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## GENERAL INTEREST

### **The Transatlantic Economy: Convergence or Divergence?**

FRB New York - Liberty Street Economics – June 3, 2016

<http://libertystreeteconomics.newyorkfed.org/2016/06/at-the-ny-fed-the-transatlantic-economy-convergence-or-divergence.html>

The New York Fed recently hosted a conference, “The Transatlantic Economy: Convergence or Divergence,” organized jointly with the Centre for Economic Policy Research and the European Commission. In this post, the authors provide an overview of the principal themes and findings of the day’s discussion.

*Mark P. Keightley, Marc Labonte, Jeffrey M. Stupak*

### **Slow Growth in the Current U.S. Economic Expansion**

Congressional Research Service – Report - June 24, 2016 – 28 pages

<http://www.fas.org/sgp/crs/misc/R44543.pdf>

“Between 2008 and 2015, economic growth has been, depending on the indicator, one-quarter to one-half the long-term average since World War II. Economic performance has been variable throughout the post-war period, but recent growth is markedly weaker than previous low growth periods, such as 1974 to 1995. Initially, slow growth was attributed to the financial crisis and its aftermath. But even after the recession ended and financial conditions normalized, growth has remained below average in the current economic expansion. The current expansion has already lasted longer than average, but growth has not picked up at any point during the expansion. By some indicators, growth began to slow during the 2001 to 2007 period, while other indicators suggest that the slowdown is more recent and abrupt. Although this report focuses on the U.S. economy, the same pattern has occurred across other advanced economies.”

### **The Macroeconomic and Budgetary Effects of Federal Investment**

CBO – Report - June 2016 – 31 pages

[https://www.cbo.gov/sites/default/files/114th-congress-2015-2016/reports/51628-Federal\\_Investment-OneCol.pdf](https://www.cbo.gov/sites/default/files/114th-congress-2015-2016/reports/51628-Federal_Investment-OneCol.pdf)

“The federal government buys many goods and services that are expected to increase private-sector productivity—that is, the ability of the private-sector workforce, using the stock of capital, to produce goods and services. Such purchases by the federal government are called investment. In an earlier report, CBO examined various aspects of federal investment itself, such as its composition and the way it had changed over time. Building on that analysis, this report explains how CBO, when analyzing proposals that would change the amount of federal investment, determines their effects on the economy and on the federal budget.”

*Diane Whitmore Schanzenbach, Ryan Nunn, Lauren Bauer, Megan Mumford*

### **Where Does All the Money Go: Shifts in Household Spending Over the Past 30 Years**

Brookings – Hamilton Project – June 2016 – 8 pages

[http://www.hamiltonproject.org/assets/files/where\\_does\\_all\\_the\\_money\\_go.pdf](http://www.hamiltonproject.org/assets/files/where_does_all_the_money_go.pdf)

“Over the last 30 years, low-income household spending on housing and healthcare has increased significantly – 5.5 percent increase on housing and 2 percent increase on healthcare. Across the country, low income households spend more on housing and healthcare, and less on other basic needs; however, the increase in spending on these two basic needs is particularly pronounced in the Northeast and West. When comparing across incomes, low-income households are spending more of their overall budget on basic needs than middle-income and high-income households. While middle-income households spent 78 percent of their budgets on basic needs categories in 2014, low-income households spent 82 percent. High-income households spent only two-thirds of their budget on basic needs.”

### **Strengthening the Safety Net to Mitigate the Effect of Future Recessions**

Brookings – The Hamilton Project – June 2016

[http://www.hamiltonproject.org/events/strengthening\\_the\\_safety\\_net\\_to\\_mitigate\\_the\\_effect\\_of\\_future\\_recessions](http://www.hamiltonproject.org/events/strengthening_the_safety_net_to_mitigate_the_effect_of_future_recessions)

“The Hamilton Project released three policy proposals on preparing for the next economic downturn. In their new Hamilton Project papers, Alan Blinder (Princeton University) recommends increasing the role of fiscal policy and “automatic stabilizers” to mitigate the effect of future recessions; Marianne Bitler (UC Davis) and Hilary Hoynes (UC Berkeley) focus on strengthening Temporary Assistance for Needy Families (TANF); and James Ziliak (University of Kentucky) proposes options for modernizing the Supplemental Nutrition Assistance Program (SNAP). In conjunction with the event, The Hamilton Project published a set of nine economic facts on the Great Recession and tools for fighting the next downturn in conjunction with the event. On May 23rd, the authors joined a distinguished panel of fellow event participants.”

*Andrew Foerster and Jason Choi*

### **Consumption Growth Regimes and the Post-Financial Crisis Recovery**

FRB Kansas City – Economic Review – Forthcoming – 24 pages

<https://www.kansascityfed.org/~media/files/publicat/econrev/econrevarchive/2016/2q16foersterchoi.pdf>

“Consumption has grown more slowly after the Great Recession than in recoveries from previous recessions. In the Economic Review, Andrew Foerster and Jason Choi find that growth was slow due to the unusual persistence of recessionary behavior in total and services consumption.”

*Theodore H. Moran and Lindsay Oldenski*

### **How Off Shoring and Global Supply Chains Enhance the US Economy**

Peterson Institute – Policy Brief – April 2016 – 7 pages

<https://piie.com/system/files/documents/pb16-5.pdf>

“Proposals put forward in the 2016 US presidential election campaign to curb offshoring will not bring back lost jobs and plants. Instead they would disrupt global supply chains that link the US economy to the rest of the world and are crucial for US exports and US employment, ultimately harming American competitiveness worldwide and threatening existing jobs.”

## **INCOMES – INEQUALITY - POVERTY**

*Estelle Sommeiller, Mark Price, and Ellis Wazeter*

### **Income Inequality in the U.S. by State, Metropolitan Area, and County**

Economic Policy Institute – Report - June 16, 2016

<http://www.epi.org/publication/income-inequality-in-the-us>

“Our new report on income inequality by state, metropolitan area, and county shows that inequality across the country is growing—with a disproportionate share of income growth going to the top 1 percent. This new report shows that in 24 states the top 1 percent captured at least half of all income growth between 2009 and 2013. And in 15 states the top 1 percent captured all income growth. Nationally, in 2013, families in the top 1 percent made 25 times as much as the bottom 99 percent.”

*Stephen Rose*

### **The Growing Size and Incomes of the Upper Middle Class**

Urban Institute Report - June 21, 2016 – 28 pages

<http://www.urban.org/sites/default/files/alfresco/publication-pdfs/2000819-The-Growing-Size-and-Incomes-of-the-Upper-Middle-Class.pdf>

This report uses absolute income thresholds adjusted for inflation and family size to show that the size of the upper middle class grew from 12.9 percent of the population in 1979 to 29.4 percent in 2014. In terms of shares of total income, the middle class controlled a bit more than 46 percent of all incomes in 1979, while the upper middle class and rich controlled 30 percent. By 2014, the rich and upper middle class controlled 63 percent of all incomes, while the middle class share had shrunk to 26 percent.

