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A SELECTION OF DOCUMENTS RECENTLY PUBLISHED ON THE WEB

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GENERAL INTEREST

Gary Clyde Hufbauer and Zhiyao (Lucy) Lu

The Payoff to America from Globalization: A Fresh Look with a Focus on Costs to Workers

Peterson Institute – Policy Brief – May 2017 - 27 pages

<https://piie.com/system/files/documents/pb17-16.pdf>

“Hufbauer and Lu, updating a study made in 2005, calculate the payoff to the United States from trade expansion from 1950 to 2016 at \$2.1 trillion. The payoff has stemmed from trade expansion resulting from policy liberalization and improved transportation and communications technology. The sum translates into an increase of \$7,014 in GDP per capita and \$18,131 in GDP per household. The potential gains from future policy liberalization could be as large as \$540 billion for the United States by the year 2025, or an increase of \$1,670 in GDP per capita and \$4,400 in GDP per household. On the other hand, 156,250 manufacturing sector jobs were lost annually over the past 13 years, representing less than a percent of the number of people involuntary separated from their jobs each year. A more generous unemployment insurance program and expanded tax credits would help displaced workers adjust, the authors argue, while preserving the large gains resulting from trade expansion.”

What We Do Together: The State of Social Capital in America Today

US Congress - Joint Economic Committee – Hearing - May 17, 2017

<https://www.jec.senate.gov/public/index.cfm/hearings-calendar?ID=BDD1DDB0-098E-4D19-AE65-16816EA06900>

“Our nation, today, faces very real economic challenges... Economic growth during the recovery has been meager and uneven. The U.S. economy has become less dynamic and innovative in recent decades... However, in historical and comparative perspective, most Americans enjoy unprecedented material living standards... Nevertheless, many Americans—poor, middle class, and wealthy—feel that something is amiss. It is a feeling that cannot be reduced to economic anxiety. Rather, there is a sense that our social fabric is fraying. And these concerns are reflected in objective measures of family and community health.”

Toward a Marshall Plan for America - Rebuilding Our Towns, Cities, and the Middle Class

Center on American Progress - May 16, 2017

<https://www.americanprogress.org/issues/economy/reports/2017/05/16/432499/toward-marshall-plan-america/>

“The reality, as this report demonstrates, is that people who have not gone to college have been particularly vulnerable in this economy for a long time. Progressives should care about the lost opportunities in Appalachia as much as those in Detroit. The economy is not producing access to a good, stable middle-class life for people who do not go to college, and those voters are likely to continue to disrupt the political system until it does. On prudential and ethical grounds, we must do more to create decent job opportunities and secure family situations for all working people facing difficult economic conditions not within their control. This is not simply a matter of messaging or a problem of persuasion but rather a challenge that requires bold thinking and answers outside the current political system.”

Private Sector Growth and the Economy

Senate Budget Committee – Hearing - May 3, 2017

<https://www.budget.senate.gov/private-sector-growth-and-the-economy>

Witnesses include Michael Strain, Ph.D., Director of the Economic Policy Studies at the American Enterprise Institute, William Dunkelberg, Ph.D., Chief Economist for the National Federation of Independent Business, and Jeffrey D. Sachs, Ph.D., Professor and Director of the Center for Sustainable Development for Columbia University.

Phil Gramm

Administration’s Economic Policies

Senate Budget Committee - Hearing - May 10, 2017 – 5 pages

<https://www.budget.senate.gov/imo/media/doc/SBC%20Testimony%20May%202010.pdf>

“America’s postwar economic experience spans 11 recessions and 11 recoveries. Ten of those recoveries were similar, but one was quite different. The economic policies implemented by Presidents Reagan and Obama were the polar extremes of postwar policies. The economic consequences of those policies defined the highs and lows of America’s postwar economic experience. These extremes help define what might be expected if this Administration and Congress are successful in reversing the Obama program and moving toward a more Reagan-type policy of tax reform and regulatory relief.”

INCOMES – INEQUALITY - IMMIGRATION

Richard Shearer and Alan Berube

The Surprisingly Short List of US Metro Areas Achieving Inclusive Economic Growth

Brookings - The Avenue - April 27, 2017

<https://www.brookings.edu/blog/the-avenue/2017/04/27/the-surprisingly-short-list-of-u-s-metro-areas-achieving-inclusive-economic-growth>

“The Metro Monitor reveals that inclusive economic growth and prosperity proved elusive for most of the nation’s large metropolitan areas in recent years. All of the nation’s 100 largest metro areas added jobs and output from 2010 to 2015. Sixty-three (63) large metro areas grew by adding jobs at young firms—a sign of a

healthy entrepreneurial economy. Of these 63 metro areas, 30 grew by becoming more prosperous: increasing their productivity, average wages, and standard of living... However, few of these places achieved inclusive growth. Measured one way—by improving the employment rate, median earnings, and relative poverty—only 11 of the 30 metro areas achieved inclusive economic outcomes.”

Margaret Simms

The “Model Minority” Myth Hides the Economic Realities of Many Asian Americans

Urban Institute – Report - May 2017 – 18 pages

<http://www.urban.org/urban-wire/model-minority-myth-hides-economic-realities-many-asian-americans-0>

“Though Asian Americans, on average, fare well on measures of education and employment, a closer look reveals great diversity by ethnicity, immigration status, and geographic area—as well as barriers to economic success.”

Gustavo López and Kristen Bialik

Key Findings about U.S. Immigrants

Pew Research Center – Factank – May 3, 2017

<http://www.pewresearch.org/fact-tank/2017/05/03/key-findings-about-u-s-immigrants>

“The United States has more immigrants than any other country in the world. Today, more than 40 million people living in the U.S. were born in another country, accounting for about one-fifth of the world’s migrants in 2015. Read key findings about the U.S. immigrant population, and view interactive charts, detailed tables and trends over time.”

Makoto Nakajima

Taxing the 1 Percent

FRB Philadelphia – May 2017 – 10 pages

https://philadelphiafed.org/-/media/research-and-data/publications/economic-insights/2017/q2/eiQ217_taxingOnePercent.pdf

“Raising taxes on top earners is often seen as a straightforward way to stem inequality. The trick is preserving efficient revenue generation and work incentives for the economy’s most productive contributors.”

TAX POLICY

Michael Pettis

Will a Smaller Fiscal Deficit Cause the Trade Deficit to Decline or Unemployment to Rise?

Carnegie Endowment for International Peace - China Financial Markets - May 22, 2017

<http://carnegieendowment.org/chinafinancialmarkets/70042>

“In a recent much-remarked-upon and very short op-ed, George P. Shultz and Martin Feldstein argue that the only way, or at least the best way, to cut the U.S. trade deficit is for Washington to cut the U.S. fiscal deficit. It is at least as likely, however, that cutting the fiscal deficit will simply increase debt or increase unemployment.”

The People’s Budget: A Roadmap for the Resistance

Congressional Progressive Caucus – May 2017 – 40 pages

<http://www.peoplesbudget.org/>

<https://cpc->

grijalva.house.gov/uploads/FINAL%20FY18%20FULL%20CPC%20BUDGET%20DOCUMENT.pdf

“The People’s Budget: A Roadmap for the Resistance provides a practical, progressive vision for our country by investing in 21st century infrastructure and jobs, tackling inequality, making corporations pay their fair share, and strengthening essential public programs. The People’s Budget will put millions of Americans back to work and will guarantee a strong economy for generations to come.”

Alan D. Viard

The Brady-Ryan Plan: Potential and Pitfalls

American Enterprise Institute - Tax Notes - April 10, 2017 - 18 pages

<https://www.aei.org/wp-content/uploads/2017/05/Brady-Ryan-Plan-Potentials-and-Pitfalls.pdf>

“Alan Viard takes a close look at the Brady-Ryan tax plan, which would move the tax system to a hybrid of an income tax and a Bradford X tax, a type of progressive consumption tax. The partial shift to consumption taxation would significantly reduce the tax penalty on saving and investment, paving the way for increased economic growth. However, Viard finds that the Brady-Ryan plan has several limitations such as unnecessarily low tax rates on business cash flow and the design of the border adjustment tax.”

