Development**

Brookings Metropolitan Policy Program – Report – 2016 - 36 pages

[http://www.brookings.edu/~media/research/files/papers/2016/02/29-remaking/bmpp\\_remakingeconomicdevelopment\\_feb25lores.pdf](http://www.brookings.edu/~media/research/files/papers/2016/02/29-remaking/bmpp_remakingeconomicdevelopment_feb25lores.pdf)

"The lackluster U.S. economy is delivering a humbling lesson about economic development: Top-line growth doesn't ensure bottom-line prosperity. The potential of economic development is to do what markets alone cannot do: influence growth through action and investments. Leaders in cities and metro areas have an opportunity to remake economic development—to adopt a broader vision of economic development that can deliver continuous growth, prosperity, and inclusion in cities and metro areas. While some creative and committed leaders and organizations are embracing this version of economic development, it needs to be further scaled up."

### **Federal Spending in the States 2005 to 2014**

Pew Charitable Trusts - Issue Brief - March 03, 2016

<http://www.pewtrusts.org/en/research-and-analysis/issue-briefs/2016/03/federal-spending-in-the-states-2005-to-2014>

"The federal government spent \$3.3 trillion in the states during its 2014 fiscal year. But the amount and composition of federal spending vary widely from state to state. As a result, federal budget decisions that increase or decrease 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."

## OTHER ECONOMIC POLICIES

### **The Future of Housing in America: Government Regulations and the High Cost of Housing**

House Committee on Financial Services – Hearing - March 22, 2016

<http://financialservices.house.gov/calendar/eventsingle.aspx?EventID=400463>

"The hearing will focus on the various federal, state and local regulations and policies that have affected affordable rental and single-family housing development. Witnesses will address housing trends and provide insight on the ways in which federal, state, and local government policies should facilitate affordable rental and housing development for working families and able-bodied individuals seeking to participate in the workforce."

### **Patent Boxes: A Brief History, Recent Developments, and Necessary Considerations**

US Congress Joint Economic Committee – March 10, 2016 – 9 pages

[http://www.jec.senate.gov/public/\\_cache/files/02a2a18a-1e08-42ce-8c14-72b6138b54dd/031016-patent-boxes.pdf](http://www.jec.senate.gov/public/_cache/files/02a2a18a-1e08-42ce-8c14-72b6138b54dd/031016-patent-boxes.pdf)

"Some form of tax incentive supporting R&D has been in the U.S. Code for over six decades. These U.S. policies have included "front-end" tax incentives such as an immediate deduction of R&D expenses and an

R&D tax credit, which are applied when a firm invests in research and development... As opposed to front-end incentives that allow R&D credits or deductions when the expense is incurred, these incentives tax the income derived from the development of intellectual property (IP) at rates much lower than the country's corporate tax rate. Tax systems that treat IP income preferentially in this way are referred to as "patent boxes" (a.k.a. innovation, license, or knowledge boxes, which indicate a broader class of IP than patents). Their proliferation among the tax codes of America's competitors has brought the debate to Washington. In fact, members of Congress have already begun to explore, in a bipartisan fashion, how such a regime would work in the United States."

## **BUSINESS**

### **New Entrepreneurial Growth Agenda**

Kauffman Foundation – February 2016

<http://www.kauffman.org/neg/neg-intro#>

"Entrepreneurship drives economic growth, propels job creation, and creates opportunities for upward economic mobility. Yet, fewer Americans are starting businesses today than in the past, and overall, the economy has been growing slower than in the post-recession periods of decades prior. Seeing these trends in 2014, the Kauffman Foundation announced a two-year initiative to develop new ideas for how to spur broad-based economic growth and opportunity through entrepreneurship. The result is the New Entrepreneurial Growth Agenda, a collection of essays written by the nation's leading researchers and policy experts offering recommendations for how national, state, and local governments can foster entrepreneurship. These essays are rich in content and cover myriad issues that affect entrepreneurship and vice versa, from technology creation and destruction, to inequality, talent, and education improvements, to a focus on cities, overall policies, and politics."

### **Expanding Social Insurance Could Boost Entrepreneurship**

Kauffman Foundation – Policy Digest – March 22, 2016 – 2 pages

[http://www.kauffman.org/~media/kauffman.org/resources/2016/entrepreneurship%20policy%20digest/pd\\_headthinsurance\\_032116.pdf](http://www.kauffman.org/~media/kauffman.org/resources/2016/entrepreneurship%20policy%20digest/pd_headthinsurance_032116.pdf)

"Kauffman Foundation Policy Digest suggests that a more robust safety net could protect against some of the risks and economic hazards entrepreneurs face when they start companies. The report explores policies that could encourage entrepreneurship by reducing the risks of starting businesses and making it easier to accumulate the savings needed to bootstrap a startup."

