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GENERAL INTEREST

Can Public Policy Be Inventive?

Pew Research Center – Essay - June 12, 2017

<http://trend.pewtrusts.org/en/archive/summer-2017/can-public-policy-be-inventive>

“Innovative tools are helping policymakers ensure that corrections reform, health care changes, and other policies pay off. Our Sue Urahn shares the latest facts and examples from across the U.S. in Trend magazine.”

Economic and Fiscal Benefits of Pro-Growth Policies

House Committee on the Budget - Hearing - June 7, 2017

<https://budget.house.gov/hearing/1368/>

Witnesses:

Douglas J. Holtz-Eakin, President, American Action Forum

John W. Diamond, Edward A. and Hermena Hancock Kelly Fellow in Public Finance, Rice University’s Baker Institute for Public Policy

Jason Furman, Senior Fellow, Peterson Institute for International Economics

Richard Peach and Charles Steindel

Low Productivity Growth: The Capital Formation Link

FRB New York - Liberty Street Economics – June 26, 2017

<http://libertystreeteconomics.newyorkfed.org/2017/06/low-productivity-growth-the-capital-formation-link.html>

“Many factors have contributed to the pronounced slowdown of growth in labor productivity. The complex set of forces affecting productivity has made projecting its medium-term trend problematic. Still, data suggest that capital formation has played a role and the odds of a rebound in productivity are reduced if the weakness in investment spending continues.”

Lee G. Branstetter (PIIE) and Daniel Sichel (Wellesley College)

The Case for an American Productivity Revival

Peterson Institute – Policy Brief – June 2017 – 11 pages

<https://piie.com/system/files/documents/pb17-26.pdf>

“Four developments have the potential to contribute to faster productivity growth that has long stagnated in the United States: improvements in the healthcare system, the increasing use of robots, a revolution in e-learning, and the globalization of invention. The authors gauge the potential productivity impact of these developments and suggest that US labor productivity growth would likely rise from the 0.5 percent average rate registered since 2010 to a pace of 2 percent or more. The outcome will depend on supportive policies that expand support of basic scientific research, allow more high-skilled immigration, and preserve America's longstanding commitment to open trade and investment policies.”

The Costs of Corruption to the American Economy

US Congress Joint Economic Committee - Report - June 1, 2017

<https://www.jec.senate.gov/public/index.cfm/democrats/press-releases?ID=0833EB75-906A-456D-9CFD-78A135187BAC>

"Over the past six months, the Office of Government Ethics has received 39,105 inquiries—up more than 5,000 percent over the comparable period leading up to President Obama's 2012 election and first months in office... Corruption does not have to take the form of a secretly exchanged cash-filled briefcase, but President Trump's financial conflicts of interest are a clear cause for concern: by flaunting the laws and conventions of good governance that made the United States a cornerstone of the global economy, President Trump is likely doing economic harm. He appears to be shaping policy for his own benefit and using his position as President to boost his own business revenue. These actions will enrich President Trump and his family at the expense of the economic growth that provides economic security for American families."

William A. Strauss and Thomas Haas

Economy to Cruise near Speed Limit in 2017 and 2018 Even As Auto Sales Downshift

FRB Chicago – Fed Letter - June 2017 – 6 pages

<https://www.chicagofed.org/publications/chicago-fed-letter/2017/381>

“According to participants in the Chicago Fed's annual Automotive Outlook Symposium, the nation's economic growth is forecasted to be near its long-term average this year and to strengthen somewhat in 2018. Inflation is expected to increase in 2017 and to hold steady in 2018. The unemployment rate is anticipated to edge lower to 4.4% by the end of 2017 and to remain at that rate through 2018. Light vehicle sales are predicted to decrease from 17.5 million units in 2016 to 17.1 million units in 2017 and then to 16.9 million units in 2018.”