Joseph Antos, Andrew G. Biggs, Alex Brill, and Alan D. Viard

Tax and Spending Reform for Fiscal Stability and Economic Growth

AEI Economic Perspectives – May 2017 – 16 pages

<https://www.aei.org/wp-content/uploads/2015/05/Tax-and-spending-reform-for-fiscal-stability-and-economic-growth.pdf>

“Recognizing the unsustainable fiscal outlook facing the United States, the authors present a plan to constrain the growth of federal spending and reform the tax system to promote economic growth. The plan replaces the income tax system with a progressive consumption tax, eliminating the bias against savings and investment. The plan also revamps Social Security and adopts health reforms that are intended to slow the growth of spending while maintaining access to high-quality health services.”

How Tax Reform Will Grow Our Economy and Create Jobs

House Ways and Means Committee - Hearing - May 18, 2017

<https://waysandmeans.house.gov/event/hearing-tax-reform-will-grow-economy-create-jobs/>

Witness List:

John J. Stephens, Senior Executive Vice President and Chief Financial Officer, AT&T Inc.

Zachary Mottl, Chief Alignment Officer, Atlas Tool Works, Inc.

David N. Farr, Chairman and Chief Executive Officer, Emerson Electric Co.

Douglas L. Peterson, President and Chief Executive Officer, S&P Global Inc.

Steven Rattner, Chairman, Willett Advisors LLC

Increasing U.S Competitiveness and Preventing American Jobs from Moving Overseas

House Ways and Means Committee - Hearing - May 23, 2017

<https://waysandmeans.house.gov/event/hearing-increasing-u-s-competitiveness-preventing-american-jobs-moving-overseas/>

“The hearing will focus on border adjustment and international tax modernization as a core element of comprehensive tax reform and the implications of these policies for increasing jobs, investment, and economic growth in the United States.”

Simeon Djankov

Corporate Tax Cuts: Examining the Record in Other Countries

Peterson Institute – Policy Brief – May 2017 – 8 pages

<https://piie.com/system/files/documents/pb17-14.pdf>

“The US Congress is considering proposals to revamp the corporate tax code to make US-based multinational corporations more competitive in the global economy. Djankov analyzes the record of tax rate cuts in other advanced economies and finds that radical corporate tax cuts on the scale advocated by the Trump administration and the House Republican leadership are rare, but modest cuts of about 10 percentage points are more common in normal economic conditions and may be practical for the United States if they do not trigger large fiscal imbalances.”

Josh Bivens and Hunter Blair

Competitive’ Distractions: Cutting corporate tax rates will not create jobs or boost incomes for the vast majority of American families

Economic Policy Institute - Report - May 9, 2017 – 35 pages

<http://www.epi.org/files/pdf/114189.pdf>

“We find their central argument—that U.S. corporations face high corporate taxes—to be empirically false. While U.S. statutory tax rates are higher, the effective tax rate paid by corporations is in fact roughly equivalent to the effective tax rates of our peer countries, due to loopholes in the U.S. tax code. Further, we find that even if the effective corporate tax rate were higher (if loopholes were closed), economic theory and data do not support the idea that cutting these rates would encourage further investment in the U.S. or benefit Americans in general; we find that such cuts would primarily benefit a small number of high-income capital owners while increasing the regressivity of the tax system overall.”

Aaron Krupkin and Adam Looney

9 Facts about Pass-Through Businesses in the US

Brookings – Report – May 15, 2017

<https://www.brookings.edu/research/9-facts-about-pass-through-businesses>

President Trump has proposed an enormous tax cut for pass-through businesses. “The overwhelming majority of businesses in the U.S. are not C-corporations subject to the corporate tax. Rather, most businesses—about 95 percent—are “pass-throughs,” which have their income “pass through” to their owners to be taxed under the individual income tax.”

MONETARY POLICY

Jonas Fisher, François Gourio, and Spencer Krane

Changes in the Risk-Management Environment for Monetary Policy

FRB Chicago – Fed Letter – May 2017 – 7 pages

<https://chicagofed.org/publications/chicago-fed-letter/2017/377>

“In response to the massive challenges presented by the global financial crisis, in late 2007 the Federal Open Market Committee (FOMC) began a series of large reductions in its traditional policy tool, the overnight interest rate in the federal funds market. By December 2008 the Committee had lowered the target to its effective lower bound (ELB) of 0 to 25 basis points. Later, in an attempt to provide additional monetary stimulus, the FOMC implemented nontraditional policy tools, such as large-scale asset purchases and forward guidance about how long the fed funds rate would stay at very low levels.”

John C. Williams

Preparing for the Next Storm: Reassessing Frameworks and Strategies in a Low R-star World

FRB San Francisco - Economic Letter - May 8, 2017 – 8 pages

<http://www.frbsf.org/economic-research/files/el2017-13.pdf>

“Now is the right time to ask whether the monetary policy framework and strategy that worked well in the past are well suited to address the challenges ahead. A flexible price-level targeting framework has the important traits of adaptability, accessibility, and accountability. It also offers significant advantages over inflation targeting for meeting price stability and employment goals. The following is adapted from a presentation by the president and CEO of the San Francisco Fed to the Shadow Open Market Committee in New York on May 5.”

Marco Del Negro, Domenico Giannone, Marc Giannoni and Andrea Tambalotti

Safety, Liquidity, and the Natural Rate of Interest

Federal Reserve Bank of New York - Staff Report – May 2017 – 82 pages

https://www.newyorkfed.org/medialibrary/media/research/staff_reports/sr812.pdf

“Why are U.S. interest rates so low today? The authors point to a higher “convenience yield”—the premium that investors are willing to pay for safety and liquidity. This increase, together with a slowdown in economic growth, explains much of the decline in estimates of the natural rate of interest since the late 1990s.”

FINANCE

Which Dealers Borrowed from the Fed’s Lender-of-Last-Resort Facilities?

FRB New York – Liberty Street Economics – May 16, 2017

<http://libtystreeteconomics.newyorkfed.org/2017/05/which-dealers-borrowed-from-the-feds-lender-of-last-resort-facilities.html>

“During the 2007-08 financial crisis, the Federal Reserve provided liquidity to nondepository financial institutions—the first lending targeted to this group since the 1930s. Were the dealers that borrowed healthy institutions behaving opportunistically or were they genuinely distressed? Our bloggers find that weaker dealers were more likely to participate and tended to borrow more than healthier ones.”

Nina Boyarchenko, Or Shachar, and Jacqueline Yen

The Evolution of OTC Derivatives Markets

Federal Reserve Bank of New York – Liberty Street Economics – May 12, 2017

<http://libtystreeteconomics.newyorkfed.org/2017/05/at-the-ny-fed-the-evolution-of-otc-derivatives-markets.html>

“The 2007-09 financial crisis illustrated the fragility of over-the-counter (OTC) derivatives markets, which prompted regulatory changes that some market participants have since attacked as counterproductive. In this post, our bloggers discuss key takeaways from a recent New York Fed conference on the state of derivatives markets, sifting the views of policymakers, practitioners, and other experts.”

Simon Johnson and Antonio Weiss

The Financial Stability Oversight Council: An Essential Role for the Evolving US Financial System

Peterson Institute - Policy Brief - May 2017 – 13 pages

<https://piie.com/system/files/documents/pb17-20.pdf>

“Among the most significant creations of the 2010 Dodd-Frank Wall Street Reform and Consumer Protection Act was a Financial Stability Oversight Council (FSOC), aimed at improving coordination among US regulators. FSOC is now facing political pressure from elements of the private sector and their advocates in Washington who seek to retroactively repeal virtually all of FSOC's substantive authorities. The authors warn that abandoning, undermining, or curtailing the powers of FSOC would increase the risks of another major financial crisis.”