*Thomas H. Klier and James M. Rubenstein*

### **Auto Production Footprints: Comparing Europe and North America**

FRB Chicago – Economic Perspectives – Fourth Quarter 2015 – 19 pages

<https://www.chicagofed.org/publications/economic-perspectives/2015/4q-klier-rubenstein>

"Today's footprints of motor vehicle production in Europe and North America appear at first glance to be remarkably similar: In both regions, plants producing motor vehicles are highly agglomerated, which is typical of manufacturing activities. The auto industry is a global industry: A dozen or so mass producers compete with one another around the world. Because these automakers employ similar production models in their plants, one might expect similar forces to shape their production location decisions. This article evaluates whether the same general factors explain the broad patterns seen in the auto industry's footprints in Europe and North America. This question is of particular interest because to date, little comparative analysis of this kind has been performed, especially involving Europe as a whole. In general, most auto industry analysis of Europe has focused on its individual countries instead of the entirety of the region."

## TECHNOLOGY – INNOVATION

### **Lifelong Learning and Technology**

Pew Research Center - March 22, 2016 – 69 pages

[http://www.pewinternet.org/files/2016/03/PI\\_2016.03.22\\_Educational-Ecosystems\\_FINAL.pdf](http://www.pewinternet.org/files/2016/03/PI_2016.03.22_Educational-Ecosystems_FINAL.pdf)

“Most Americans feel they are lifelong learners, whether that means gathering knowledge for “do it yourself” projects, reading up on a personal interest or improving their job skills. For the most part, these learning activities occur in traditional places – at home, work, conferences or community institutions such as government agencies or libraries. The internet is also an important tool for many adults in the process of lifelong learning.”

*Rob Atkinson*

### **5 Myths About Life Science Innovation in the United States**

The Innovation Files - Blog – March 21, 2016

<http://www.innovationfiles.org/5-myths-about-life-science-innovation-in-the-united-states>

“There has long been a de facto consensus among U.S. policymakers that America’s system for discovering and developing new drugs, based on both public- and private-sector leadership, is the world’s best. But this consensus is now under intense pressure from critics across the political spectrum, especially on the populist left. Writing in Innovation Files, Rob Atkinson rebuts five of the most common myths, which hinge on basic misconceptions about how the U.S. system functions.”

### **Public Predictions for the Future of Workforce Automation**

Pew Research Center - March 10, 2016 – 12 pages

[http://www.pewinternet.org/files/2016/03/PI\\_2016.03.10\\_Workforce-Automation\\_FINAL.pdf](http://www.pewinternet.org/files/2016/03/PI_2016.03.10_Workforce-Automation_FINAL.pdf)

A majority of Americans predict that within 50 years, robots and computers will do much of the work currently done by humans – but few workers expect their own jobs or professions to experience substantial impacts.

### **Disrupter Series: 3D Printing**

House Subcommittee on Commerce, Manufacturing, and Trade – Hearing – February 26, 2016

<https://energycommerce.house.gov/hearings-and-votes/hearings/disrupter-series-3d-printing>

“This hearing will continue the subcommittee’s “Disrupter Series” which aims to highlight the significant innovation taking place in our 21st century economy and help members gain a better understanding about the way new and advanced technologies are disrupting the status quo. Following reviews of the Internet of Things, sharing economy, drones, and mobile payments, members of the subcommittee will closely examine the direction of 3D printing and its impact on jobs and economic growth.”

### **Disrupter Series: Wearable Devices**

House Subcommittee on Commerce, Manufacturing, and Trade – Hearing – March 3, 2016

<https://energycommerce.house.gov/hearings-and-votes/hearings/disrupter-series-wearable-devices>

“Today we will examine wearable technologies and how they are disrupting traditional business processes and transforming the ways that consumers engage in commerce.”

### **Disrupter Series: Digital Currency and Blockchain Technology**

House Subcommittee on Commerce, Manufacturing, and Trade – Hearing – March 16, 2016

<https://energycommerce.house.gov/hearings-and-votes/hearings/disrupter-series-digital-currency-and-blockchain-technology>

“Today we will be examining digital currency and blockchain technology. This technology has the potential to disrupt a whole host of industries from financial services to manufacturing supply chain management to health care records by infusing transparency and trust into traditionally closed systems. This is an incredibly new technology – the whitepaper describing the first public blockchain application, Bitcoin, was published in 2009. And already there has been \$1 billion in capital investment to over a thousand firms, most of which are start-ups.”