IMMIGRATION

Nathan Nunn, Nancy Qian, and Sandra Sequeira

Migrants and the Making of America: The Short- and Long-Run Effects of Immigration During the Age of Mass Migration”

Cato Institute – Research Brief - May 31, 2017 – 3 pages

https://object.cato.org/sites/cato.org/files/pubs/pdf/20170526_miron_nunn2cq_s_rb77.pdf

“We contribute to the understanding of the impact of immigration by taking a historical perspective. In particular, we examine migration into the United States between 1850 and 1920—during America's Age of Mass Migration—and estimate the causal effect of immigrants on economic and social outcomes today, approximately 100 years later.”

TAX POLICY

Tax Reform: Removing Barriers to Small Business Growth

Committee on Small Business and Entrepreneurship - Hearing - June 14, 2017

<https://www.sbc.senate.gov/public/index.cfm/hearings?ID=39E2134C-D9AE-499C-887B-E33AC497A90D>

"The tax code encourages our public companies to shift jobs, investment, and even their headquarters overseas. To address this, Congress needs to enact reforms that fix the tax code for C corporations. But pass through businesses, including S corporations, face the same challenges as C corporations. The C corporation tax rate may be among the highest in the world, but the tax rate paid by S corporations is even higher. Moreover, pass through businesses have a bigger economic footprint than C corporations – they employ more people and they contribute more to national income. So any reform needs to be permanent, comprehensive, and treat pass through businesses as equal partners."

Steven Nadel and Brian Stickles

Clean Tax Cuts for Commercial Real Estate

American Council for an Energy-Efficient Economy - White Paper - June 20, 2017 – 27 pages

<http://aceee.org/white-paper/clean-tax-cuts>

"Many new ideas may be considered in tax reform discussions. One idea is clean tax cuts—the application of supply-side tax-rate cuts for clean investments that reduce pollutant emissions. Lower tax rates for income from clean investments (where clean is specifically defined) will encourage such investments and could leverage large amounts of private capital. Clean tax cuts may be particularly appealing in markets where investment returns are passed on to individuals and included on individual tax returns. One such market is commercial real estate, where individuals often invest in real estate investment trusts (REITs), limited liability corporations (LLCs), and limited liability partnerships (LLPs). This paper provides background information on commercial real estate investments and outlines two proposals for clean tax cuts in this area."

MONETARY POLICY

Fernando M. Martin

A Short History of Prices, Inflation since the Founding of the U.S.

FRB St. Louis – Regional Economist – Second Quarter 2017 – 3 pages

https://www.stlouisfed.org/~media/Publications/Regional-Economist/2017/Second_quarter_2017/prices_inflation.pdf

"Economists generally agree that a central bank that is independent of political pressure is a prerequisite for sound monetary policy. However, in recent years, there have been numerous proposals to subject the conduct of monetary policy of the U.S. central bank—the Federal Reserve—to formal and close congressional oversight beyond what is already taking place.² One prime justification for these proposals is the significant increase in the price level since the establishment of the Fed in 1913. The purpose of this article is not to discuss the merits or shortcomings of the various proposals, but rather to provide some historical context to this rationale by revisiting some basic facts about prices and inflation since the founding of the country."

Marc Labonte

Monetary Policy and the Federal Reserve: Current Policy and Conditions

Congressional Research Service – Report - June 21, 2017 – 22 pages

<https://fas.org/sgp/crs/misc/RL30354.pdf>

"Congress has delegated responsibility for monetary policy to the nation's central bank, the Federal Reserve (the Fed), but retains oversight responsibilities for ensuring that the Fed is adhering to its statutory mandate of "maximum employment, stable prices, and moderate long-term interest rates." To meet its price stability mandate, the Fed has set a longer-run goal of 2% inflation... Debate is currently focused on how quickly the Fed should raise rates. Some contend the greater risk is that raising rates too slowly will cause inflation to become too high or cause financial instability, whereas others contend that raising rates too quickly will cause inflation to remain too low and choke off the expansion."