David W. Perkins

Banking Policy Issues in the 115th Congress

Congressional Research Service – Report - May 26, 2017 – 43 pages

<https://fas.org/sgp/crs/misc/R44855.pdf>

“The financial crisis and the ensuing legislative and regulatory responses greatly affected the banking industry. Many new regulations—mandated or authorized by the Dodd-Frank Wall Street Reform and Consumer Protection Act or promulgated under the authority of bank regulators—have been implemented in recent years. In addition, economic and technological trends continue to affect banks. As a result, Congress is faced with many issues related to the bank industry, including issues concerning prudential regulation, consumer protection, “too big to fail” banks, community banks, regulatory agency design and independence, and market and economic trends.”

The Financial CHOICE Act in the 115th Congress: Selected Policy Issues

Congressional Research Service – Report - May 31, 2017 – 48 pages

<https://fas.org/sgp/crs/misc/R44839.pdf>

“The Financial CHOICE Act (FCA; H.R.10) was introduced on April 26, 2017, by Representative Jeb Hensarling, chairman of the House Committee on Financial Services... The bill, as amended, is a wide-ranging proposal with 12 titles that would alter many parts of the financial regulatory system. Much of the FCA is in response to the Dodd-Frank Wall Street Reform and Consumer Protection Act... Many of the provisions of the FCA would modify or repeal provisions from the Dodd-Frank Act, although others would address long-standing or more recent issues. This report highlights major proposals included in the FCA but is not a comprehensive summary. In general, the bill proposes changes that can be divided into two categories: (1) changes to financial policies and regulations and (2) changes to the regulatory structure and rulemaking process.”

Marc Labonte

Systemically Important or “Too Big to Fail” Financial Institutions

<https://fas.org/sgp/crs/misc/R42150.pdf>

“Although “too big to fail” (TBTF) has been a long-standing policy issue, it was highlighted by the financial crisis, when the government intervened to prevent the near-collapse of several large financial firms in 2008. Financial firms are said to be TBTF when policymakers judge that their failure would cause unacceptable disruptions to the overall financial system... This report discusses the economic issues raised by TBTF, broad policy options, and policy changes made by the relevant Dodd-Frank provisions.”

Hester Peirce

Dwindling Numbers in the Financial Industry

Brookings – Report - May 15, 2017

<https://www.brookings.edu/research/dwindling-numbers-in-the-financial-industry>

“There has been much focus on the declining numbers of banks. Banks, however, are not unique in their dwindling numbers. This essay looks at the decline in broker-dealers (BDs) and futures commission merchants (FCMs). As with the decline in the number of banks, there are likely many factors behind the falling numbers. This essay calls for analysis of the reasons behind the drop in the number of BDs and FCMs, including the role regulation may be playing in the decline.”

Nicola Cetorelli, Michael G. Jacobides and Samuel Stern

Transformation of Corporate Scope in U.S. Banks: Patterns and Performance Implications

FRB New York - Staff Report - May 2017 – 52 pages

https://www.newyorkfed.org/research/staff_reports/sr813

“Using a novel database containing the time-series details of the organizational structure of individual bank holding companies, this paper presents the first population-wide study of the transformation in business scope of U.S. banks. Expanding scope has a negative impact on performance on average. However, we find that firms whose expansion keeps them closer to the prevailing “modal bank” are better off compared with those pursuing generic diversification. Moreover, we find that early expanders into particular activities benefit more, whereas late adopters, rather than benefitting by “fitting the norm,” lose out.”

James D. Eubanks and David Wiczer

The Survival Rate of the Smallest Establishments During the Great Recession

FRB Saint Louis – Economic Synopsis – May 12, 2017 – 2 pages

<https://research.stlouisfed.org/publications/economic-synopses/2017-05-12/the-survival-rate-of-the-smallest-establishments-during-the-great-recession>

“Very small establishments closed at about twice the rate of larger ones.”

Maude Toussaint-Comeau and Robin Newberger

Minority-Owned Banks and Their Primary Local Market Areas

FRB Chicago – Economic Perspectives – May 2017 - 4 pages

<https://chicagofed.org/publications/economic-perspectives/2017/4>

“Minority-owned banks failed at relatively high rates during the financial crisis. More recently, there is evidence of expansion in the sector’s number of branches and extension into new markets, although challenges related to funding and capital remain.”

HOUSING

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

Household Borrowing in Historical Perspective

FRB New York – Liberty Street Economics – May 17, 2017

<http://libertystreeteconomics.newyorkfed.org/2017/05/household-borrowing-in-historical-perspective.html>

“The report shows a rise in household debt balances in the quarter of \$149 billion, the eleventh consecutive quarterly increase since the long period of deleveraging following the Great Recession. As of March 31, 2017, household debt balances stood at \$12.73 trillion, surpassing the previous 2008 peak and hitting a level 14 percent above the trough seen in the second quarter of 2013.... Before bringing out the confetti (or sounding the warning bells), it’s important to get some historical perspective.”

Mel Watt, Director, Federal Housing Finance Agency

The Status of the Housing Finance System after Nine Years of Conservatorship

Senate Committee on Banking, Housing, and Urban Affairs – Hearing – May 11, 2017

https://www.banking.senate.gov/public/_cache/files/7d9533e9-e0dd-47ea-be79-b05de4040bbf/E1D6A0F46CD1C181D755D935748D116E.watt-testimony-5-11-17.pdf

“Since September 6, 2008, Fannie Mae and Freddie Mac (the Enterprises) have been operating in conservatorships under the direction and control of FHFA and with backing of the U.S. taxpayers with explicit dollar limits as set out in the Senior Preferred Stock Purchase Agreements (the PSPAs) with the U.S. Department of the Treasury... I have said repeatedly, and I want to reiterate, that these conservatorships are not sustainable and they need to end as soon as Congress can chart the way forward on housing finance reform.”

Constructing the Home Purchase Sentiment Index

FRB San Francisco - Economic Letter - May 15, 2017 – 5 pages

<http://www.frbsf.org/economic-research/files/el2017-14.pdf>

Consumer attitudes about buying and selling homes can inform us about future housing and mortgage markets. The Home Purchase Sentiment Index (HPSI) summarizes data from the National Housing Survey on consumers' conditions, attitudes, and intentions about housing. The HPSI shows promise both as a stand-alone indicator and as a supplement for evaluating and forecasting housing and mortgage markets. Analysis reveals the index accurately projected strong home sales in 2014 and 2015 and a weaker outlook toward the end of 2016, following the sharp rise in mortgage interest rates.

OTHER ECONOMIC POLICIES

Timothy J. Muris

Bipartisan Patent Reform and Competition Policy

American Enterprise Institute - May 2017 – 17 pages

<http://www.aei.org/wp-content/uploads/2017/05/Bipartisan-Patent-Reform-and-Competition-Policy.pdf>

“The patent system is a foundation of our economy and continues to work well in many industries, particularly life sciences. • Nevertheless, by the end of the 20th century, the large number of patents, many of dubious quality, were causing problems in the rising high-technology industries. Led at first by the Federal Trade Commission (FTC) and the National Academy of Sciences, later joined by the Supreme Court and the Congress, reform initiatives have improved the system, although more remains to be done. Independently, the private bodies that set standards to help allow the new technologies to flourish and compete with each other adopted rules to avoid holdup. Through advocacy and cases, the antitrust agencies in both the Bush and Obama administrations have scrutinized patent holdup. The scrutiny should continue, although under the rigorous standards of traditional antitrust laws, not under the looser standards that the Obama FTC sometimes used.”

Carolyn Kousky and Howard Kunreuther

Defining the Roles of the Public and Private Sector in Risk Communication, Risk Reduction, and Risk Transfer

Resources for the Future – Working Paper – May 2017 – 31 pages

<http://www.rff.org/files/document/file/RFF-DP-17-09.pdf>

“This paper discusses the challenges of insuring against flood, earthquake, and terrorism losses, and suggests ways to improve public-private partnerships for disaster financing in three interrelated areas: risk communication, reduction, and transfer.”