*Peter Olson and David Wessel*

### **How Blockchain Could Change the Financial System, Part 2**

Brookings - The Hutchins Center - February 25, 2016

<http://www.brookings.edu/blogs/up-front/posts/2016/02/25-bitcoin-explainer?>

“Bitcoin and its underlying technology, blockchain, have the potential to challenge the dominance of the big players in payment systems and significantly reduce the cost of financial transactions and the speed with which they are completed. In part 1, we explained the basics of Bitcoin and the blockchain and how they could change the financial system. Here, we delve deeper into a discussion of the tensions within the industry, and between the industry and regulators, as gleaned from a recent roundtable convened by the Hutchins Center on Fiscal and Monetary Policy.”

## **TELECOMMUNICATIONS**

*Lennard G. Kruger*

### **The Future of Internet Governance: Should the United States Relinquish Its Authority over ICANN?**

Specialist in Science and Technology Policy

Congressional Research Service – report - March 22, 2016 – 23 pages

<https://www.fas.org/sgp/crs/misc/R44022.pdf>

“Currently, the U.S. government retains limited authority over the Internet’s domain name system, primarily through the Internet Assigned Numbers Authority (IANA) functions contract between the National Telecommunications and Information Administration (NTIA) and the Internet Corporation for Assigned Names and Numbers (ICANN). By virtue of the IANA functions contract, the NTIA exerts a legacy authority and stewardship over ICANN, and arguably has more influence over ICANN and the domain name system (DNS) than other national governments. Currently the IANA functions contract with NTIA expires on September 30, 2016. However, NTIA has the flexibility to extend the contract for any period through September 2019.”

*Theodore H. Moran*

### **Surveillance Versus Privacy, with International Companies Caught in Between**

American Enterprise Institute - March 16, 2016 – 13 pages

<https://www.aei.org/wp-content/uploads/2016/03/Surveillance-versus-privacy.pdf>

“Governments and the international business community are currently embroiled in a conflict over the appropriate balance between individual privacy and legal government surveillance. International companies and governments must consider how to resolve issues such as backdoors that permit surveillance by local authorities, encryption, localization of data storage, and the transfer of citizens’ personal data across national borders. The international community must work together to achieve a multilateral agreement for what constitutes legal surveillance and what ensures protection of individual privacy, while considering the potential actions of countries such as China and Russia.”

*Doug Brake, Daniel Castro, And Alan McQuinn*

**Broadband Privacy: The Folly of Sector-Specific Rules**

Information Technology & Innovation Foundation – Report – March 2016 – 17 pages

[http://www2.itif.org/2016-broadband-privacy-folly.pdf?\\_ga=1.145507316.1562931536.1436366239](http://www2.itif.org/2016-broadband-privacy-folly.pdf?_ga=1.145507316.1562931536.1436366239)

“The Federal Communications Commission is considering taking the unprecedented step of regulating broadband privacy, but issuing such regulations would be a mistake. Deviating from the privacy protections offered by the Federal Trade Commission would significantly disrupt the dynamic competition in innovative uses of Internet data, ultimately slowing the rate of growth of broadband deployment and adoption and also degrading the broadband users’ online experience.”

*Daniel Castro and Alan McQuinn*

**Unlocking Encryption: Information Security and the Rule of Law**

Information Technology & Innovation Foundation – Report – March 2016 – 50 pages

<http://www2.itif.org/2016-unlocking-encryption.pdf>

“There is no getting around the fact that as encryption improves data security for consumers and business, it gets harder for law enforcement and national security agencies to access some information that could help them prevent and prosecute crimes and terrorism. So any policy choice will come with tradeoffs. Examining the nuances of this debate, ITIF concludes governments should not restrict or weaken encryption, because it would reduce overall security in the digital economy, make it more difficult for U.S. companies to compete globally, and limit advancements in information security. Moreover, restricting or weakening encryption would not keep the technology out of the hands of many criminals and terrorists.”

*Paul MacDonnell & Daniel Castro*

**Europe Should Embrace the Data Revolution**

Center for Data Innovation – Report – February 29, 2016 – 17 pages

<http://www2.datainnovation.org/2016-europe-embrace-data-revolution.pdf>

“Data-driven innovation is unlocking new opportunities for Europe to grow its economy and address pressing social challenges. While Europe has achieved some early successes in data-driven innovation, it has not yet come close to reaching its full potential. The primary obstacle is that Europe’s policymakers, both in its capital cities and in Brussels, have not yet fully embraced data-driven innovation as a core driver of economic and social progress. To address this problem, EU countries should appoint chief data officers to champion data-driven innovation domestically and with the European Commission.”

*Alan McQuinn*

**France Demands Right to Censor the Global Internet**

The Innovation Files - Blog – March 28, 2016

<http://www.innovationfiles.org/france-demands-right-to-censor-the-global-internet>

“French privacy authorities last week fined Google for not acting globally, instead of just in France, to remove search results associated with French right-to-be-forgotten requests. Alan McQuinn writes in Innovation Files that coercing a global company in this way amounts to forcing French domestic policies on the rest of the world. McQuinn argues that French policy should instead balance the country's own national sovereignty with due respect for the global nature of the Internet.”