*Valerie Wilson*

**People of Color Will Be a Majority of the American Working Class in 2032 - What This Means for the Effort to Grow Wages and Reduce Inequality**

Economic Policy Institute - Report - June 9, 2016 – 28 pages

<http://www.epi.org/files/pdf/108254.pdf>

“In 2032, people of color will become a majority of the American working class, defined as people without a college degree. Since nearly two-thirds of the U.S. labor force is working class, policies aimed at raising working class living standards are critical to tackling wage stagnation and economic inequality. Working people from diverse groups must recognize that they share more in common than not, and work together to achieve a higher minimum wage, universal high-quality child care, criminal justice reform, and other overlapping goals.”

*Isabel V. Sawhill, Edward Rodrigue and Nathan Joo*

**One Third of a Nation: Strategies for Helping Working Families**

Brookings – Paper, May 2016 – 26 pages

<http://www.brookings.edu/~media/research/files/papers/2016/05/31-one-third-of-a-nation-strategies-for-working-families-sawhill/one-third-of-a-nation.pdf>

“Employment among lower-income men has declined by 11 percent since 1980 and has remained flat among lower-income women. Men and women in the top and middle of the income distribution, on the other hand, have been working as much or more since 1980, creating a growing “work gap” in labor market income between haves and have-nots. This paper simulates the effect of five labor market interventions (higher high school graduation rate, minimum wage increases, maintaining full employment, seeing all household heads work full time, and virtual marriages between single mothers and unattached men) on the average incomes of the poorest one-third of American households. They find that the most effective way to increase average incomes of the poorest Americans would be for household heads to work full time, whereas the least effective intervention would be increasing education.”

**Social Security Disability Insurance: Participation and Spending**

CBO – Report - June 15, 2016 – 19 pages

[https://www.cbo.gov/sites/default/files/114th-congress-2015-2016/reports/51443-SSDI\\_Participation\\_Spending-OneCol.pdf](https://www.cbo.gov/sites/default/files/114th-congress-2015-2016/reports/51443-SSDI_Participation_Spending-OneCol.pdf)

“The Social Security Disability Insurance (DI) program pays cash benefits to nonelderly adults who have worked in the past but are judged to be unable to continue performing substantial work because of a disability. The program also pays benefits to some of those adults’ dependents. In 2015, the DI program paid a total of \$143 billion, or about 0.8 percent of gross domestic product (GDP), in benefits to almost 9 million disabled beneficiaries and about 2 million of those beneficiaries’ spouses and children. CBO examines approaches that could improve the financial sustainability of the DI program and delay exhaustion of the DI trust fund past 2022.”

*Diane Whitmore Schanzenbach, Lauren Bauer and Ryan Nunn*

**Who Is Poor in the United States?**

Brookings – Hamilton Project - Paper - June 17, 2016 – 4 pages

[http://www.brookings.edu/~media/research/files/papers/2016/06/17-who-is-poor-in-the-us/who\\_is\\_poor\\_in\\_the\\_us.pdf](http://www.brookings.edu/~media/research/files/papers/2016/06/17-who-is-poor-in-the-us/who_is_poor_in_the_us.pdf)

“Understanding the characteristics of the poor is crucial for crafting effective anti-poverty policies. In this Economic Analysis, we document characteristics of the 46.7 million Americans—14.8 percent of the population—who lived in poverty in 2014. Using the Current Population Survey Annual Social and Economic Supplement (CPS ASEC) collected in March 2015, the source of official poverty statistics, we describe who lives in poverty as well as the characteristics of the working-age poor and those working-age poor who were employed less than full-time year-round.”

*Melissa Boteach, Rebecca Vallas, Eliza Schultz*

**A Progressive Blueprint for Cutting Poverty and Expanding Opportunity**

Center for American Progress – June 6, 2016 – 40 pages

<https://cdn.americanprogress.org/wp-content/uploads/2016/06/03081022/RoadmapOpportunity-report.pdf>

This blueprint lays out a policy framework that would dramatically reduce poverty and restore the American dream along five core areas: building better jobs and wages, valuing all families, ensuring basic living standards, investing in human capital, and removing barriers to opportunity.

**FISCAL AND TAX POLICIES**

**The Distribution of Household Income and Federal Taxes, 2013**

CBO – Report - June 8, 2016 – 44 pages

<https://www.cbo.gov/publication/51361>

“In 2013, households in the top, middle, and bottom income quintiles received 53, 14, and 5 percent, respectively, of the nation's before-tax income and paid 69, 9, and 1 percent, respectively, of federal taxes.”

*Andrew G. Biggs, James C. Capretta, Robert Doar, Ron Haskins, Yuval Levin*

**Increasing the Effectiveness and Sustainability of Entitlement Programs**

American Enterprise Institute – Report – June 2015 – 58 pages

<https://www.aei.org/wp-content/uploads/2016/06/Increasing-the-Effectiveness.pdf>

The United States faces a large and growing fiscal challenge that is being ignored by most of the nation’s policymakers. The Congressional Budget Office (CBO) projects that debt held by the public will reach 100 percent of gross domestic product (GDP) in 2039. The primary cause of the problem is the steady, decades-long rise in entitlement spending. Over the past 75 years, the United States has built a vast and sprawling network of social welfare protections and programs—the entitlement state. These programs’ cumulative costs now threaten to push the federal government past the point of insolvency.”

*Jared Bernstein*

**We're Going to Need More Tax Revenue. Here's How to Raise It.**

American Prospect – Article – Spring 2016

<http://prospect.org/article/were-going-need-more-tax-revenue-heres-how-raise-it>

“More tax dollars will be essential to improve our infrastructure, push back on global warming, fight poverty and inequality, and improve health and retirement security.”

*Alan D. Viard, Eric Toder*

**A Proposal to Reform the Taxation of Corporate Income**

American Enterprise Institute and Tax Policy Center – Report - June 17, 2016 - 94 pages

<https://www.aei.org/wp-content/uploads/2016/06/A-proposal-to-reform-the-taxation-of-corporate-income.pdf>

“This report updates and revises the authors’ 2014 proposal to replace the corporate income tax with taxation at ordinary income rates of dividends and net accrued capital gains of American shareholders. The new proposal retains a 15 percent corporate income tax, gives taxable shareholders a credit for corporate taxes paid, imposes a 15 percent tax on interest income of non-profits and retirement plans, and addresses stock price volatility and shifts between private and publicly-traded status. The reform encourages domestic investment and sharply reduces incentives for corporate inversions. It is approximately revenue neutral and makes the tax system more progressive.”

*Harry Grubert and Rosanne Altshuler*

### **Shifting the Burden of Taxation from the Corporate To the Personal Level and Getting the Corporate Tax Rate Down To 15 Percent**

National Tax Journal – Forthcoming, September 2016 – 54 pages

<https://www.aei.org/wp-content/uploads/2016/04/Grubert-Altshuler-Shifting-the-Burden-06-01-16.pdf>

We consider three plans for shifting the tax on corporate income to the personal level to achieve a significant reduction in the corporate tax rate. One plan eliminates the corporate tax and taxes dividends and the annual change in the value of publicly traded financial assets at ordinary rates. The second integrates corporate and shareholder taxes. The third lowers the corporate tax rate to 15 percent and taxes dividends and capital gains as ordinary income. To prevent large reductions in capital gains realizations and dividend payouts, an interest charge on taxes deferred during the holding period would be imposed when an asset is sold. We conclude that the third alternative is more robust than the other two.”