LOCAL ECONOMIC DEVELOPMENT

Josh Bivens

Recommendations for States Facing Budget Shortfalls - Focus on Connecticut

Economic Policy Institute - Report - May 11, 2017

<http://www.epi.org/files/pdf/122624.pdf>

“We first look at the national economic context within which states must navigate and provide a few key recommendations for making state-level budget decisions within that context. We then examine key indicators for one specific state—Connecticut—to see how its mix of spending and taxes follows or departs from these key recommendations.”

Daniel Raimi

Local Revenue Volatility and Oil and Gas Development in Texas

Resources for the Future – Blog - May 17, 2017

<http://www.rff.org/blog/2017/local-revenue-volatility-and-oil-and-gas-development-texas>

“Current and proposed policies in Texas make it difficult for local governments to set property tax rates that best suit their needs, as well as discourage oil and gas investment during periods of low oil prices, when the economy could use a boost.”

Rachel Barker and Marek Gootman

In St. Louis, Finding a Path to Success for an American Middleweight in the Global Economy

Brookings – Metropolitan Policy Program – May 20217

<https://www.brookings.edu/research/cleantech-venture-capital-continued-declines-and-narrow-geography-limit-prospects>

St. Louis is enjoying an economic resurgence, with the help of regional collaborations and initiatives like GlobalSTL which support entrepreneurship and global engagement. Rachel Barker and Marek Gootman explore the city's success story.

INDUSTRY - BUSINESS

Marc Levinson

The Meaning of “Made in U.S.A.”

Congressional Research Service – Report - May 5, 2017 – 13 pages

<https://fas.org/sgp/crs/misc/R44755.pdf>

“Numerous provisions in federal law are intended to support manufacturing in the United States. Almost without exception, these provisions define manufacturing as the process of physically transforming goods. Physical transformation involves what might be thought of as traditional manufacturing activities such as molding, cutting, and assembly. These laws establish a variety of potential benefits, preferences, or penalties based on the country in which physical transformation occurs. On April 18, 2017, President Trump issued an executive order directing federal agencies to ensure that federal grants and procurement maximize the use of manufactured goods produced in the United States, although it defined “produced in the United States” only for iron and steel products.”

Low, Sarah A

Rural Manufacturing Resilience: Factors Associated With Plant Survival, 1996-2011

USDA - Economic Research Service – May 2017 – 38 pages

<https://www.ers.usda.gov/webdocs/publications/83541/err-230.pdf>

“Manufacturing provides jobs and income that individuals, families, and communities in rural areas rely upon. In this study, rural manufacturing plant survival during a 15-year period (1996-2011), which includes two recessions and a longstanding decline in manufacturing employment, is examined. An indepth survey, the 1996 ERS Rural Manufacturing Survey, is linked to quarterly employment records so that the relationship between survival and plant- and community-level factors can be examined. Results suggest that smaller, independent manufacturing plants had higher survival rates than larger plants and multi-unit plants, such as branch plants. Results offer potential insights into rural economic development policy, like tradeoffs between retention incentives, financial capital access programs, or support for entrepreneurship development.”

Ken Harrington

The Care and Feeding of Entrepreneur Ecosystems

Kauffman Foundation – Report – April 2017 – 33 pages

http://www.kauffman.org/~media/kauffman_org/research%20reports%20and%20covers/2017/entrepreneurial_ecosystem_momentum_and_maturity_2017.pdf

This report “examines the roles entrepreneurial development organizations are playing to stimulate economic growth, innovation and social change. Using the metropolitan areas of St. Louis and Kansas City, the paper provides insights into how regions can accelerate momentum and increase their return on these investments. The paper focuses on entrepreneur development organizations, which provide the first step in any ecosystem’s startup pipeline and feed and strengthen innovation strategies, investments and economic development.”

Empowering Small Businesses: The Accelerator Model

House Committee on Small Business – Hearing - May 3, 2017

<https://smallbusiness.house.gov/calendar/eventsingle.aspx?EventID=399890>

The hearing will examine how business accelerators help entrepreneurs, startups, and small businesses grow and create jobs, while also offering Members of the Committee the opportunity to hear from organizations that are directly involved in offering private sector resources to small businesses.”

Accomplishments and Challenges at the SBA’s Office of International Trade

House Committee on Small Business – Hearing - May 23, 2017

<https://smallbusiness.house.gov/calendar/eventsingle.aspx?EventID=399974>

“There is no question that foreign markets hold incredible opportunities for America’s small businesses. Ninety-five percent of all consumers live outside the borders of the United States, and yet, only one percent of United States small businesses actually export—about 300,000 of them. Unfortunately, many small businesses consider exporting to be out of reach... If we want to unleash America’s most significant economic force, then we must make it easier for small businesses to participate in the global marketplace. It has become clear that we must compel the Executive Branch to continue its efforts to better coordinate federal resources so they are more efficient, streamlined, and better prepared to help businesses navigate the export process.”

The 2017 Kauffman Index of Startup Activity: Metropolitan Area and City Trends

Kauffman Foundation – Report – May 2017 – 24 pages

<http://www.kauffman.org/kauffman-index/reporting/startup-activity>

“The Startup Activity Index is a comprehensive indicator of new business creation in the United States, integrating several high-quality sources of timely entrepreneurship information into one composite indicator of startup activity. The Index captures business activity in all industries and is based on both a nationally representative sample size of more than a half-million observations each year and on the universe of all employer businesses in the United States—which covers approximately five million companies. This allows us to look at both entrepreneurs and the startups they create. This report presents trends in startup activity for the forty largest metropolitan areas in the United States and analyzes trends for these locations.”

SCIENCE - INNOVATION

Darrell M. West and Jack Karsten

Solutions for Global Science Issues Require New Forms of Governance

Brookings – TechTank - May 4, 2017

<https://www.brookings.edu/blog/techtank/2017/05/04/solutions-for-global-science-issues-require-new-forms-of-governance>

“As scientists pursue more aggressive approaches to combat climate change and infectious disease, Jack Karsten and Darrell West caution that innovative technological solutions will require new forms of international governance to curb potential environmental and health risks. When it comes to such transnational solutions, “lax regulation in one region could spell disaster for billions of people across the planet.”

Examining the Overhead Cost of Research

House Committee on Science, Space, and Technology – Hearing - May 24, 2017

<https://science.house.gov/legislation/hearings/joint-research-and-technology-and-oversight-subcommittee-hearing-examining>

Congress allocates more than \$6 billion per year of taxpayers' money to the National Science Foundation (NSF) to support scientific research and education at universities and non-profits... Congress also authorizes The NSF and other federal science agencies to reimburse universities and non-profit research institutions for the overhead expenses they incur for federally supported research projects – called indirect costs... However, indirect costs have expanded and expanded again... The question is, are taxpayers paying for these costs in an efficient and transparent manner, or are we unnecessarily subsidizing excess, bureaucracy and waste? Or is the NSF becoming just another source of revenue?"

Reopening the American Frontier: Exploring How the Outer Space Treaty Will Impact American Commerce and Settlement in Space

Senate Subcommittee on Space, Science, and Competitiveness - Hearing - May 23, 2017

<https://www.commerce.senate.gov/public/index.cfm/hearings?ID=5A91CD95-CDA5-46F2-8E18-2D2DFCAE4355>

“This hearing will examine U.S. government obligations under the Outer Space Treaty on its 50th anniversary, specifically compliance with Article VI of the Treaty that requires governments to authorize and continually supervise the activities of non-government entities. This hearing will also explore the Treaty’s potential impacts on expansion of our nation’s commerce and settlement in space.”

Disrupter Series: Delivering to Consumers

Subcommittee on Digital Commerce and Consumer Protection – Hearing – May 23, 2017

<https://energycommerce.house.gov/hearings-and-votes/hearings/disrupter-series-delivering-consumers>

“The following issues will be examined at the hearing:

How have new technologies impacted delivery services available to consumers and businesses? What potential benefits does the commercial use of drones for package and product delivery offer consumers? What regulatory challenges exist at the federal, state, or local level to deploying new delivery services? How have incumbent stakeholders leveraged new delivery technology with customer-facing applications or supply chain applications to improve delivery services?”