**INFRASTRUCTURE – TRANSPORTATION**

**The State of the U.S. Maritime Industry: The Federal Role**

Senate Committee on Commerce, Science, and Transportation – Hearing - March 8, 2016

<http://www.commerce.senate.gov/public/index.cfm/hearings?ID=C76DD7C3-A482-4702-9405-50784BFB0E3C>

The hearing will examine U.S. maritime policy and conduct oversight over the U.S. Maritime Administration, U.S. Merchant Marine Academy, and the Federal Maritime Commission. Leaders from the U.S. Maritime Administration and the Federal Maritime Commission will testify. Witnesses have been asked to discuss the state of the nation's maritime transportation system, current challenges, and ways that federal policy and programs can enhance its performance.

### **Hands Off: The Future of Self-Driving Cars**

Senate Committee on Commerce, Science, and Transportation – Hearing - March 15, 2016

<http://www.commerce.senate.gov/public/index.cfm/hearings?ID=C1BE704F-8D6B-43C6-B472-858C6B457E86>

“The hearing will explore advancements in autonomous vehicle technology and its anticipated benefits for Americans. Witnesses have been asked to testify on their continued efforts to develop automated vehicles, their views on the appropriate role of government in promoting innovation including removing unnecessary hurdles, and their strategy to grow consumer adoption of this new technology.”

*Joseph Kane, Adie Tomer and Robert Puentes*

### **How Lyft and Uber Can Improve Transit Agency Budgets**

Brookings - Paper - March 8, 2016

<http://www.brookings.edu/research/papers/2016/03/08-lyft-uber-transit-agency-budgets-kane-tomer-puentes>

“The emergence of ride-hailing companies like Uber and Lyft seems to pose a direct challenge to the nation's overburdened and underfunded transit agencies, potentially siphoning off patrons most able to pay full fare. Yet, amid competition, there exists a real opportunity for collaboration in providing mobility to the agencies' neediest customers.”

## **AGRICULTURE**

*Michael K. Adjemian, B. Wade Brorsen, William Hahn, Tina L. Saitone, and Richard J. Sexton*

### **Thinning Markets in U.S. Agriculture**

USDA – Economic Research Service - Economic Information Bulletin - March 2016 – 45 pages

<http://www.ers.usda.gov/media/2030725/eib148.pdf>

U.S. agriculture is growing more concentrated as markets have fewer purchases, low trading volume, and low liquidity, which raises concerns about equity for producers and efficiency in market performance.

*Chris Cargill*

### **Agriculture: The Cornerstone of Washington's Economy**

Washington Policy Center - Policy Notes - March 23, 2016

<http://www.washingtonpolicy.org/publications/detail/agriculture-the-cornerstone-of-washingtons-economy>

“Agriculture accounts for \$51 billion – or 13 percent - of Washington's yearly economic activity. 160,000 Washington jobs are tied to agriculture – more than Microsoft and Boeing combined. Washington state produces more than 300 different crops – second only to California.”



*K. William Watson*

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

Cato – Trade Center Policy Studies - February 16, 2016

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

“The author argues that Europe’s approach to GI protection mainly serves to privilege traditional producers at the expense of consumer welfare and economic growth.”

*James M. MacDonald, Jerry Cessna, and Roberto Mosheim*

**Changing Structure, Financial Risks, and Government Policy for the U.S. Dairy Industry**

USDA – Economic Research Service - Report - March 2016 – 72 pages

<http://www.ers.usda.gov/publications/err-economic-research-report/err205.aspx>

“Congress created the Dairy Margin Protection Program (MPP-Dairy) in 2014 to provide farmers with financial protection against risks from increasing volatility in milk and feed prices. This report focuses on the interrelated topics of structural change in dairy production, changes in dairy product markets, growing price volatility, and dairy policy.”

## EMPLOYMENT

*Raven Molloy, Christopher L. Smith, Riccardo Trezzi, and Abigail Wozniak*

**Understanding Declining Fluidity in the U.S. Labor Market**

Brookings Papers on Economic Activity - March 2016 – 85 pages

[http://www.brookings.edu/~media/Projects/BPEA/Spring-2016/MolloyEtAl\\_DecliningFluidityLaborMarket\\_ConferenceDraft.pdf?la=en](http://www.brookings.edu/~media/Projects/BPEA/Spring-2016/MolloyEtAl_DecliningFluidityLaborMarket_ConferenceDraft.pdf?la=en)

The authors “find that overall fluidity of the U.S. labor market has been declining since at least the 1980s. Furthermore, the decline has been occurring along a number of dimensions—including the rate of job-to-job transition, hires and separations, and geographic movement across labor markets—since at least the 1980s, and the declines are all related... The analysis reveals substantial variation in declines across states, with noticeably larger decreases in many Western states. The authors rule out several likely explanations for the decline in fluidity and examine the hypothesis that improved matching between firms and workers could be contributing to the decline in dynamism. While the ultimate cause of the decline in fluidity remains unclear, the authors note several promising avenues for future research, including the role of increasing firm size and age, and changes in how worker pay is adjusted to reflect changing productivity and outside offers.”