## **MONETARY POLICY**

**Monetary Policy Report** – June 21, 2016/ [https://www.federalreserve.gov/monetarypolicy/mpr\\_default.htm](https://www.federalreserve.gov/monetarypolicy/mpr_default.htm)

Janet L. Yellen testimony:

[http://www.banking.senate.gov/public/\\_cache/files/eddba0db-ff70-4f0d-b8de-d535ad2711a4/E92CFA988BAEEC9C2B1B301C255125AD.062116-yellen-testimony.pdf](http://www.banking.senate.gov/public/_cache/files/eddba0db-ff70-4f0d-b8de-d535ad2711a4/E92CFA988BAEEC9C2B1B301C255125AD.062116-yellen-testimony.pdf)

### **Rethinking Monetary Policy**

Cato Journal – Spring 2016 – 14 articles

<http://www.cato.org/cato-journal/springsummer-2016>

“Contributors to this volume revisit the thinking behind unconventional monetary policy and the “new monetary framework,” make the case for transparent monetary rules versus foggy discretion, and point to the distortions generated by ultra-low interest rates and preferential credit allocation. In doing so, they consider what monetary policy can and can’t do, what rules could improve the operation of the monetary and financial system, and what steps should be taken to safeguard our property rights in a sound monetary regime.”

*James Bullard*

### **Permazero**

Federal Reserve Bank of St. Louis Review - Second Quarter 2016 - pp. 81-92

<https://research.stlouisfed.org/publications/review/2016-06-17//permazero.pdf>

“The financial crisis of 2007-09 and its aftermath turned monetary economics and policymaking on its head and called into question many of the conventional views held before the crisis. One of the most popular and enduring views in all of monetary economics since the 1970s, and indeed since the 1940s, has been that a nominal interest rate peg is poor monetary policy and that attempts to pursue such a policy would lead to ruin. Yet, post-crisis U.S. monetary policy could be interpreted as exactly that—an interest rate peg—and an extreme one at that, since the policy rate has remained near zero for nearly seven years. The author summarizes some recent academic work on the idea of a stable interest rate peg and what its implications may be for current monetary policy choices.”

*Mike Konczal*

**The Bankers' Bank**

The American Prospect – Article - June 6, 2016

<http://prospect.org/article/bankers-bank>

“Does the Federal Reserve govern the banking system—or vice versa? The periods after the destructive financial crises of the past century have traditionally been periods of reform; as a response, more democratic control was brought over money. Yet no such fundamental change has occurred in the wake of the financial crisis of 2008. This lack of movement has led to confusion and reaction, and academics are now trying to tease out the history and politics of how change happened before, and how it might happen again.”

*William R. Cline*

**Estimates of Fundamental Equilibrium Exchange Rates, May 2016**

Peterson Institute – Policy Brief – May 2016 – 18 pages

<https://piie.com/system/files/documents/pb16-6.pdf>

“The US dollar is overvalued by about 7 percent, approximately the same amount as estimated last year (May and November 2015). Divergent phases of monetary policy in the United States, on the one hand, and the euro area and Japan, on the other, and a collapse in commodity prices drove the stronger dollar. After rising about 5 percent from October 2015 (the base of the November 2015 assessment) to January 2016, the real effective exchange rate of the dollar fell slightly below its October level by April 2016 (the base of the current estimates).

**FINANCE**

**Principles of Financial Opportunity Reforms**

National Center for Policy Analysis – Issue Brief – June 2016 – 4 pages

<http://www.ncpa.org/pdfs/ib193.pdf>

“Representative Jeb Hensarling introduced a pro-growth, pro-consumer strategy to replace the erroneous Dodd-Frank Act. Principles of Financial Opportunity reforms aim to do away with Too Big to Fail, simplify the complex regulatory system and shrink government's presence in the marketplace in order to increase transparency and competition and further financial independence for American citizens. Hensarling's plan to repeal and replace Dodd-Frank will foster a system that favors free-market solutions over government regulation.”

**Bank Capital and Liquidity Regulation - Part 1 - Part 2: Industry Perspectives**

Senate Committee on Banking, Housing, and Urban Affairs – Hearings - June 7&23, 2016

<http://www.banking.senate.gov/public/index.cfm/hearings?ID=E4DB4F1F-2053-4E72-BEB9-2B47B3A04676>

<http://www.banking.senate.gov/public/index.cfm/hearings?ID=E365C0A8-ED77-43D6-881C-B3F2BCE5B63A>

The witnesses are:

Prof. Hal Scott, Director of the Program on International Financial Systems, Harvard Law School;

Dr. Marvin Goodfriend, Tepper School of Business at Carnegie Mellon University;

Prof. Heidi Mandanis Schooner, Columbus School of Law, The Catholic University of America;

Dr. Paul H. Kupiec, Resident Scholar, American Enterprise Institute;

Ms. Rebeca Romero Rainey, on behalf of the Independent Community Bankers of America;

Wayne A. Abernathy, Executive Vice President, American Bankers Association;

Greg Baer, President, The Clearing House Association;

Ms. Jennifer Taub, Professor of Law, Vermont Law School.

*Rena S. Miller, Liana W. Rosen, James K. Jackson*

**Trade-Based Money Laundering: Overview and Policy Issues**

Congressional Research Service – Report - June 22, 2016 – 21 pages

<http://www.fas.org/sgp/crs/misc/R44541.pdf>

“Trade-based money laundering (TBML) involves the exploitation of the international trade system for the purpose of transferring value and obscuring the true origins of illicit wealth. TBML schemes vary in complexity but typically involve misrepresentation of the price, quantity, or quality of imports or exports. Financial institutions may wittingly or unwittingly be implicated in TBML schemes when such institutions are used to settle, facilitate, or finance international trade transactions (e.g., through the processing of wire transfers, provision of trade finance, and issuance of letters of credit and guarantees). TBML activity is considered to be growing in both volume and global reach. Although TBML is widely recognized as one of the most common manifestations of international money laundering, TBML appears to be less understood among academics and policymakers than traditional forms of money laundering through the international banking system and bulk cash smuggling.”

**OTHER ECONOMIC POLICIES**

**Restoring Investment in America’s Economy**

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

[http://www2.itif.org/2016-restoring-investment.pdf?mc\\_cid=3ab930dd77&mc\\_eid=c56f7c6ab9](http://www2.itif.org/2016-restoring-investment.pdf?mc_cid=3ab930dd77&mc_eid=c56f7c6ab9)

“The Information Technology and Innovation Foundation (ITIF) was founded in 2006. Looking back on the intervening decade, we have seen, in essence, a “tale of two cities”—dramatic progress in scientific and technological innovation, yet anemic productivity growth. This represents one of the most important challenges that policymakers must address in the years ahead, because productivity is a sine qua non for improving people’s living standards. How can we jumpstart productivity? Part of the answer is by spurring public and private investment in the underpinnings of the modern economy. ITIF will mark its 10-year anniversary with a half-day conference on June 14, 2016 devoted to this critical issue. The purpose of this report is to help frame the discussion.”