TECHNOLOGY AND JOBS

Robert D. Atkinson and John Wu

False Alarmism: Technological Disruption and the U.S. Labor Market, 1850–2015

Information Technology & Innovation Foundation – Report – May 2017 – 28 pages

http://www2.itif.org/2017-false-alarmism-technological-disruption.pdf?mc_cid=a958ae8cc8&mc_eid=c56f7c6ab9

“The prevailing narrative is that the labor market is experiencing unprecedented technological disruption, but that couldn’t be further from the truth. The level of job churn—the rate at which some occupations expand while others contract—is at a historic low. But misperceptions risk leading policymakers and the public to be wary of innovation when they should be encouraging more of it to accelerate productivity, grow the economy, and improve living standards.”

Robert D. Atkinson

Robots, Automation, and Jobs: A Primer for Policymakers

Information Technology & Innovation Foundation – Primer – May, 8 2017

https://itif.org/publications/2017/05/08/robots-automation-and-jobs-primer-policymakers?mc_cid=a958ae8cc8&mc_eid=c56f7c6ab9

“There is considerable confusion about the potential effects of emerging technologies such as robotics and artificial intelligence on employment. This primer outlines 13 key points to understand about that interaction.”

Lawrence Mishel and Josh Bivens

The Zombie Robot Argument Lurches on There Is No Evidence That Automation Leads to Joblessness or Inequality

Economic Policy Institute - Report - May 24, 2017 – 25 pages

<http://www.epi.org/files/pdf/126750.pdf>

“This report highlights the paucity of the evidence behind the alleged robot apocalypse, particularly as mischaracterized in the media coverage of the 2017 Acemoglu and Restrepo (A&R) report. Yes, automation has led to job displacements in particular occupations and industries in the past, but there is no basis for claiming that automation has led—or will lead—to increased joblessness, unemployment, or wage stagnation overall. We argue that the current excessive media attention to robots and automation destroying the jobs of the past and leaving us jobless in the future is a distraction from the main issues that need to be addressed: the poor wage growth and inequality caused by policies that have shifted economic power away from low- and moderate-wage workers.”

Jack Karsten and Darrell M. West

Technology Adoption Powers Shift in Retail Landscape

Brookings – TechTank - May 10, 2017

<https://www.brookings.edu/blog/techtank/2017/05/10/technology-adoption-powers-shift-in-retail-landscape>

“The retail industry, which employs one-tenth of the U.S. workforce, is undergoing a dramatic transformation as both e-commerce sites and traditional retailers increasingly turn to new technologies to boost efficiency. Jack Karsten and Darrell West examine the shifting retail landscape and caution that technology adoption in this industry could have profound effects on employment and economic growth.”

Lee Rainie and Janna Anderson

The Future of Jobs and Jobs Training

Pew Research Center – Factank – May 3, 2017

<http://www.pewinternet.org/2017/05/03/the-future-of-jobs-and-jobs-training>

“As robots, automation and artificial intelligence perform more tasks and there is massive disruption of jobs, experts say a wider array of education and skills-building programs will be created to meet new demands. There are two uncertainties: Will well-prepared workers be able to keep up in the race with AI tools? And will market capitalism survive?”

INFRASTRUCTURE – TRANSPORTATION

Adie Tomer, Joseph Kane, and Robert Puentes

How Historic Would A \$1 Trillion Infrastructure Program Be?

Brookings - The Avenue - May 12, 2017

<https://www.brookings.edu/blog/the-avenue/2017/05/12/how-historic-would-a-1-trillion-infrastructure-program-be>

“But just how historic would a \$1 trillion federal infrastructure program be? Despite the allure, judging the historic nature of this figure is impossible without more context. This analysis provides additional background by using historical data from the Office of Management and Budget (OMB) on federal spending on physical infrastructure over the past eight-plus decades. The exercise confirms that while a \$1 trillion infrastructure program would rank among the larger sustained periods of federal spending in relative terms, it would likely fall short of record spending under the New Deal.”

Infrastructure Project Streamlining and Efficiency: Achieving Faster, Better, and Cheaper Results

Senate Committee on Environment and Public Works – Hearing - May 3, 2017

<https://www.epw.senate.gov/public/index.cfm/hearings?ID=E75F4F45-47F6-4876-BBF4-83C27A18A0D3>

“The level of funds available to invest is only part of the equation in the effort to deliver the best possible transportation program to the public. It is also important for the transportation program to deliver as much benefit as possible with each dollar. That brings us to the question we will address today: Can we reform Federal requirements so that State DOTs and others can put transportation dollars to work more effectively and efficiently –while protecting the environment and other public interests?”

Leveraging Federal Funding: Innovative Solutions for Infrastructure

Senate Committee on Environment and Public Works – Hearing - May 16, 2017

<https://www.epw.senate.gov/public/index.cfm/hearings?ID=57DBDF27-E26E-4D8E-A13E-5CA76DCDEF31>

The conditional deficiencies of a long underfunded national transportation system cannot be resolved by the states alone and requires an increasing and congressionally influenced federal investment level combined with a long term national transportation network improvement strategy. The focused investment of federal resources is necessary, but should in no way be restricted from use as leverage for financing opportunities and private sector partnerships.”

Elaine Chao, Secretary, U.S. Department of Transportation

Improving America’s Transportation Infrastructure: The Road Forward

Senate Committee on Environment and Public Works – Hearing - May 17, 2017 – 9 pages

https://www.epw.senate.gov/public/_cache/files/5c239043-c6c5-4125-9438-a52352fc674e/secretary-chao-testimony-05.17.2017.pdf

The National Highway System (NHS) is comprised of 223,257 miles of road, which is approximately five percent of the total mileage in our country. Despite this low percentage, the NHS accounts for 55 percent of the total vehicle miles travelled (VMT) and over 83 percent of the miles traveled by truck in the country. In 2016, total miles driven on public roads in the U.S. increased for a fifth straight year by 1.65 percent to 3.2 trillion miles. These figures underscore the critical demands placed on America’s highways and bridges... Trucks transport the majority of U.S. freight, so keeping our roads and bridges in good condition is critical to our country’s competitiveness”

The Need to Reform FAA and Air Traffic Control to Build a 21st Century Aviation System for America

Committee on Transportation and Infrastructure – Hearing – May 17, 2017

<https://transportation.house.gov/calendar/eventsingle.aspx?EventID=401374>

“The way America travels, moves goods, and conducts business today depends on an efficient transportation network. In order to remain competitive, we need a 21st century infrastructure with modern, 21st century technology. This is especially true for our aviation system, but the fact is the FAA’s infrastructure is increasingly obsolete, and its technology is still cemented in the last century. As a result, shocking amounts of tax dollars and time have been wasted over the last 35 years. That’s why my highest priority this year is a comprehensive FAA reform and reauthorization bill.”

John Frittelli

Revitalizing Coastal Shipping for Domestic Commerce

Congressional Research Service – Report - May 2, 2017 – 21 pages

<https://fas.org/sgp/crs/misc/R44831.pdf>

“In recent years, domestic shipborne commerce has lost much of its market to other modes. Although potential shipping routes run parallel to congested truck, railroad, and pipeline routes along the Atlantic and Pacific coasts and in the Great Lakes region, the volume of cargo carried by domestic ships has declined by 61% since 1960. Reviving coastal shipping would dramatically increase the capacity of the nation’s freight network. Moreover, some of the necessary infrastructure is largely in place, as many of the harbors the federal government dredges for deep-draft vessels currently have little or no ship traffic. The question is whether a different mix of federal policies would make coastal trade an attractive option for shippers and ship owners. To revive coastal shipping, the cost issues would need to be addressed.”