**Unemployment by Industry: Duration Must Be Considered, Too**

FRB Saint Louis – The Regional Economist – January 2016 – pp 14-16

[https://www.stlouisfed.org/~media/Publications/Regional%20Economist/2016/January/Jan\\_2016\\_RE.pdf](https://www.stlouisfed.org/~media/Publications/Regional%20Economist/2016/January/Jan_2016_RE.pdf)

To better understand unemployment in key industries, not only the unemployment rate but the duration of unemployment in those industries needs to be examined. Focusing only on the former could lead to misguided efforts to assist the unemployed. This article investigates the behavior of both the unemployment rate and the duration of unemployment across industries from 2005 through 2014, a period that includes the Great Recession (2007-09).

*Ross Eisenbrey and Lawrence Mishel*

**Uber Business Model Does Not Justify A New ‘Independent Worker’ Category**

Economic Policy Institute – Report - March 17, 2016

<http://www.epi.org/publication/uber-business-model-does-not-justify-a-new-independent-worker-category>

“Whether drivers for ride services such as Uber and Lyft are employees or independent contractors has become an important issue for city administrators, labor policymakers, and the businesses and drivers themselves. But an increasing number of voices argue that the drivers are neither, that some work relationships arranged through digital platforms in the so-called gig economy differ so fundamentally from traditional employee or independent contractor relationships that we need a new, third category of worker. For the most part the assertions of the need for a new category have had little substance beyond a claim that technology has changed the nature of the work that gig workers (or “app workers”) perform, making current legal categories antiquated. But a recent proposal by Seth Harris and Alan Krueger for a third status called “independent worker” has elevated this policy discussion in several ways.”

*Tracey Ross, Shirley Sagawa, and Melissa Boteach*

**Utilizing National Service as a 21st Century Workforce Strategy for Opportunity Youth**

Center for American Progress – Report - March 1, 2016 – 37 pages

<https://cdn.americanprogress.org/wp-content/uploads/2016/02/29105313/NatlServiceReport.pdf>

“At the height of the Great Depression, President Franklin Delano Roosevelt created the Civilian Conservation Corps, or CCC, as part of the New Deal. The CCC provided critically needed jobs to unskilled young men while implementing a natural resource conservation program on public lands across the country. Over the course of nine years, nearly 3 million young men participated in the CCC, earning wages, food, shelter, and skills while planting more than 3 billion trees, combating forest fires, and providing aid in the wake of natural disasters. Today, national service programs—voluntary programs supported through publicly and privately funded stipends and designed to foster leadership through sustained service that meets public needs—have played a critical role in the lives of millions of Americans.”

**The Impact of High Levels of Immigration on U.S. Workers**

Senate Subcommittee on Immigration and the National Interest – Hearing – March 16, 2016

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

Witnesses

Dr. George J. Borjas - Robert W. Scrivner Professor of Economics and Social Policy - Harvard Kennedy School, Cambridge, MA

Peter N. Kirsanow, Partner, Benesch, Friedlander, Coplan & Aronoff LLP, Commissioner, United States Commission on Civil Rights, Cleveland, OH

Benjamin E. Johnson, Executive Director, American Immigration Lawyers Association, Washington, DC

David D. Kallick, Senior Fellow, Fiscal Policy Institute, New York, NY

Dr. Steven A. Camarota, Director of Research, Center for Immigration Studies, Washington, DC

**Examining the Policies and Priorities of the U.S. Department of Labor**

House Committee on Education and the Workforce – Hearing – March 16, 2016

[http://edworkforce.house.gov/uploadedfiles/testimony\\_perez.pdf](http://edworkforce.house.gov/uploadedfiles/testimony_perez.pdf)

Testimony by Thomas E. Perez, Secretary, U.S. Department of Labor

**RETIREMENT**

*Monique Morrissey*

**The State of American Retirement - How 401(k)s Have Failed Most American Workers**

Economic Policy Institute - March 3, 2016 – 49 pages

<http://www.epi.org/files/2016/state-of-american-retirement-final.pdf>

“Today, many Americans rely on savings in 401(k)-type accounts to supplement Social Security in retirement. This is a pronounced shift from a few decades ago, when many retirees could count on predictable, constant streams of income from traditional pensions. This chartbook assesses the impact of the shift from pensions to individual savings by examining disparities in retirement preparedness and outcomes by income, race, ethnicity, education, gender, and marital status.”