*Thaya Brook Knight*

**A Walk through the JOBS Act of 2012: Deregulation in the Wake of Financial Crisis**

Cato Institute – Policy analysis – May 2016

<http://www.cato.org/publications/policy-analysis/walk-through-jobs-act-2012-deregulation-wake-financial-crisis>

“In 2011, on the heels of the financial crisis and after passing the behemoth known as the Dodd-Frank Act, Congress did something unexpected: it passed, with wide bipartisan support, a piece of legislation that rolls back regulation of the financial sector. In early 2012 President Obama signed it into law. In a new paper, Cato scholar Thaya Brook Knight says that the Jumpstart Our Business Startups Act (JOBS Act), while not perfect, provides a useful template for how regulators can work to accommodate regulation to the needs of the market instead of the other way around.”

**Community Land Trusts: A Promising Tool for Expanding and Protecting Affordable Housing**

Center for American Progress – Report - June 20, 2016 – 24 pages

<https://cdn.americanprogress.org/wp-content/uploads/2016/06/14141430/CommunityLandTrusts-report.pdf>

Community land trusts can help lower-income families safely bridge the gap between rental housing and traditional home-ownership, with the potential to challenge the conventional housing market and enhance neighborhood stability.

## THE NEW DIGITAL ECONOMY

*Steven Greenhouse*

### **On Demand, and Demanding Their Rights**

The American Prospect – Article - Summer 2016

<http://prospect.org/article/demand-and-demanding-their-rights>

“Whatever the number, the on-demand economy is growing so fast and has stirred such vast interest from investors, the public, and the news media that how this innovative sector treats—and mistreats—its workers has become a major issue. Indeed, how gig workers respond to these challenges and how they exert collective power are shaping up as an important new chapter in the nation’s labor history.”

### **Social Media and the Workplace**

Pew Research Center - June 22, 2016 – 15 pages

[http://www.pewinternet.org/files/2016/06/PI\\_2016.06.22\\_Social-Media-and-Work\\_FINAL.pdf](http://www.pewinternet.org/files/2016/06/PI_2016.06.22_Social-Media-and-Work_FINAL.pdf)

Social media influences and permeates many aspects of daily life for Americans today, and the workforce is no exception. These digital platforms offer the potential to enhance worker productivity by fostering connections with colleagues and resources around the globe. At the same time, employers might worry that employees are using these tools for non-work purposes while on the job or engaging in speech in public venues that might reflect poorly on their organization.

## BUSINESS

### **Challenges and Opportunities for U.S. Business in the Digital Age**

Senate Committee on Finance – Hearing - June 15, 2016

<http://www.finance.senate.gov/hearings/challenges-and-opportunities-for-us-business-in-the-digital-age>

“In my view there are two issues at hand today, and in many ways they’re two sides of the same coin. The first is about how more small businesses are tapping foreign markets thanks to the digital economy and e-commerce platforms. The bottom line is that the internet is the shipping lane of the 21st century, and every business in this country, in one way or another, is digital...The other is the challenge represented by counterfeit goods. For the trade enforcers, it used to be a matter of identifying a shipping container filled with fake computer chips or tennis shoes. Although those shipping containers are still coming in, counterfeit goods are now also delivered in individual packages that go straight to the doorsteps of American consumers. So the challenge of rooting out counterfeits is a lot more difficult than it once was, and it poses a direct threat to American jobs and businesses.”

### **The Economic Impact of High-Growth Startups**

The Ewing Marion Kauffman Foundation - June 7, 2016 – 2 pages

[http://www.kauffman.org/~media/kauffman\\_org/resources/2016/entrepreneurship%20policy%20digest/pd\\_highgrowth060716.pdf](http://www.kauffman.org/~media/kauffman_org/resources/2016/entrepreneurship%20policy%20digest/pd_highgrowth060716.pdf)

“Though few in number, these high-growth businesses have a big impact on the economy. Research has found that high-growth firms: Account for up to 50 percent of new jobs created; differentiate themselves from other companies by expanding not just in size but also in number of new locations—creating new opportunities in diverse geographic areas; encourage subsequent employment growth in their related industries. Not all entrepreneurs have ambitions to grow their businesses and dominate market segments, nor should we expect them to. However, given the outsized economic contributions of high-growth firms, it is important to both understand how these firms are defined and ways to encourage more business growth.”

### **America Without Entrepreneurs: The Consequences of Dwindling Startup Activity**

Senate Committee on Small Business – Hearing – June 29, 2016

[http://www.sbc.senate.gov/public/index.cfm?p=Hearings&ContentRecord\\_id=C59337A0-5D6B-4D37-BE7C-B559D1DED53A&ContentType\\_id=14F995B9-DFA5-407A-9D35-56CC7152A7ED&Group\\_id=43eb5e02-e987-4077-b9a7-1e5a9cf28964](http://www.sbc.senate.gov/public/index.cfm?p=Hearings&ContentRecord_id=C59337A0-5D6B-4D37-BE7C-B559D1DED53A&ContentType_id=14F995B9-DFA5-407A-9D35-56CC7152A7ED&Group_id=43eb5e02-e987-4077-b9a7-1e5a9cf28964)

“Among this Committee’s top priorities is ensuring that these brave entrepreneurs have the support, resources and environment necessary to make the leap, start a business, create jobs, and grow their enterprises. This hearing will examine the data and recent studies by bipartisan experts on entrepreneurship and economic growth, so that we can discuss policy solutions in the context of what the research tells us about the long-range outlook for startup and scale-up businesses in America.”

*Angela Hanks, Ethan Gurwitz, Brendan V. Duke, and Andy Green*

### **Workers or Waste? How Companies Disclose—or Do Not Disclose—Human Capital Investments and What to Do About It**

Center for American Progress – June 2016 – 26 pages

<https://cdn.americanprogress.org/wp-content/uploads/2016/06/03042031/HumanCapital.pdf>

“Policymakers, economists, and investors alike are increasingly concerned that myopia at public companies and on Wall Street is choking off profitable long-term investments. BlackRock CEO Larry Fink recently penned a letter to the CEOs of America’s largest companies lamenting the fact that “today’s culture of quarterly earnings hysteria is totally contrary to the long-term approach we need.” In line with Fink’s concerns, several studies suggest that public companies are forgoing profitable investments in order to boost short-term returns. But the problem of managers’ investment incentives may be even worse than the short-termism research implies.”

## **MANUFACTURING - INNOVATION**

*Michaela D. Platzer and John F. Sargent Jr.*

### **U.S. Semiconductor Manufacturing: Industry Trends, Global Competition, Federal Policy**

Congressional Research Service – Report - June 27, 2016 – 26 pages

<http://www.fas.org/sgp/crs/misc/R44544.pdf>

“Invented and pioneered in the United States shortly after World War II, semiconductors are the enabling technology of the information age. Because of semiconductors new industries have emerged and existing ones, such as aerospace and automotive, have been transformed. Semiconductors have contributed in powerful and unique ways to nearly all fields of science and engineering, and semiconductors’ economic and military importance has made the industry’s health a focus of congressional interest for nearly 70 years. In July 2015, Congress formed the Semiconductor Caucus, a group that seeks to advance policies that support the U.S. semiconductor industry.”

*John F. Sargent Jr.*

### **Nanotechnology: A Policy Primer**

Congressional Research Service – Report - June 28, 2016 – 22 pages

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

“Nanoscale science, engineering, and technology—commonly referred to collectively as nanotechnology—is believed by many to offer extraordinary economic and societal benefits. Congress has demonstrated continuing support for nanotechnology and has directed its attention particularly to three topics that may affect the realization of this hoped for potential: federal research and development (R&D) in nanotechnology; U.S. competitiveness in the field; and environmental, health, and safety (EHS) concerns. This report provides an overview of these topics and two others: nanomanufacturing and public understanding of and attitudes toward nanotechnology.”