The Federal Reserve's Impact on Main Street, Retirees, and Savings

Subcommittee on Monetary Policy and Trade - Hearing - June 28, 2017

<https://financialservices.house.gov/calendar/eventsingle.aspx?EventID=402046>

Witnesses:

- Dr. Norbert Michel, Senior Research Fellow, The Heritage Foundation
- Dr. Paul Kupiec, Resident Scholar, American Enterprise Institute
- Dr. Karen Dynan, Nonresident Senior Fellow, Peterson Institute for International Economics
- Mr. Alex J. Pollock, Distinguished Senior Fellow, R Street Institute

Josh Bivens

Is 2 Percent Too Low? Rethinking the Fed's Arbitrary Inflation Target to Avoid another Great Recession

Economic Policy Institute - Report - June 9, 2017 – 17 pages

<http://www.epi.org/files/pdf/129551.pdf>

“This paper argues that the very low inflation rate currently targeted by the Federal Reserve as a long-term macroeconomic policy goal (2 percent annual inflation) should be reassessed in light of economic developments over the past two decades. Specifically, this paper shows that we need a higher inflation target because it will make conventional monetary policy more effective in fighting recessions and spurring recoveries during periods when nominal interest rates are near-zero. If we raise the inflation target above 2 percent, this greatly increases the probability that the next recession will be shorter and the recovery faster, not just because it will allow inflation-adjusted interest rates to be lowered further, but because it will be easier for households to climb out from under overhanging debt.”

Jens H.E. Christensen and Glenn D. Rudebusch

New Evidence for a Lower New Normal in Interest Rates

FRB San Francisco - Economic Letter - June 19, 2017 – 5 pages

<http://www.frbsf.org/economic-research/files/el2017-17.pdf>

“Interest rates during the current economic recovery have been unusually low. Some have argued that yields have been pushed down by declines in longer-run expectations of the normal inflation-adjusted short-term interest rate—that is, by a drop in the so-called equilibrium or natural rate of interest. New evidence from financial markets shows that a decline in this rate has indeed contributed about 2 percentage points to the general downward trend in yields over the past two decades.”

John Fernald, Thomas M. Mertens, and Patrick Shultz

Has the Dollar Become More Sensitive to Interest Rates?

FRB San Francisco - Economic Letter - June 26, 2017 – 5 pages

<http://www.frbsf.org/economic-research/files/el2017-18.pdf>

“Interest rates in the United States have diverged from the rates of other countries over the past few years. Some commentators have voiced concerns that, as a result, exchange rates might be more sensitive to unanticipated changes in U.S. interest rates now than they were historically. However, an examination of market-based measures of policy expectations finds no convincing evidence that the U.S. dollar has become more sensitive since 2014.”

Virtual Currency: Financial Innovation and National Security Implications

House Committee on Financial Services - Hearing - Thursday, June 8, 2017

<https://financialservices.house.gov/calendar/eventsingle.aspx?EventID=401938>

"This hearing will explore terrorists and illicit use of financial technology (FinTech), the national security implications of virtual currencies such as Bitcoin, and the use of “blockchain” technologies to record

transactions and uncover illicit activities. Witnesses will provide testimony about the exploitation of virtual currency by terrorists and transnational criminal groups, as well as provide risk assessments and policy considerations to mitigate illicit financing but not to impede the development of FinTech innovations."

FINANCE

Fostering Economic Growth: The Role of Financial Institutions in Local Communities

Committee on Banking, Housing, and Urban Affairs - Hearing - June 8, 2017

<https://www.banking.senate.gov/public/index.cfm/hearings?ID=0F76C7D2-00BF-422C-8ED1-F5E9DEEF9780>

"Financial regulation should promote safety and soundness while enabling a vibrant and growing economy. This is especially important for community financial institutions, which lack the personnel and infrastructure to handle the overwhelming regulatory burden of the past few years. Since 2010 we have lost roughly 2,000 banks and over 1,500 credit unions... Today, however, I am hopeful about the prospects of reversing the damaging trends facing these types of institutions. In March, Ranking Member Brown and I announced a process to receive and consider proposals to help foster economic growth. Similarly, the Federal banking agencies submitted their EGRPRA report to Congress with several recommendations. The Treasury Department is also currently working on several reports to identify ways to improve our regulatory framework. Together, these steps demonstrate a commitment to reviewing our financial regulatory framework to determine what is working and what is not working."