INFORMATION TECHNOLOGIES

Technology Assessment: Internet of Things: Status and implications of an increasingly connected world

GAO – Report - May 15, 2017 – 78 pages

<http://www.gao.gov/products/GAO-17-75>

“The rapid, global proliferation of Internet of Things (IoT) devices has generated significant interest. In light of the current and potential effects of the IoT on consumers, businesses, and policy makers, GAO was asked to conduct a technology assessment of the IoT. This report provides an introduction to the IoT and describes what is known about current and emerging IoT technologies, and the implications of their use.”

Investing in America’s Broadband Infrastructure: Exploring Ways to Reduce Barriers to Deployment

Senate Committee on Commerce, Science, and Transportation - Hearing - May 3, 2017

<https://www.commerce.senate.gov/public/index.cfm/hearings?ID=98C6FDC4-B916-41FA-A78A-80E6D513E652>

“This hearing will explore solutions to streamline broadband deployment and infrastructure especially in rural areas, and how to encourage private investment in next-generation telecommunications services.”

Angele A. Gilroy

The Net Neutrality Debate: Access to Broadband Networks

Congressional Research Service – Report - May 18, 2017 – 26 pages

<https://fas.org/sgp/crs/misc/R40616.pdf>

“As congressional policymakers continue to debate telecommunications reform, a major discussion point evolves around what approach should be taken to ensure unfettered access to the Internet. The move to place restrictions on the owners of the networks that compose and provide access to the Internet, to ensure equal access and nondiscriminatory treatment, is referred to as “net neutrality.” While there is no single accepted definition of “net neutrality”, most agree that any such definition should include the general principles that owners of the networks that compose and provide access to the Internet should not control how consumers lawfully use that network, and they should not be able to discriminate against content provider access to that network.”

Stuart N. Brotman

Net Neutrality 2.0: Perspectives on FCC Regulation of Internet Service Providers

Brookings – Report - Tuesday, May 16, 2017

<https://www.brookings.edu/research/net-neutrality-2-0-perspectives-on-fcc-regulation-of-internet-service-providers>

“This week, the Federal Communications Commission (FCC) is scheduled to release a Notice of Proposed Rulemaking titled “Restoring Internet Freedom.” This initiative, proposed by the new FCC Chairman, Ajit Pai, is expected to receive support from Commissioner Michael O’Reilly, also a Republican appointee. Commissioner Mignon Clyburn, a Democrat is likely to dissent from moving ahead.”

Nicol Turner-Lee

Why Net Neutrality Needs a Congressional Solution

Brookings - TechTank - May 17, 2017

<https://www.brookings.edu/blog/techtank/2017/05/17/why-net-neutrality-needs-a-congressional-solution>

“As the Federal Communications Commission begins its review and rollback of Obama-era regulations on internet service providers, Nicol Turner-Lee explains why the debate over net neutrality will remain gridlocked without legislative action.”

Daniel Castro, Joshua New, and Matt Beckwith

10 Steps Congress Can Take to Accelerate Data Innovation

Center for Data Innovation - Report - May 15, 2017 – 20 pages

http://www2.datainnovation.org/2017-data-innovation-agenda.pdf?mc_cid=2216e3edd9&mc_eid=c56f7c6ab9

“Government may not be the main engine of data innovation, but it can and should play a vital role in accelerating and shaping the use of data to boost economic growth and benefit society. In particular, policymakers should support publishing data the government already collects, collecting more data that can.”

AGRICULTURE

Examining the Farm Economy: Perspectives on Rural America

Senate Committee on Agriculture – Hearing - May 25, 2017

<https://www.agriculture.senate.gov/hearings/examining-the-farm-economy-perspectives-on-rural-america>

“Our long-run expectations for global agriculture reflect an assumption of steady world economic growth and continued global demand for biofuel feedstocks, factors that combine to support longer run increases in consumption, trade, and prices of agricultural products. However, over the next several years, the agricultural sector will continue to adjust to lower prices for most farm commodities both in the U.S. and abroad. We have seen that in the U.S. most recently in the decline in winter wheat area of 3.8 million acres, the lowest since 1908.”

Vincent H. Smith

Trump’s Budget Gets One Thing Right: Crop Insurance Reform

American Enterprise Institute - Real Clear Policy - May 25, 2017

<http://www.aei.org/publication/trumps-budget-gets-one-thing-right-crop-insurance-reform>

“The budget plan released earlier this week proposes to terminate the Harvest Price Option program and to cap crop insurance premium subsidies. The Harvest Price Option, a crop insurance policy, is littered with problems. For example, it has given farmers revenues that exceed those they expected to get when they planted their crops, essentially providing excess incomes at the taxpayer’s expense. Capping crop insurance subsidies would have estimated savings of about \$17 billion and would affect less than 4 percent of farms. Although these are not new or revolutionary initiatives, they make sound economic sense.”

EMPLOYMENT – WAGES

Marc Levinson

Job Creation in the Manufacturing Revival

Congressional Research Service – Report - May 5, 2017 – 25 pages

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

“The health of the U.S. manufacturing sector is of ongoing interest to Congress. Numerous bills aimed at promoting manufacturing are introduced in each Congress, often with the stated goal of creating jobs. Implicit in many of these bills is the assumption that the manufacturing sector is uniquely able to provide well-paid employment for workers who have not pursued education beyond high school. U.S. manufacturing output has risen approximately 22% 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 only relatively modest growth of employment in the manufacturing sector.”

Eleanor Krause and Isabel V. Sawhill

Making Sense of the Monthly Jobs Numbers: Terms and Definitions

Brookings – Social Mobility Memo - June 1, 2017

<https://www.brookings.edu/blog/social-mobility-memos/2017/06/01/making-sense-of-the-monthly-jobs-numbers-terms-and-definitions>

“There are many different measures out there to keep track of—the employment rate, the labor force participation rate, the unemployment rate—and each tells us something different about the health of the labor market and the position of various groups.”

Teresa Kroeger and Elise Gould

The Class of 2017

Economic Policy Institute - Report - May 4, 2017 – 44 pages

<http://www.epi.org/files/pdf/124859.pdf>

The authors “provide in-depth analysis of the labor market the Class of 2017 will be entering. Looking at employment, enrollment, and wage trends among young high school and college graduates, they find that the economic outlook for young graduates is improving but that much of the progress has been uneven, especially for women and minorities.”

Eleanor Krause and Isabel V. Sawhill

What We Know and Don’t Know About Declining Labor Force Participation

Brookings – Report – May 17, 2017 – 38 pages

https://www.brookings.edu/wp-content/uploads/2017/05/cf_20170517_declining_labor_force_participation_sawhill.pdf

“Given the troubling trend in America’s workforce participation, Isabel Sawhill and Eleanor Krause examine the growing gap between the skills demanded by the modern job market and those held by the labor force.”

Gary Burtless

New Analysis Turns Up Surprise on Long-Term Wage Trends

Brookings/ Real Clear Markets - May 17, 2017

<https://www.brookings.edu/opinions/new-analysis-turns-up-surprise-on-long-term-wage-trends>

“Earlier this month four economists released a study of income trends based on an under-used data source, Social Security wage records. These earnings reports are submitted by employers for the purpose of calculating workers’ tax payments and, eventually, Social Security benefits. The income amounts are quite accurate and cover a full career of wage income. The new study confirms that average male earners have seen scant wage gains over the past generation. The study also turned up a surprise. When we combine the earnings trends for men and women, the rise in inequality appears much slower than when we examine trends among each sex separately.”

David Cooper and Teresa Kroeger

Employers Steal Billions from Workers’ Paychecks Each Year

Economic Policy Institute - Report - May 10, 2017 – 85 pages

<http://www.epi.org/files/pdf/125116.pdf>

“Survey data show millions of workers are paid less than the minimum wage, at significant cost to taxpayers and state economies.”