*Robert Atkinson*

**"It's Going to Kill Us!" and Other Myths About the Future of Artificial Intelligence**

Information Technology & Innovation Foundation – Report – June 2016 - 50 pages

[http://www2.itif.org/2016-myths-machine-learning.pdf?mc\\_cid=54d778623c&mc\\_eid=c56f7c6ab9](http://www2.itif.org/2016-myths-machine-learning.pdf?mc_cid=54d778623c&mc_eid=c56f7c6ab9)

“Artificial intelligence holds tremendous promise for spurring economic growth and social progress, but pervasive myths about hypothetical harms—from the canard that it will destroy our jobs to doomsday predictions that it will wipe us out altogether—could encourage policymakers to retard further innovation in the technology. For society to reap the myriad benefits AI has to offer, they should instead actively support its further development and use.”

*Jane G. Gravelle*

**A Patent/Innovation Box as a Tax Incentive for Domestic Research and Development**

Congressional Research Service – Report - June 13, 2016 – 18 pages

<http://www.fas.org/sgp/crs/misc/R44522.pdf>

“A patent box provides a lower tax rate on income from patents, and in some cases, from other intellectual property. A number of countries, including the U.K., France, the Netherlands, and China, have adopted a patent box. Rates generally range from 5% to 15%. Patent boxes are in some cases referred to as innovation boxes because they cover income from non-patented as well as patented intellectual property. Patent boxes can have narrow coverage (providing a lower tax rate on royalties and licenses from patents) or broadly cover income attributable to intellectual property, including that used directly by the firm in production. The purpose of a patent box is to encourage research and development, and, in some cases, to encourage the location of profits from intellectual property in the country.”

## **INFORMATION TECHNOLOGY - TELECOMMUNICATIONS**

*Jeffrey Eisenach, Claude Barfield, James K. Glassman, Mario Loyola, Shane Tews*

**An American Strategy for Cyberspace: Advancing Freedom, Security, and Prosperity**

American Enterprise Institute – Report - June 14, 2016 – 83 pages

<http://www.aei.org/wp-content/uploads/2016/06/American-Strategy-for-Cyberspace.pdf>

“The Internet is an American success story, generating tremendous benefits at home and globally, and helping to advance American values of freedom, security, and prosperity. It has also created challenges, among them its use by authoritarian states to repress political freedoms, by criminals to steal property and commit extortion, and by America’s adversaries and potential adversaries to use malicious code and cyber-warfare to threaten our economic and national security. The US needs a coherent and comprehensive strategy to address these and other challenges in order to defend and promote America’s national interests in an increasingly digital world... This report puts forward the beginnings of such a strategy in the areas of Internet freedom and human rights, international trade and digital commerce, cybercrime and law enforcement, and critical infrastructure and cyber defense.”

*Mark Jamison, Roslyn Layton*

**Beyond Net Neutrality: Policies for leadership in the information, computing, and network industries**

American Enterprise Institute – Report - June 14, 2016 – 13 pages

<http://www.aei.org/wp-content/uploads/2016/06/Beyond-net-neutrality.pdf>

“Net neutrality in the US is backfiring against some of the very people it is supposed to help, so we need a policy that gets beyond net neutrality to a framework that resolves disputes, enables leadership and innovation, and protects the poor. One crucial feature is a multistakeholder approach to resolving conflicts within the industry. This system, which is common in the Internet, is where concerns such as connectivity, openness, and

discrimination can be worked out. The other crucial feature is limiting ex ante regulation to situations in which monopoly actually emerges. The framework provides a process and standards for introducing ex ante regulation.”

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

Congressional Research Service – Report - June 10, 2016 – 25 pages

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

National governments are recognizing an increasing stake in ICANN and DNS policy decisions, especially in cases where Internet DNS policy intersects with national laws and interests related to issues such as intellectual property, cybersecurity, privacy, and Internet freedom. How ICANN and the Internet domain name system are ultimately governed may set an important precedent in future policy debates—both domestically and internationally—over how the Internet should be governed, and what role governments and intergovernmental organizations should play.

### **How the Internet of Things (IoT) Can Bring U.S. Transportation and Infrastructure into the 21st Century**

Senate Committee on Commerce, Science, and Transportation – Hearing - June 28, 2016

<http://www.commerce.senate.gov/public/index.cfm/hearings?ID=0BDF2CA5-BF3B-42F6-B3E4-8874C46F9827>

The hearing will explore how businesses and government use new technologies, including the Internet of Things (IoT), to enhance the efficiency of infrastructure and transportation across the country. Witnesses have been asked to testify on their unique projects, successes, and challenges with utilizing IoT technology in the transportation sector. Witnesses will also discuss their views on the appropriate role of the federal government in promoting innovation, adopting new technologies, and protecting safety in transportation and infrastructure projects.

### **FCC Overreach: Examining the Proposed Privacy Rules**

House Committee on Energy and Commerce – Hearing - June 14, 2016

<https://energycommerce.house.gov/hearings-and-votes/hearings/fcc-overreach-examining-proposed-privacy-rules>

The purpose of this hearing is to examine the Federal Communications Commission’s (FCC or Commission) recently proposed rules on privacy requirements for broadband internet service providers.

## **AGRICULTURE**

### **Big Data and Agriculture: Innovation in the Air**

House Committee on Agriculture – Hearing - June 23, 2016

<http://agriculture.house.gov/calendar/eventsingle.aspx?EventID=3434>

“An important piece underpinning much of the innovation in agriculture, and specifically in precision agriculture, is the development of imaging and mapping technology. As we all know, maps of farmland and crops are not new, but the means of capturing and utilizing this imagery is constantly changing. We will have an opportunity to hear about three technologies used to capture images – manned airplanes, satellites, and Unmanned Aerial Systems or drones. Each of these technologies can serve a specific purpose for providing information based on imagery for farmers and improving their stewardship of natural resources and the sustainability of their farming operations.”

## **Expanding U.S. Agriculture Trade and Eliminating Barriers to U.S. Exports**

House Committee on Ways and Means – Hearing – June 14, 2016

<http://waysandmeans.house.gov/event/39841857/>

“The hearing will focus on how high-standard and ambitious trade agreements that are thoroughly implemented and fully enforced can open much-needed markets to U.S. agriculture exports and benefit rural and urban America.”

## **EMPLOYMENT - WAGES**

*J. John Wu and Robert D. Atkinson*

### **The U.S. Labor Market is Far More Stable Than People Think**

Information Technology & Innovation Foundation – Report – June 2016 – 116 pages

[http://www2.itif.org/2016-us-labor-market-stable.pdf?mc\\_cid=fa1b84ab0d&mc\\_eid=c56f7c6ab9](http://www2.itif.org/2016-us-labor-market-stable.pdf?mc_cid=fa1b84ab0d&mc_eid=c56f7c6ab9)

A prevailing narrative that serves as a backdrop for the 2016 campaign is that Americans now live in an economy marked by perpetual job insecurity, in which they are frequently laid off from both high-level and low-level jobs. But employment data tell a different story. Job security has in fact steadily increased since the 1990s. The bigger challenge is that we have too little creative destruction.