Fostering Economic Growth: Midsized, Regional and Large Institution Perspective

Committee on Banking, Housing, and Urban Affairs - Hearing - June 15, 2017

<https://www.banking.senate.gov/public/index.cfm/hearings?ID=76E80F5C-327E-4DF4-B925-14F4B32C9917>

"Today, we will hear about the regulatory framework that midsize banks, regional banks, and larger financial institutions face."

Fostering Economic Growth: Regulator Perspective

Committee on Banking, Housing, and Urban Affairs - Hearing - June 15, 2017

<https://www.banking.senate.gov/public/index.cfm/hearings?ID=BC3D7D11-58DC-494C-A3B2-249267B45469>

"Today, we will hear from financial regulators to receive legislative and regulatory recommendations that would foster economic growth. Based on conversations I have had with current and former regulators, recommendations in Treasury's recent report, testimony at hearings before this Committee, and the recent EGRPRA report, I am convinced that there is growing support for legislation that promotes economic growth."

Nellie Liang

What Treasury's Financial Regulation Report Gets Right—And Where It Goes Too Far

Brookings - June 13, 2017

<https://www.brookings.edu/blog/up-front/2017/06/13/what-treasurys-financial-regulation-report-gets-right-and-where-it-goes-too-far/>

"Some of the Treasury Department's proposed financial reforms could benefit the U.S. economy, while others may make it newly vulnerable to crisis."

Tobias Adrian, Michael Fleming, and Or Shachar

Market Liquidity after the Financial Crisis

FRB New York – Liberty Street Economics - June 28, 2017

<http://libertystreeteconomics.newyorkfed.org/2017/06/market-liquidity-after-the-financial-crisis.html>

“Our bloggers update their work on the possible adverse effects of regulation on market liquidity in the period following the financial crisis. They find that dealer balance sheets have continued to stagnate and that funding liquidity is less abundant, but they do not uncover any clear evidence of a widespread deterioration in market liquidity.”

Clearing the Next Crisis: Resilience, Recovery and Resolution of Derivative Clearinghouses

House Committee on Agriculture - Hearing - June 27, 2017

<https://agriculture.house.gov/calendar/eventsingle.aspx?EventID=3932>

“Clearinghouses are essential to financial markets. Next week’s hearing will examine the work done by regulators and market participants to safeguard these institutions and prepare for future disruptions. I look forward to hearing from our witnesses about opportunities to continue to reduce systemic risks in our financial markets.”

Marco Cipriani, Gabriele La Spada and Philip Mulder

Investors’ Appetite for Money-Like Assets: The Money Market Fund Industry after the 2014 Regulatory Reform

FRB New York – Staff Report – June 2017 – 31 pages

https://www.newyorkfed.org/research/staff_reports/sr816

“The authors document the reaction of money market fund (MMF) investors and portfolio managers to a new SEC regulation that came into effect in October 2016. They attribute differences in behavior—compared with past outflows from prime and muni MMFs—to investors’ appetite for money-like assets, whose supply was impacted by the new regulation, as opposed to traditional flight-to-safety motives.”

At the New York Fed: Twelfth Annual Joint Conference with NYU-Stern on Financial Intermediation

FRB New York – Liberty Street Economics - June 23, 2017

<http://libertystreeteconomics.newyorkfed.org/2017/06/at-the-new-york-fed-twelfth-annual-joint-conference-with-nyu-stern-on-financial-intermediation.html>

“Anyone who has a savings account or has taken out a mortgage has relied on the smooth functioning of the institutions and markets that collectively perform financial intermediation. Our bloggers explore some of the discussions and findings from the New York Fed’s May conference—co-sponsored by New York University—that focused on recent advances in the study of financial intermediation.”

BANKING

Paul H. Kupiec

Is Systemic Risk A Dodd-Frank Fallacy?