*William G. Gale, David C. John and Bryan Kim*

**You Get What You Pay For: Guaranteed Returns in Retirement Saving Accounts**

Brookings – Paper - March 14, 2016 – 16 pages

[http://www.brookings.edu/~media/research/files/papers/2016/03/14-gale-papers/gale\\_johnkim\\_yougetwhatyoupayfor\\_03032016\\_dp\\_wg\\_bk.pdf](http://www.brookings.edu/~media/research/files/papers/2016/03/14-gale-papers/gale_johnkim_yougetwhatyoupayfor_03032016_dp_wg_bk.pdf)

“The sharp downturn in the value of financial assets between 2007 and 2009 serves as a pointed example of how risky assets can quickly lose significant value. This experience, coupled with continuing concerns about retirement security, has generated new interest in the idea of having the government provide minimum rate-of-return guarantees for retirement savings accounts.”

**The Multiemployer Pension Plan System: Recent Reforms and Current Challenges**

Senate Committee on Finance – Hearing – March 1, 2016

<http://www.finance.senate.gov/hearings/the-multiemployer-pension-plan-system-recent-reforms-and-current-challenges>

“A multiemployer pension plan is a collectively bargained pension plan set up by a union and two or more unrelated unionized employers. In this system, the employers make contributions to the plan and pay premiums to the Pension Benefit Guaranty Corporation, or PBGC, to insure the plan. Multiemployer plans are operated by a joint board of union and employer trustees that, among other things, sets the amount of the pensions. Or, in other words, these boards make the promises. Ten million Americans are covered by multiemployer pension plans, and, currently, more than one third of those people are in plans that are critically underfunded. Many are in danger of default.”

**HEALTH**

*Tom Miller*

**Entrepreneurship & Economic Dynamism: Marginal Returns from Health Policy Thus Far**

Ewing Marion Kauffman Foundation – March 2016 - 24 pages

[http://www.aei.org/wp-content/uploads/2016/03/entrepreneurship\\_and\\_health\\_policy-2.pdf](http://www.aei.org/wp-content/uploads/2016/03/entrepreneurship_and_health_policy-2.pdf)

“The American job-creation machine has slowed noticeably over the last fifteen years... Recent research highlights the importance of young and rapidly growing firms in producing substantial increases in net jobs created. Unfortunately, the longer-term trend in the United States has been moving in a more troubling direction. The share of new startup businesses among all firms has declined noticeably since the late 1970s... This study, funded by the Ewing Marion Kauffman Foundation, will examine the degree to which recent and future changes in national health policy may provide assistance.”

**Examining the Financing and Delivery of Long-Term Care in the U.S.**

House of Representatives Committee on Energy and Commerce – Hearing - March 1, 2016

<https://energycommerce.house.gov/hearings-and-votes/hearings/examining-financing-and-delivery-long-term-care-us>

Dr. Alice Rivlin, Co-Chair, Long-Term Care Initiative, Bipartisan Policy Center

Dr. William J. Scanlon, Consultant, West Health Institute and National Health Policy Forum

Ms. Anne Tumlinson, CEO, Anne Tumlinson Innovations

## INTERNATIONAL ECONOMIC RELATIONS

*Reuven Glick and Andrew K. Rose*

### **How Much Does the EMU Benefit Trade?**

FRB San Francisco – Economic Letter - March 21, 2016 – 5 pages

<http://www.frbsf.org/economic-research/files/el2016-09.pdf>

“The economic benefits of sharing a currency like the euro continue to be debated. In theory, countries that use the same currency face lower trade costs and exchange rate risk and are able to compare prices across borders more easily. These advantages should help increase trade among the economies involved. New estimates suggest that this has been the case in Europe, though perhaps to a lesser degree than previously thought.”

*Maximiliano A. Dvorkin and Hannah Shell*

### **A Regional Look at U.S. International Trade**

FRB St Louis – Review – March 2016 – 24 pages

<https://research.stlouisfed.org/publications/review/2016-03-22//a-regional-look-at-u-s-international-trade.pdf>

Economic activity at the state level varies greatly across U.S. regions, with different states specializing in the production of particular goods and services. This heterogeneity in activity informs the geographic distribution of U.S. imports and exports. Using U.S. Census Bureau foreign trade statistics, the authors examine the distribution of U.S. international trade at the state level, controlling for commodities and major trading partners. They find that trade activity varies greatly from state to state and identify two factors affecting this pattern—proximity to a trading partner and geographic location of industries. This analysis is descriptive but can be seen as a step toward understanding the local impact of globalization and asymmetric trade exposure across U.S. regions.