*Marc Levinson*

### **Job Creation in the Manufacturing Revival**

Congressional Research Service – Report - June 28, 2016 – 19 pages

<http://www.fas.org/sgp/crs/misc/R41898.pdf>

“U.S. manufacturing output has risen approximately 9% since the most recent low point in 2009, but almost all of that expansion occurred prior to the end of 2014. The upswing in manufacturing activity has resulted in negligible employment growth. Although a variety of forces seem likely to support further growth in domestic manufacturing output over the next few years, including higher labor costs in the emerging economies of Asia and increased concern about disruptions to transoceanic supply chains, evidence suggests that such a resurgence would lead to relatively small job gains within the manufacturing sector. Manufacturing wages are below those in many other industries and continue to decline in relative terms.”

### **More Older Americans Are Working, and Working More, Than They Used To**

Pew Research Center – Fact Tank – June 20, 2016

<http://www.pewresearch.org/fact-tank/2016/06/20/more-older-americans-are-working-and-working-more-than-they-used-to>

“More older Americans – those ages 65 and older – are working than at any time since the turn of the century, and today’s older workers are spending more time on the job than did their peers in previous years, according to a new Pew Research Center analysis of employment data from the federal Bureau of Labor Statistics. In May, 18.8% of Americans ages 65 and older, or nearly 9 million people, reported being employed full- or part-time, continuing a steady increase that dates to at least 2000.”

### **The Long-Term Decline in Prime-Age Male Labor Force Participation**

Council of Economic Advisors – Report - June 2016 – 48 pages

[https://www.whitehouse.gov/sites/default/files/page/files/20160620\\_cea\\_primeage\\_male\\_lfp.pdf](https://www.whitehouse.gov/sites/default/files/page/files/20160620_cea_primeage_male_lfp.pdf)

“For more than sixty years, the share of American men between the ages of 25 and 54, or “prime-age men,” in the labor force has been declining. This fall in the prime-age male labor force participation rate, from a peak of 98 percent in 1954 to 88 percent today, is particularly troubling since workers at this age are at their most productive; because of this, the long-run decline has outsized implications for individual well-being as

well as for broader economic growth. A large body of evidence has linked joblessness to worse economic prospects in the future, lower overall well-being and happiness, and higher mortality, as well as negative consequences for families and communities. This report documents the trend of declining prime-age male labor force participation over the last half century in both a historical and international context, examines a number of potential explanations, and discusses the policies President Obama has proposed to address it.”

*Ryan Nunn*

### **Occupational Licensing and the American Worker**

Brookings - The Hamilton Project - Paper - June 21, 2016

<http://www.brookings.edu/research/papers/2016/06/21-occupational-licensing-and-the-american-worker>

“This economic analysis focuses on the role of occupational licensing—that is, the legal permission that many workers must obtain before working in professions ranging from law and medicine to, in some states, floral arrangement and landscaping... Licensing plays an important role in determining workers’ wages, employment, and mobility as well as the overall health of the labor market. Lower wages and higher unemployment rates for unlicensed workers, as well as reduced migration rates for those with licenses, all suggest that the social costs of licensing are larger than many have previously believed.”

### **Keeping the American Dream Alive: The Challenge to Create Jobs Under the NLRB’s New Joint Employer Standard**

Senate Committee on Small Business – Hearing – June 16, 2016

[http://www.sbc.senate.gov/public/index.cfm?p=Hearings&ContentRecord\\_id=715AC9B9-9BDB-431A-B752-AC8E7EAC9FC9&ContentType\\_id=14F995B9-DFA5-407A-9D35-56CC7152A7ED&Group\\_id=43eb5e02-e987-4077-b9a7-1e5a9cf28964](http://www.sbc.senate.gov/public/index.cfm?p=Hearings&ContentRecord_id=715AC9B9-9BDB-431A-B752-AC8E7EAC9FC9&ContentType_id=14F995B9-DFA5-407A-9D35-56CC7152A7ED&Group_id=43eb5e02-e987-4077-b9a7-1e5a9cf28964)

“This joint-employer issue is yet another controversial example of the Obama Administration’s push for misguided labor policies that will not only hurt small business, but also have severe economic consequences. The Board’s decision to change a proven, successful model of business threatens our economy and ultimately puts millions of jobs at risk. In a landmark decision last August, the NLRB ruled that merely “indirect control” or even “unexercised potential” to control working conditions will now make two separate employers a joint-employer. This means that multiple employers will now have to jointly negotiate working conditions with unions and share liability for labor law violations.”

### **The H-2B Temporary Foreign Worker Program: Examining the Effects on Americans’ Job Opportunities and Wages**

Senate Subcommittee on Immigration and the National Interest – Hearing - June 8, 2016

<http://www.judiciary.senate.gov/meetings/the-h-2b-temporary-foreign-worker-program-examining-the-effects-on-americans-job-opportunities-and-wages>

“This hearing will help us better understand how the program is being used, how American workers are being affected, and whether Congress should do more to rein in fraud and abuse. This is not the time to take away U.S. worker protections. And, if there are Americans willing to do these jobs, then we need to do better to ensure they have the opportunity.”

*Rachel West, Indivar Dutta-Gupta, Kali Grant, Melissa Boteach, Claire McKenna, and Judy Conti*

### **A Plan to Improve Unemployment Protections in America**

Center for American Progress – Report - June 16, 2016 – 2 pages/147 pages

[https://cdn.americanprogress.org/wp-content/uploads/2016/06/01052018/UI\\_JSAfactsheet.pdf](https://cdn.americanprogress.org/wp-content/uploads/2016/06/01052018/UI_JSAfactsheet.pdf)  
[https://cdn.americanprogress.org/wp-content/uploads/2016/05/31134245/UI\\_JSAreport.pdf](https://cdn.americanprogress.org/wp-content/uploads/2016/05/31134245/UI_JSAreport.pdf)

“As important as UI has been in the past, the system has not kept pace with changes in the labor force or the economy. With more than two-thirds of American households experiencing at least a year of unemployment during their working years and the next recession inevitably approaching, there is no better time to update this

crucial part of the social insurance system, benefiting both families and the economy. A proposal from the Center for American Progress, or CAP; Georgetown Center on Poverty and Inequality, or GCPI; and National Employment Law Project, or NELP, would modernize UI and create a Jobseeker's Allowance, or JSA. These recommendations would form a significantly more robust system of assistance for American jobseekers, roughly doubling the number of workers served each year and offering greater protection during economic downturns. And for the first time, the JSA would extend earnings-loss protection to independent contractors and others who are ineligible for UI."

### **The Administration's Overtime Rule and Its Consequences for Workers, Students, Nonprofits, and Small Businesses**

House Committee on Education and the Workforce – Hearing - June 9, 2016

<http://edworkforce.house.gov/calendar/eventsingle.aspx?EventID=400787>

"Because of this rule, many Americans will soon realize they have fewer jobs prospects, less flexibility in the workplace, and fewer opportunities to climb the economic ladder. Thousands of salaried workers will be demoted to hourly status. These workers will feel as though they've taken a step back in their careers when they're forced to clock their hours, and they'll no longer have flexible schedules to balance work and family. With this shift, workers will have fewer opportunities for on-the-job-training and career advancement."