AEI - American Banker - May 9, 2017

<http://www.aei.org/publication/is-systemic-risk-a-dodd-frank-fallacy>

“As Treasury Department officials review the Financial Stability Oversight Council’s designation process, they should also reexamine how the Dodd-Frank Act defines systemic risk. The FSOC’s duty to identify “systemically important financial institutions” has been hamstrung by Dodd-Frank’s flawed concept of systemic risk, which confuses symptoms with causes, and shifts attention toward prescriptions that are unlikely to forestall the next financial crisis.”

Larry D. Wall

The Evolving Financial Supermarket

FRB Atlanta - Notes from the Vault - June 2017

<https://www.frbatlanta.org/cenfis/publications/notesfromthevault/06-the-evolving-financial-supermarket-2017-06-22.aspx>

“One of the trendy concepts in the 1980s and 1990s was that of "supermarkets" for retail and wholesale financial services. The idea in retail financial services was a customer could obtain a full range of services under one roof, such as banking, brokerage, and insurance. Various legal barriers inhibited some combinations, but the last barrier fell with the passage of the Gramm-Leach-Bliley Act in 1999. However, although many financial firms have had some success with providing a broader range of services, financial supermarkets have not dominated the retail financial landscape.1 Yet the continuing evolution of Internet-based financial services raises the possibility that this concept can be resurrected by relying on virtual connections rather than physical presence. This Notes from the Vault post considers the past and possible future evolution of the financial supermarket.”

Disrupter Series: Improving Consumer’s Financial Options With FinTech

Subcommittee on Digital Commerce and Consumer - Hearing - June 8, 2017

<https://energycommerce.house.gov/hearings-and-votes/hearings/disrupter-series-improving-consumer-s-financial-options-fintech>

The hearing was "to discuss how the financial services landscape has been disrupted by financial technology, also called “FinTech,” over the last decade and the impact this has had on consumers. By and large, technology available today has significantly changed the way consumers interact, manage, and audit their finances. Today’s hearing was an opportunity to better understand how financial technologies are impacting Americans’ everyday lives and what more can be done within this industry to further improve financial well-being."

Katherine Di Lucido, Anna Kovner, and Samantha Zeller

Low Interest Rates and Bank Profits

Federal Reserve Bank of New York - Liberty Street Economics – June 21, 2017

<http://libertystreeteconomics.newyorkfed.org/2017/06/low-interest-rates-and-bank-profits.html>

“The Federal Reserve’s decision to raise interest rates in December 2015, for the first time in seven years, presents an opportunity to assess the link between interest rates and bank profitability. Our bloggers explore how net interest margin fell during the low-interest-rate period, finding that banks mitigated some of the impact of lower rates by shifting into less costly types of liabilities.”

Jessica Washington

Can Community Banks Remain Competitive?

FRB Atlanta – Blog – June 5, 2017

<http://takeonpayments.frbatlanta.org/2017/06/responsible-innovation-part-1-can-community-banks-remain-competitive.html>

The Atlanta Fed's Retail Payments Risk Forum recently co-hosted a summit with the United Kingdom's Department for International Trade to discuss faster payments and their effects on community financial institutions (FIs). In a series of three posts, I will share summaries of the lessons and implications that payments industry stakeholders discussed at the summit. A major theme of these discussions was whether community FIs can remain competitive independent of how they access a faster payments network. This post tackles this theme.

Ricardo T. Fernholz and Christoffer Koch

Bank Asset Concentration Not Necessarily Cause for Worry

FRB Dallas – Economic Letter – June 2017 – 4 pages

<https://www.dallasfed.org/research/ecllett/2017/e11707>

“U.S. banking assets have become substantially more concentrated within a few large institutions. However, decreasing relative rates of big-bank growth and of idiosyncratic volatility—an indicator of individual bank susceptibility to shocks and a resulting redistribution of assets—suggest a reduction in systemic financial system risk through contagion.”