### **Free Trade Agreement Implementation: Lessons from the Past**

Senate Committee on Finance – Hearing – March 3, 2016

<http://www.finance.senate.gov/hearings/free-trade-agreement-implementation-lessons-from-the-past>

“Now that the President has signed the Trans-Pacific Partnership agreement, I expect consultations on its implementation to pick up steam. Confidence that TPP is going to be implemented the right way is a prerequisite for the agreement to win the support it would need to pass the Congress. I see this hearing as an opportunity to identify many of the pitfalls and opportunities in the implementation process.”

*Robert E. Scott and Elizabeth Glass*

### **Trans-Pacific Partnership, Currency Manipulation, Trade, and Jobs**

Economic Policy Institute - Report - March 3, 2016 – 63 pages

<http://www.epi.org/files/2016/tpp-jobs-final.pdf>

“The Trans-Pacific Partnership (TPP) agreement between the United States and 11 other Pacific Rim countries lacks an absolutely key component to keep it from doing potential damage to the U.S. economy. The missing piece of this trade and investment deal is a set of restrictions and/or enforceable penalties against member countries that engage in currency manipulation. Currency manipulation is one of the key driving forces behind the high and rapidly rising U.S. trade deficit with the 11 other members of the TPP. In 2015, the U.S. deficit with TPP countries translated into 2 million U.S. jobs lost, more than half (1.1 million) of which were in manufacturing. Without such provisions against currency manipulation, the TPP could well follow other trade agreements and leave even greater U.S. trade deficits in its wake.”

*Edited by Jeffrey J. Schott and Cathleen Cimino-Isaacs*

**Assessing the Trans-Pacific Partnership - Volume 1: Market Access and Sectoral Issues ;  
Volume 2: Innovations in Trading Rules**

Peterson Institute for International Economics – March 2016

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

Volume 2: <http://www.piie.com/publications/briefings/piieb16-4.pdf>

On February 4, 2016, the United States and 11 other countries signed the Trans-Pacific Partnership (TPP)... In a series of publications the Peterson Institute for International Economics has undertaken an ambitious assessment of the TPP's key issues and outcomes to provide a useful reader's guide to the trade pact and contribute to a more educated public debate over its ratification by the United States and other member countries. In Volume 1, PIIE scholars analyzed several major market access and sectoral issues in the TPP. In Volume 2, they assess various innovations in trading rules and how TPP provisions build on past practice. TPP rulemaking in new areas could have important implications for future regional deals and the global trading system writ large.

*Robert Z. Lawrence and Tyler Moran*

**Adjustment and Income Distribution Impacts of the Trans-Pacific Partnership**

Peterson Institute for International Economics – Working Paper - March 2016

<http://www.piie.com/publications/wp/wp16-5.pdf>

“The authors estimate the adjustment costs of the Trans-Pacific Partnership (TPP) on workers and compare these costs with the agreement's benefits. They also estimate its impact on the distribution of income across US households... Thus the agreement will confer net benefits to households at all levels of income and will certainly not worsen income inequality. These findings lend support to the passage of the TPP, but they also point to an increased role for adjustment assistance for those who are hurt by the agreement. A Trade Adjustment Assistance program with more generous wage-loss insurance should be part of the legislation implementing the TPP.”

*Simon Lester*

**Is the Doha Round Over? The WTO's Negotiating Agenda for 2016 and Beyond**

Cato – Free Trade Bulletin - February 11, 2016 – 4 pages

<http://object.cato.org/sites/cato.org/files/pubs/pdf/ftb64.pdf>

“The World Trade Organization's (WTO) most recent Ministerial Conference took place last December in Nairobi, Kenya. Opinions vary on how much was achieved, and, perhaps more importantly, where the WTO goes from here. The United States and the European Union have emphasized that “new” issues and approaches should guide WTO negotiations in the future. But it is not clear what that means, and how it relates to the “old” issues and approaches. And with the rise of mega-regional trade negotiations, such as the Trans Pacific Partnership (TPP) and the Transatlantic Trade and Investment Partnership (TTIP), there are serious questions about the WTO's role as a negotiating forum for trade liberalization. This paper reviews the current WTO negotiating agenda and the Nairobi outcomes, discusses possibilities for new directions, and makes suggestions for the WTO going forward.”

*K. William Watson*

**It's Time to Dump Nonmarket Economy Treatment**

Cato Institute - Free Trade Bulletin No. 65 - March 9, 2016

<http://www.cato.org/publications/free-trade-bulletin/its-time-dump-nonmarket-economy-treatment>

“Trade officials in the United States and Europe use what is called “nonmarket economy methodology” in antidumping cases against imports from China. That practice ignores the actual prices used by Chinese producers and results in unpredictable and unrealistically high antidumping duties. In a new bulletin, Cato scholar K. William Watson debunks the myths surrounding nonmarket economy treatment and the 2016

deadline in the hopes of preventing the U.S. and EU governments from maintaining this economically harmful policy while needlessly provoking trade conflict with China.”