Sarah A. Donovan

Paid Family Leave in the United States

Congressional Research Service – Report - May 24, 2017 – 15 pages

<https://fas.org/sgp/crs/misc/R44835.pdf>

“Paid family leave (PFL) refers to partially or fully compensated time away from work for specific and generally significant family caregiving needs, such as the arrival of a new child or serious illness of a close family member. Although the Family and Medical Leave Act of 1993 provides eligible workers with a federal entitlement to unpaid leave for a limited set of family care giving needs, no federal law requires private-sector employers to provide paid leave of any kind. Currently, employees may access paid family leave if offered by an employer. In addition, workers in certain states may be eligible for state family leave insurance benefits that can provide some income support during periods of unpaid leave.”

Julia B. Isaacs, Olivia Healy, H. Elizabeth Peters

Paid Family Leave in the United States - Time for a New National Policy

Urban Institute – Report - May 2017 – 18 pages

http://www.urban.org/sites/default/files/publication/90201/paid_family_leave.pdf

“With both Republicans and Democrats talking about paid family leave, the time is ripe for a new national policy. The current patchwork of public and private policies does not meet the needs of mothers in the labor force. Positive outcomes from paid family leave are emerging from programs in California, New Jersey, and Rhode Island. Yet, policy choices must be made to refine and implement a national program of paid family leave. These choices include who should be covered, how high should benefit amounts be, how long should they be paid, how should benefits be funded and administered, and should job protections be expanded? We review evidence from current state programs to help policymakers as they consider plans for a national paid leave policy.”

RETIREMENT – HEALTH

Regulatory Barriers Facing Workers and Families Saving for Retirement

House Subcommittee on Health, Employment, Labor, and Pensions – Hearing - May 18, 2017

<https://edworkforce.house.gov/calendar/eventsingle.aspx?EventID=401647>

Members of the Subcommittee “discussed the need to protect workers and small businesses from the flawed fiduciary rule, which would restrict access to affordable retirement advice. Members also discussed bipartisan solutions to make it easier for small businesses to provide retirement benefits to their employees.”

Katelin P. Isaacs and Sharmila Choudhury

The Growing Gap in Life Expectancy by Income: Recent Evidence and Implications for the Social Security Retirement Age

Congressional Research Service – Report - May 12, 2017 – 34 pages

<https://fas.org/sgp/crs/misc/R44846.pdf>

“This report provides a brief overview of the concept of life expectancy, how it is measured, and how it has changed over time in the United States. While life expectancy may be studied in a variety of contexts, this report focuses on the link between life expectancy and SES, as measured by lifetime income. In particular, this report synthesizes recent research on (1) the life expectancy gap by income and (2) the relationship between this gap and Social Security benefits. Finally, this report discusses the implications of this research for one type of Social Security reform proposal: increasing the Social Security retirement age.”

Paul Tullis

Can California Go Single-Payer?

The American Prospect – Article - May 10, 2017

<http://prospect.org/article/can-california-go-single-payer>

“In February, California state Senators Toni Atkins and Ricardo Lara introduced Senate Bill 562, the Healthy California Act, a one-page law declaring “the intent of the Legislature to ... establish a comprehensive universal single-payer health care coverage program and a health care cost control system for the benefit of all residents of the state.” But perhaps most significantly for its political fate, the bill effectively banishes insurance companies from operating in the state, ensuring that this wealthy industry will do all in its power to kill single-payer in California—as it has successfully twice before.”

INTERNATIONAL ECONOMIC RELATIONS

American Leadership in the Asia-Pacific, Part 2: Economic Issues

Senate Committee on Foreign Relations – Hearing - May 24, 2017

<https://www.foreign.senate.gov/hearings/052417>

Witnesses:

Ms. Tami Overby, Senior Vice President for Asia, U.S. Chamber of Commerce, Washington , DC

Dr. Robert Orr, Professor and Dean, School of Public Policy, University of Maryland, College Park , MD

Stephen Ezell

Trump Administration Should Deploy Focused Strategy to Address Trade Deficit

Information Technology & Innovation Foundation - Comments to International Trade Administration – May 13, 2017 – 20 pages

http://www2.itif.org/2017-comments-trade-deficits.pdf?mc_cid=798381db26&mc_eid=c56f7c6ab9

“Sustained trade deficits represent debts future generations must repay. As the Trump administration investigates the forces influencing U.S. trade balances, it should focus on the overall trade balance, not getting every deficit nation into balance, and it should tie trade to a broader industrial and competitiveness strategy. In particular, the administration should focus on countries that use aggressive mercantilist practices to target advanced industries that are critical drivers of the U.S. economy.”

CHINA

Simon Lester and Huan Zhu

It's Time to Negotiate a New Economic Relationship with China

Cato Institute – Free Trade Bulletin - April 5, 2017

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

“If the United States wants to promote the liberalization of Chinese trade and investment policy, it needs to engage with China in a more positive way. To this end, it should sit down with China and negotiate a new economic relationship, one that goes beyond the terms of the WTO. In particular, the United States should initiate formal negotiations on a trade agreement with China. Negotiations of this kind will be a challenge, especially with a president who has been so critical of China. However, negotiations offer the best hope for addressing concerns about China’s economic policies and practices.”

Zheng Liu and Mark M. Spiegel

Reserve Requirements as a Chinese Macro Policy Tool

FRB San Francisco - Economic Letter - May 22, 2017 – 5 pages

<http://www.frbsf.org/economic-research/files/el2017-15.pdf>

“China’s central bank frequently adjusts its reserve requirements for commercial banks as a way to stabilize economic fluctuations. These adjustments affect the overall credit supply but can also lead to the reallocation of credit and capital. Evidence shows that increases in reserve requirements raise off-balance-sheet lending, which typically benefits China’s more productive private sector, at the expense of on-balance-sheet loans to less productive state-owned enterprises. Under certain conditions, reserve requirements can be a useful additional policy instrument for improving resource allocations and also for macroeconomic stabilization in China.”

Melanie Hart, Luke Bassett, and Blaine Johnson

Everything You Think You Know About Coal in China Is Wrong

Center for American Progress – Issue Brief - May 15, 2017

<https://www.americanprogress.org/issues/green/reports/2017/05/15/432141/everything-think-know-coal-china-wrong/>

“This issue brief covers three things American observers need to understand about coal in China: (1) China’s new coal-fired power plants are cleaner than anything operating in the United States. (2) China’s emissions standards for conventional air pollutants from coal-fired power plants are stricter than the comparable U.S. standards. (3) Demand for coal-fired power is falling so quickly in China that the nation cannot support its existing fleet. Many of the coal-fired power plants that skeptics point to as evidence against a Chinese energy transformation are actually white elephants that Chinese leaders are already targeting in a wave of forced plant closures.”

ENVIRONMENTAL ECONOMIC ISSUES

Expanding the Role of States in EPA Rulemaking

House Committee on Science, Space, and Technology – Hearing - May 24, 2017

<https://science.house.gov/legislation/hearings/environment-subcommittee-hearing-expanding-role-states-epa-rulemaking>

“The United States Constitution asserts that state governments retain power when not directly superseded by the federal government... Unfortunately, during the previous Administration, the relationship between the Environmental Protection Agency and state governments eroded to the point that states were micro-managed by the federal government at every turn, often times at great detriment to their local economies... This Administration is returning EPA to its rightful agenda of relying on good science, not cherry-picked or non-existent science.”

Water Resources: The Role of the Public and Private Sectors

Senate Committee on Environment and Public Works – Hearing - May 9, 2017

<https://www.epw.senate.gov/public/index.cfm/hearings?ID=0F8E9A5F-9EEA-4DEF-927F-AAF59CA6D08B>

“I am pleased to be here today to discuss the role of the U.S. Army Corps of Engineers (Corps) Civil Works program in the development, management, protection, and restoration of water resources across the Nation. The three main missions of the Corps are commercial navigation, flood and storm damage reduction, and aquatic ecosystem restoration.”

Devashree Saha and Mark Muro

Cleantech Venture Capital: Continued Declines and Narrow Geography Limit Prospects

Brookings – Metropolitan Policy Program – May 2017

<https://www.brookings.edu/research/cleantech-venture-capital-continued-declines-and-narrow-geography-limit-prospects>

“Cleantech venture capital funding is both declining and increasingly concentrating in a small set of metro areas, suggesting trouble for continued innovation in the sector. Devashree Saha and Mark Muro explore the data and implications for federal, state, and local leaders, as well as the private sector.”