OTHER ECONOMIC POLICIES

Recent Trends in International Antitrust Enforcement

House Judiciary Committee - Hearing - June 29, 2017

<https://judiciary.house.gov/hearing/recent-trends-international-antitrust-enforcement/>

Witnesses:

Deborah Garza, Antitrust and Competition Law Practice Group, Covington & Burling LLP

Professor Koren Wong-Ervin, Director; and Adjunct Professor of Law Global Antitrust Institute (GAI); Antonin Scalia Law School, George Mason University

Alden Abbott, Deputy Director, The Heritage Foundation

Randy Stutz, Associate General Counsel, American Antitrust Institute

Eleanor Fox, Walter J. Derenberg Professor of Trade Regulation New York University School of Law

LOCAL ECONOMIC DEVELOPMENT

Ryan Murphy and Alex Nowrasteh

The Deep Roots of Economic Development in the U.S. States

Cato Institute - Working Paper - May 19, 2017 – 26 pages

<https://object.cato.org/sites/cato.org/files/pubs/pdf/working-paper-44.pdf>

“The “Deep Roots” literature investigates the effects of ancient cultural variables on economic outcomes. We extend Putterman and Weil’s (2010) inquiry into the effects of State History and Agricultural History to the economic output in the heterogeneous populations of the fifty U.S. States. The ethnic and racial differences across the populations of the fifty U.S. states vary considerably due to historical immigration and slave flows that, as a result, produced radically different State History and Agricultural History scores across the states. The Deep Roots of economic development do not predict per capita levels of economic output across U.S. States. We also investigate the institutional channel for Deep Roots, and find that they impact some measures of institutions, but they do not impact the liberal economic institutions which may be essential for promoting economic growth and development.”

Advancing A New Wave of Urban Competitiveness

Brookings – Report- June 2017

<https://www.brookings.edu/research/advancing-a-new-wave-of-urban-competitiveness/>

“Over the past year, the United States Conference of Mayors and the Brookings Institution, along with the Project for Public Spaces have worked together to capture a new model of growth that is emerging in cities and the particular roles that mayors can play. This handbook offers concrete strategies for mayors and their administrations to facilitate the rise of innovation districts—small geographic areas within cities where research universities, medical institutions, and companies cluster and connect with start-ups, accelerators, and incubators. They reflect profound market and demographic dynamics that are revaluing proximity, density, walkability, and accessibility—in other words, the natural strengths of cities.”

Richard Mattoon and Sarah Wetmore

Chicago's Fiscal Future: Growth or Insolvency? A Conference Summary

FRB Chicago – Fed Letter – June 2017

<https://www.chicagofed.org/publications/chicago-fed-letter/2017/379>

“The intersection between poor fiscal conditions facing Chicago and the prospects for business development was the subject of a conference cosponsored by the Federal Reserve Bank of Chicago and the Civic Federation on April 19, 2017. Specifically, the program focused on whether municipal bankruptcy is an appropriate mechanism for addressing extreme fiscal stress and the impact such an action might have on key Chicago industries, particularly those characterized by rapid recent growth.”

Despite Cities' Revitalization, Work Still Lies Ahead - The Atlanta Fed studies the intersection of economic growth and opportunity in old industrial towns

FRB Atlanta – Economy Matters – June 1, 2017

<https://www.frbatlanta.org/economy-matters/2017/06/01/despite-cities-revitalization-work-still-lies-ahead.aspx>

“Chattanooga was once a hollowed-out industrial city that had lost much of its industry. In 1969, the federal government declared its air quality the nation's worst. The city hemorrhaged residents and jobs throughout the 1980s. No longer. Chattanooga today is a haven for rock climbers, mountain bikers, and tourists who crowd its electric buses, riverside greenway, and acclaimed aquarium. The metropolitan area is adding jobs and population. A team of funders from local foundations and Federal Reserve researchers recently examined how places like Chattanooga rebounded. The researchers studied Chattanooga and three similarly resurgent, post-industrial "legacy cities": Cedar Rapids, Iowa; Rochester, New York; and Grand Rapids, Michigan. They found an essential factor common to these towns: locally based philanthropic investors.”