### **Trade with Cuba: Growth and Opportunities**

House Committee on Foreign Affairs – Hearing – March 15, 2016

<http://foreignaffairs.house.gov/hearing/subcommittee-hearing-trade-cuba-growth-and-opportunities>

Witnesses:

C. Parr Rosson, Head of Department Agricultural Economics - Texas A&M University

Ray Stoesser, President, Texas Rice Council

Jason Marczak, Director, Latin American Growth Initiative, Atlantic Council

Mauricio Claver-Carone, Executive Director, Cuba Democracy Advocates

Richard E. Feinberg, Professor, School of Global Policy and Strategy, University of California, San Diego

## **ENVIRONMENTAL ECONOMIC ISSUES**

### **Obama’s Tax on Oil**

Resources for the Future – February 10, 2016

<http://www.rff.org/research/subtopics/oil>

Last week, President Obama released a plan to make "smart and strategic investments to create a cleaner, more sustainable transportation system." These investments would be paid for by a fee (or tax) on oil companies, which would also "reduce carbon pollution, cut oil consumption, and create new jobs." While economists at RFF see advantages to such a plan, they note that it would be more efficient for the "tax base to be broad-based—that is, on oil, natural gas, and coal

*Donald B. Marron and Adele Morris*

### **How to Use Carbon Tax Revenues**

Urban Institute and Brookings – Tax Policy Center – Paper – February 2016 – 12 pages

<http://www.brookings.edu/~media/research/files/papers/2016/02/23-carbon-tax-revenue/howtousecarbontaxrevenue/marronmorris.pdf>

In a new paper, Donald B. Marron and Adele Morris outline four goals for policymakers to help them better utilize carbon tax revenues. These goals include offsetting the burden carbon taxes place on consumers, supporting further efforts to reduce greenhouse gas emissions, reducing climate disruption, and funding unrelated public priorities.”

*Benjamin Leard, Joshua Linn, Virginia D. McConnell*

### **The New CAFE Rules and the Need for Evidence from the Field**

Resources for the Future – February 1, 2016

<http://www.rff.org/blog/2016/new-cafe-rules-and-need-evidence-field>

“At an RFF First Wednesday Seminar, The Evolving US Vehicle Fleet: Responding to New Federal Regulations, we gathered various experts to discuss key issues related to trends in the evidence regarding the efficiency and effectiveness of the new Corporate Average Fuel Economy (CAFE) standards. Several of these issues will be examined as part of this blog series.”

*Benjamin Leard, Joshua Linn, and Virginia D. McConnell*

### **Fuel Prices, New Vehicle Fuel Economy, and Implications for Attribute-Based Standards**

Resources for the Future – Paper - February 2016 – 28 pages

<http://www.rff.org/research/publications/fuel-prices-new-vehicle-fuel-economy-and-implications-attribute-based>

“An analysis of gasoline prices and US fuel economy standards reveals that price increases in the mid-2000s had a larger effect on vehicle market shares than recent decreases, but the latter have slightly reduced the mandated level of fuel economy.”

## ENERGY

*Alan J. Krupnick, Daniel Shawhan, and Kristin Hayes*

### **Harmonizing the Electricity Sectors across North America: Recommendations and Action Items**

Resources for the Future – Paper - February 2016 – 14 pages

<http://www.rff.org/research/publications/harmonizing-electricity-sectors-across-north-america-recommendations-and>

“The United States, Canada, and Mexico stand to benefit—individually and together—from ongoing energy sector developments and increased coordination across electricity systems. How should the three nations move toward greater harmonization?”

*Devashree Saha and Mark Muro*

### **Rigged: Declining U.S. Oil And Gas Rigs Forecast Job Pain**

Brookings – Blog - March 16, 2016

<http://www.brookings.edu/blogs/the-avenue/posts/2016/03/16-declining-us-oil-gas-rigs-saha-muro>

“Oil and gas prices remain at rock-bottom, and the job impacts are growing. Bureau of Labor Statistics data report that employment in oil and gas extraction and support activities in the country has contracted by 18 percent over the past year alone.”

### **Economic and Geopolitical Implications of Low Oil and Gas Prices**

Senate Committee on Foreign Relations - Hearing – March 2, 2016

<http://www.foreign.senate.gov/hearings/geopolitical-implications-of-low-oil-and-gas-prices-030216>

Witnesses:

Timothy D. Adams, President and CEO, Institute of International Finance, Washington, D.C.

Dr. Robert Kahn, Senior Fellow for International Economics, Council on Foreign Relations