"I predict that this overtime rule change, implemented by the Obama administration and its Labor Department and broadly supported by congressional Democrats and the general public – 60 percent of Americans backed the proposal in a recent poll — will come to be viewed as an important and positive intervention on behalf of middle-class families."

### **Oil and Gas Boom Feeds Greatest Real Wage Growth in U.S., But Will It Last?**

Pew Research Center – Fact Tank – May 31, 2016

<http://www.pewresearch.org/fact-tank/2016/05/31/oil-and-gas-boom-feeds-greatest-real-wage-growth-in-u-s-but-will-it-last/>

"Workers in America's oil and gas patches have enjoyed some of the country's biggest gains in the buying power of their paychecks over the past decade and a half, while workers in several small and mid-sized manufacturing-oriented cities have watched their buying power shrink over the same time period."

## **HEALTH ECONOMICS**

### **Health Spending Slowed Down in Spite of the Crisis**

FRB New York – Staff report - June 2016 – 22 pages

[https://www.newyorkfed.org/research/staff\\_reports/sr781](https://www.newyorkfed.org/research/staff_reports/sr781)

"There is disagreement about why the growth rate of health care spending has fallen to historically low levels since 2009. The authors use a set of credit reforms to provide evidence that, contrary to conventional wisdom, the financial crisis and the Great Recession increased health care spending rather than decreased it."

*Jesse Cross-Call*

### **Medicaid Expansion Producing State Savings and Connecting Vulnerable Groups to Care**

Center on Budget and Policy Priorities – Paper - June 15, 2016 – 5 pages

<http://www.cbpp.org/sites/default/files/atoms/files/6-15-16health.pdf>

This paper "explains how health reform's Medicaid expansion has produced net budget savings for many states, which expect continued savings in the coming years, even after they begin paying a modest part of the expansion's cost. Medicaid expansion is a good deal for states financially, and it also gives states an opportunity to provide needed care to uninsured people whose health conditions have been a barrier to

employment. Connecting vulnerable populations with needed care can improve health, stabilize housing, and support employment, while saving states money and resources.”

## INTERNATIONAL TRADE

*Clyde Prestowitz*

### **Free Trade is Dead**

Washington Monthly – Article - June 13, 2016

<http://washingtonmonthly.com/magazine/junejulyaug-2016/free-trade-is-dead/>

Regardless of who wins the presidential election in November, the 2016 campaign has already dramatically undermined a major pillar of post-World War II American economic and foreign policy-free trade. Hillary Clinton's current rejection of the same Trans-Pacific Partnership (TPP) free trade agreement that earlier she had called "the gold standard" of free trade deals is a far cry from her husband's 1990s embrace of globalization as essentially the same thing as Americanization. Of course, her shift of position is a dramatic indication of how much she is feeling "the Bern," since he rejects "all the crazy trade deals" of the past forty odd years. Even more surprising is Donald Trump's effective capture of the Republican presidential nomination on the basis of trashing the "terrible trade deals" and the free trade doctrine that have long been tenets of the conservative Republican faith.

*Daniel J. Ikenson*

### **Trade on Trial, Again**

Cato – Policy Report – June 2016

<http://www.cato.org/policy-report/mayjune-2016/trade-trial-again>

“The intellectual debate for free trade was won in 1776 with publication of *The Wealth of Nations*. Today, nearly all economists agree that free trade, by expanding the size of the market to enable greater specialization and economies of scale, generates more wealth than any system that restricts cross-border exchange. But the question of whether an intellectual consensus is even pertinent matters too, especially when, in practice, free trade remains stubbornly elusive, and the process of U.S. trade policy formulation is distinctly anti-intellectual. Apparently, the intellectual consensus for free trade coexists with an absence of free trade and a persistence of protectionism in practice.”

*James K. Jackson*

### **The Economic Effects of Trade: Overview and Policy Challenges**

Congressional Research Service – Report - June 29, 2016 – 44 pages

<http://www.fas.org/sgp/crs/misc/R44546.pdf>

“Discussions of trade and trade agreements often focus on a number of issues, including the role that trade plays in the U.S. economy, the impact of trade agreements on employment gains and losses, and the size of the U.S. trade deficit. This report focusses on some of the major issues associated with trade and trade agreements and the impact of trade on the U.S. economy.”

*Caroline Freund, Gary Clyde Hufbauer, and Euijin Jung*

### **Enhancing Export Opportunities for Small and Medium-Sized Enterprises**

Peterson Institute – Policy Brief – June 2016 – 12 pages

<https://piie.com/system/files/documents/pb16-7.pdf>

“Small and medium-sized enterprises (SMEs) employ about half the American workforce, and are thus important for US economic health. The fact that 98 percent of exporters are small businesses suggests that trade is critical to the economic vitality of SMEs. Proponents of trade agreements argue that such agreements open markets to businesses of all sizes and that simplifying customs and promoting e-commerce can especially help small businesses. Critics cite the relatively high share of total exports by large firms as an indication that large

firms are the main beneficiaries of open markets. This Policy Brief examines the evidence for these conflicting claims and shows that exports from both small and large firms are boosted by reduced trade barriers.”

*Nigel Cory And Stephen Ezell*

### **Crafting an Innovation-Enabling Agreement for Services Trade in the Digital Age**

Information Technology & Innovation Foundation – Report – June 2016 - 41 pages

[http://www2.itif.org/2016-tisa-services.pdf?mc\\_cid=54d778623c&mc\\_eid=c56f7c6ab9](http://www2.itif.org/2016-tisa-services.pdf?mc_cid=54d778623c&mc_eid=c56f7c6ab9)

“Advances in technology allow more and more services to be traded across borders. But many countries are adopting protectionist policies to avoid disruptive competition in the technology sector and instead protect small, incumbent service providers at the expense of global economic growth. Policymakers should establish a strong Trade in Services Agreement (TiSA) to update the rules for services trade in the digital age, and thereby boost global productivity and innovation.”

## **CHINA**

### **International Antitrust Enforcement: China and Beyond**

House Judiciary Committee – Hearing – June 7, 2016

<https://judiciary.house.gov/hearing/international-antitrust-enforcement-china-beyond/>

The hearing will focus on the enforcement of antitrust and competition laws against companies and citizens that engage in the ever-expanding global marketplace. Specifically, the hearing will focus on China’s enforcement of its competition laws and the potential impact of China’s enforcement on other international jurisdictions. The Subcommittee will hear from experts in the field of antitrust and competition who will discuss China’s development of its competition laws, China’s potential abuse of its competition laws, and how the U.S. is coordinating with the Chinese government in order to ensure fairness, transparency, and objectivity for American businesses and citizens who interact with the country.

*Chad P. Bown*

### **China's Market Economy Status and Antidumping: A \$100 Billion, \$10 Billion, or \$1 Billion Dispute?**

Peterson Institute - Blog - June 8, 2016

<https://piie.com/blogs/trade-investment-policy-watch/chinas-market-economy-status-and-antidumping-100-billion-10>

<https://piie.com/blogs/trade-investment-policy-watch/chinas-market-economy-status-and-antidumping-100-billion-10-0>

“This two-part blog assesses the scale of trade that is affected by the use of antidumping strategies, highlighting why China is focusing so much on the issue. The first part introduces the policy issue and the market access at stake for Chinese exporters in antidumping cases. Part 2 will examine the extent to which China’s exports may increase if the United States, EU and other major economies granted it MES (market economy status). The extent to which China’s exports are—and are not—likely to change if its status is modified should obviously be an important consideration for policymakers.”