Devashree Saha and Mark Muro

Patenting Invention: Clean Energy Innovation Trends and Priorities for the Trump Administration and Congress

Brookings – Metropolitan Policy Program – May 2017

<https://www.brookings.edu/research/patenting-invention-clean-energy-innovation-trends-and-priorities-for-the-trump-administration-and-congress>

“Growth in U.S. cleantech patenting seems to be dipping, highlighting the need for continued investment in energy innovation. Devashree Saha and Mark Muro outline five trends for policymakers to consider.”

USDA’s Environmental Quality Incentives Program Could Be Improved to Optimize Benefits

GAO – Report - Published: Apr 13, 2017. Publicly Released: May 15, 2017 – 82 pages

<http://www.gao.gov/products/GAO-17-225>

“Agricultural production can have harmful effects on natural resources, such as when sediment, fertilizer, and animal waste run off into the nation’s waterways. Conservation practices, such as installing structures to store animal waste or changing the amount of fertilizer applied to cropland, can help mitigate these effects. NRCS’s EQIP provides financial and technical assistance to landowners who voluntarily implement conservation practices on agricultural land or certain forestlands. The Food Security Act of 1985, as amended, states that one purpose of EQIP is to optimize environmental benefits. GAO was asked to review whether EQIP funds are targeted where they will deliver the greatest environmental benefit.”

Sean Hecht

The Future of California’s Greenhouse Gas Cap and Trade Program After 2020: A Conversation

UC Berkeley – Legal Planet - May 9, 2017

<http://legal-planet.org/2017/05/09/the-future-of-californias-greenhouse-gas-cap-and-trade-program-after-2020-a-conversation/>

“California’s cap-and-trade program to reduce greenhouse gas emissions requires adjustments for political and legal reasons. Design changes to three fundamental aspects are crucial to the success of the market: banking, offsets, and the border adjustment.”

Public Divides over Environmental Regulation and Energy Policy

Pew Research Center – May 16, 2017

<http://www.pewinternet.org/2017/05/16/public-divides-over-environmental-regulation-and-energy-policy>

“Americans lean toward regulations – not economic markets alone – as the most effective way to increase reliance on renewable energy, but they are evenly split on the question of whether fewer regulations can be used to protect air and water.”

Gilbert E. Metcalf

Implementing a Carbon Tax

Resources for the Future – Report – May 2017 – 34 pages

<http://www.rff.org/research/publications/implementing-carbon-tax>

“This report provides new thinking on the design and implementation of a carbon tax as well as a discussion of various options for border adjustments, regulatory reform, and federal–state program interactions. Read the report.”

ENERGY

Michael Ratner

21st Century U.S. Energy Sources: A Primer

Congressional Research Service – Report - May 19, 2017 – 40 pages

<https://fas.org/sgp/crs/misc/R44854.pdf>

“Since the start of the 21st century, the U.S. energy system has seen tremendous changes. Technological advances in energy production have driven changes in energy consumption, and the United States has moved from being a growing net importer of most forms of energy to a declining importer—and possibly a net exporter in the near future. The United States remains the second largest consumer of energy in the world, behind China... Energy production and consumption have been issues of interest to Congress for decades. Current topics of concern to Congress include exports, imports, independence, security, infrastructure, efficiency, the environment, and geopolitics. Legislation has been introduced in both houses of Congress to address these issues and others.”

Molly F. Sherlock

The Value of Energy Tax Incentives for Different Types of Energy Resources: In Brief

Congressional Research Service – Report - May 18, 2017 – 15 pages

<https://fas.org/sgp/crs/misc/R44852.pdf>

“The U.S. tax code supports the energy sector by providing a number of targeted tax incentives, or tax incentives only available for the energy industry. As Congress evaluates the tax code and contemplates tax reform, there has been interest in understanding how energy tax benefits are distributed across different domestic energy resources. For example, what percentage of energy-related tax benefits support fossil fuels (or support renewables)? How much domestic energy is produced using fossil fuels (or produced using renewables)? And how do these figures compare?”

Oil and Gas Technology Innovation

House Committee on Science, Space, and Technology – Hearing - May 3, 2017

<https://science.house.gov/legislation/hearings/energy-subcommittee-hearing-oil-and-gas-technology-innovation>

“Today, we will discuss recent breakthroughs in oil and gas technology. Innovators continue to build on decades of groundbreaking successes in oil and gas production, maintaining America’s technology leadership. This area of research is particularly successful due to continued collaboration between industry, universities

and the national labs. We also will discuss the appropriate balance between the private sector leadership and the Department of in applied research and technology development.”

Commercial Nuclear Waste: Resuming Licensing of the Yucca Mountain Repository Would Require Rebuilding Capacity at DOE and NRC, Among Other Key Steps

GAO – Report - April 26, 2017 – 53 pages

<http://www.gao.gov/products/GAO-17-340>

“Power plants in 33 states store nearly 80,000 metric tons of radioactive waste. In 2008, the Department of Energy applied to the Nuclear Regulatory Commission to build an underground repository for this waste at Yucca Mountain in Nevada. In 2010, DOE reversed course and said Yucca Mountain was no longer a workable option. DOE and NRC then took steps such as eliminating funding and vacating NRC's custom facility for public hearings—making it harder to resume licensing in the future. We identified 4 key steps that would likely be needed to resume the Yucca Mountain licensing process, including receiving guidance and rebuilding lost capabilities.”

Challenges of Keeping Hydropower Affordable and Opportunities for New Development

House Subcommittee on Water, Power and Oceans – Hearing - Wednesday, May 3, 2017

<https://naturalresources.house.gov/calendar/eventsingle.aspx?EventID=401856>

“For decades, hydropower has been the nation’s leading and most reliable source of renewable energy, producing clean, renewable, and relatively low-cost electricity that can also be used to support variable generation resources like wind and solar. Compliance with environmental mandates and federal court-mandated “spills” has led to lost hydropower generation and higher power costs that are ultimately passed on to electricity ratepayers. There are opportunities to develop additional hydropower capacity through pumped storage, non-powered dams and upgrades to existing hydropower dams, but market conditions, the federal regulatory process and other factors can be impediments for increased production.”

Energy Opportunities in South America

House Committee on Foreign Affairs – Hearing – May 17, 2017

<https://foreignaffairs.house.gov/hearing/subcommittee-hearing-energy-opportunities-south-america/>

“The issue of energy in the region is a huge opportunity for advancing U.S. interests, creating jobs, and realizing economic growth. Stronger energy security would give the U.S. and our neighbors greater freedom and lessen our dependency on countries in the Middle East for natural resources. Argentina, Bolivia, Brazil, Colombia, Ecuador, and Peru all have significant oil or natural gas production. Chile also hosts the world’s second-largest lithium reserves. These abundant resources coupled with recent regulatory reforms have created an opening for greater U.S. energy collaboration with countries in South America. This hearing will focus on ways our country can increase our energy engagement to benefit U.S. and regional interests.”

MISCELLANEOUS

Philippe Le Corre

Challenges awaiting Macron in his first 50 days

Brookings - May 9, 2017

<https://www.brookings.edu/blog/order-from-chaos/2017/05/09/challenges-awaiting-macron-in-his-first-50-days>

Robert Kuttner

A Tale of Two Elections

The American Prospect – May 9, 2017

<http://prospect.org/article/tale-two-elections>

Emmanuel Macron's overwhelming 2-to-1 victory over Marine Le Pen has led to immense relief that the center held. France has rejected ultra-nationalism and will not destroy the euro and the EU. The problem, however, is that Macron's kind of center has been an incubator of the kind of right-wing populism epitomized by Le Pen. The globalist center has devised rules of the economy that reward the cosmopolitan class and leave regular people far behind. Macron's history and program suggest more of the same.