*Caroline Freund*

### **How Dependent Are US Consumers on Imports From China?**

Peterson Institute - Blog - June 7, 2016

<https://piie.com/blogs/trade-investment-policy-watch/how-dependent-are-us-consumers-imports-china>

“For 825 products, out of a total of about 5,000, adding up to nearly \$300 billion, China supplies more than all our other trade partners combined. Of these products, the most important is cell phones, where \$40 billion in imports from China account for more than three-quarters of the total value imported. For many of these goods consumers could shift to other suppliers, but price hikes and reduced variety would yield large welfare losses...

There are also 83 products where 90 percent or more of US imports come from China; together these accounted for a total of \$56 billion in 2015. The most important individual product in this category is laptop computers, which alone have an import value of \$37 billion from China, making up 93 percent of the total imported.”

## ENVIRONMENTAL ECONOMIC ISSUES

*Roberton C. Williams III*

### **Environmental Taxation**

Resources for the Future – Discussion Paper – June 2016 – 30 pages

<http://www.rff.org/research/publications/environmental-taxation>

“This paper evaluates the economic and environmental effects of potential environmental tax reforms, based on a review of recent economic research. It focuses mainly on a carbon tax but also considers changes to motor fuel taxes and energy tax credits.”

*Marc Hafstead, Lawrence H. Goulder, Raymond J. Kopp, Roberton C. Williams III*

### **Macroeconomic Analysis of Federal Carbon Taxes**

Resources for the Future - Policy Brief - June 13, 2016 – 5 pages

<http://www.rff.org/research/publications/macroeconomic-analysis-federal-carbon-taxes>

“An economy-wide federal carbon tax can significantly reduce US carbon dioxide emissions but will also impact the US economy. A modeling exercise examines these macroeconomic impacts and demonstrates the effects of the tax on consumer prices and welfare.”

*Deborah Gordon, Jessica T. Mathews*

### **A Smart Tax: Pricing Oil for a Safe Climate**

Carnegie Endowment for International Peace – Paper – June 16, 2016

<http://carnegieendowment.org/2016/06/15/smart-tax-pricing-oil-for-safe-climate/j1ji>

“Because of the growing chemical and geological diversity of the new oils, the lack of alternative liquid fuels for transportation, and the size and global scope of oil production and trade, a tax is most needed in the oil sector.”

*Sam Ross-Brown.*

### **Fighting Over Fuel**

The American Prospect – Article – Spring 2016

<http://prospect.org/article/fighting-over-fuel>

“Five years ago, the Obama administration announced an ambitious fuel economy plan mandating that automakers attain an average of 54.5 miles per gallon by 2025. Designed to eliminate 6 million metric tons of greenhouse gases over 13 years—more than the nation’s entire annual carbon footprint—the program represented the administration’s most ambitious effort to combat climate change. But the plan may fall far short of its goals, critics say, largely because automakers have successfully lobbied for multiple, industry-friendly loopholes and giveaways that significantly undermine the fuel efficiency targets.”

## ENERGY

### **Energy Tax Policy in 2016 and Beyond**

Senate Committee on Finance – Hearing - June 14, 2016

<http://www.finance.senate.gov/hearings/energy-tax-policy-in-2016-and-beyond>

John G. Searle Chair And Resident Scholar, American Enterprise Institute, Washington , DC  
 Mr. Steve Miller, Chief Executive Officer, Bulk Handling Systems, Eugene , OR  
 Ms. Susan Kennedy, CEO and Board Member, Advanced Microgrid Solutions, San Francisco , CA  
 Karen Alderman Harbert, President and CEO, Institute For 21st Century Energy, United States Chamber of Commerce, Washington , DC

### **Home Appliance Energy Efficiency Standards Under the Department of Energy– Stakeholder Perspectives**

House Committee on Energy and Commerce – Hearing - June 10, 2016

<https://energycommerce.house.gov/hearings-and-votes/hearings/home-appliance-energy-efficiency-standards-under-department-energy>

“The Obama administration has promulgated more appliance standards than any previous administration, both amended standards for previously-regulated categories of appliances and first-ever standards for newly-created categories. The program has been expanded to 60 product categories. According to the Spring 2016 Unified Agenda, the administration is currently working on standards for fifteen additional home appliances, including air-conditioners, furnaces, light bulbs, cooking products, and dishwashers.”

### **The Renewable Fuel Standard – Implementation Issues**

House Committee on Energy and Commerce – Hearing - June 22, 2016

<https://energycommerce.house.gov/hearings-and-votes/hearings/renewable-fuel-standard-implementation-issues>

“The following issues may be examined at the hearing: Current status of and emerging issues with RFS implementation; Impact of the RFS on fuel producers, marketers, and end users; EPA’s administration of the RFS; Environmental impacts of the RFS; Long term status of the RFS; Potential reforms to the RFS.”

### **The Utility of the Future**

Resources – Spring/Summer 2016

<http://www.rff.org/blog/2016/new-issue-resources-utility-future>

RFF (Resources for the Future) experts explore the evolving US power sector as it responds to transformational market trends, smart grid technologies, and the looming climate challenge.

*Marc Humphries*

### **U.S. Crude Oil and Natural Gas Production in Federal and Nonfederal Areas**

Congressional Research Service – Report - June 22, 2016 – 14 pages

<http://www.fas.org/sgp/crs/misc/R42432.pdf>

“A number of legislative proposals designed to increase domestic energy supply, enhance security, and/or amend the requirements of environmental statutes that apply to energy development are before the 114th Congress... A key question in this discussion is how much oil and gas is produced in the United States each year and how much of that comes from federal versus nonfederal areas. Oil production has fluctuated on federal lands over the past 10 fiscal years but has increased dramatically on nonfederal lands... Natural gas production in the United States overall dramatically increased each year since 2006, in contrast, production on federal lands declined each year from FY2007 through FY2014.”

### **Innovation in Solar Fuels, Electricity Storage, and Advanced Materials**

House Subcommittee on Energy - June 15, 2016

<https://science.house.gov/legislation/hearings/energy-subcommittee-hearing-innovation-solar-fuels-electricity-storage-and>

“The Department of Energy’s Office of Science is the nation’s lead federal agency for basic research in the physical sciences. This type of fundamental research allows scientists to make groundbreaking discoveries about everything from our universe to the smallest particle. It has led to transformative breakthroughs in energy science that will allow the private sector to develop innovative energy technologies. Today’s hearing will provide a status update on the Department’s basic research in solar chemistry, energy storage and advanced materials.”

*Tom Swanson*

**Wind Energy Investment Increases Worldwide**

The Pew Charitable Trusts - June 14, 2016

<http://www.pewtrusts.org/en/research-and-analysis/analysis/2016/06/14/wind-energy-investment-increases-worldwide>

“On Global Wind Day, a look at how this renewable resource is transforming the international electric grid, particularly in developing nations;”