BUSINESS

Robert Jay Dilger and Sean Lowry

Small Business Administration: A Primer on Programs and Funding

Congressional Research Service – Report - June 5, 2017 – 38 pages

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

“The Small Business Administration (SBA) administers several types of programs to support small businesses, including loan guaranty and venture capital programs to enhance small business access to capital; contracting programs to increase small business opportunities in federal contracting; direct loan programs for businesses, homeowners, and renters to assist their recovery from natural disasters; and small business management and technical assistance training programs to assist business formation and expansion. Congressional interest in the SBA's loan, venture capital, training, and contracting programs has increased in recent years, primarily because small businesses are viewed as a means to stimulate economic activity and create jobs.”

Robert Jay Dilger

Small Business Administration Microloan Program

Congressional Research Service – Report - June 22, 2017 – 26 pages

<https://fas.org/sgp/crs/misc/R41057.pdf>

“The Small Business Administration's (SBA's) Microloan program provides direct loans to qualified nonprofit intermediary lenders who, in turn, provide “microloans” of up to \$50,000 to small businesses and nonprofit child care centers. It also provides marketing, management, and technical assistance to microloan borrowers and potential borrowers. Authorized in 1991 as a five-year demonstration project, it became operational in 1992, and was made permanent, subject to reauthorization, in 1997.”

SCIENCE -TECHNOLOGY

Material Science: Building the Future

House Committee on Science, Space, and Technology – Hearing - June 28, 2017

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

“Today, we will have the opportunity to review federally funded research in materials science... Materials science is the discovery of new materials with novel structures, functions, and properties. In this area of science, researchers study the chemical, physical, atomic, and magnetic properties of an existing material, and use that knowledge to create new materials with ideal properties. By designing and creating new materials, researchers at our national labs and universities can solve complex engineering challenges and enable the development of new technologies.”

Stephen Ezell and Bret Swanson

How Cloud Computing Enables Modern Manufacturing

ITIF-AEI – Report – June 2017

http://www2.itif.org/2017-cloud-computing-enables-manufacturing.pdf?mc_cid=237ffa8d2e&mc_eid=c56f7c6ab9

“Cloud computing represents a key platform technology that is helping enable the next production revolution. It facilitates greater collaboration, speeds innovation cycles, accelerates time to market, supports supply-chain integration, and reduces costs, among many other benefits. To maximize the benefit of cloud computing for U.S. competitiveness, policymakers should craft a supportive policy environment to continue expanding adoption of the technology.”

Paving the Way for Self-Driving Vehicles

Senate Committee on Commerce, Science, and Transportation -Hearing - June 14, 2017

<https://www.commerce.senate.gov/public/index.cfm/hearings?ID=7875A7F4-B547-4E91-BEC9-1ED7DD3616FD>

"The hearing will explore automated vehicle technology and hurdles for testing and deployment in the United States. The hearing will also examine state and federal roles to ensure safety while promoting innovation and American competitiveness."

Self-Driving Vehicle Legislation

House Digital Commerce and Consumer Protection - Hearing - June 27, 2017

<https://energycommerce.house.gov/hearings-and-votes/hearings/self-driving-vehicle-legislation>

"Self-driving vehicles leverage technology that has the potential to reduce significantly traffic fatalities, improve transportation mobility and accessibility, and decrease the environmental impact of vehicles. While automakers, suppliers, and new market entrants have been testing automated driving system technologies for years and investing heavily in the future of the technology, the earliest estimates of commercial deployments of self-driving vehicles remains a few years away, coming no sooner than 2020. The hearing will examine 14 draft bills and provide stakeholders the opportunity to offer input on how the proposals support testing and deployment of self-driving vehicles within the existing safety framework implemented by the National Highway Traffic Safety Administration (NHTSA) keeping traditional federal and state roles in place."

Stephen D. Oliner, David M. Byrne, and Daniel E. Sichel

Prices of High-Tech Products, Mismeasurement, and Pace of Innovation

AEI Economics Working Paper Series – June 2017 – 31 pages

<https://www.aei.org/wp-content/uploads/2017/06/Oliner-NBER-wp-June-2017.pdf>

“The authors show that the mismeasurement of high-tech prices has a dramatic effect on the pattern of multifactor productivity (MFP) growth across sectors. Specifically, the faster decline of high-tech product prices implies a faster pace of MFP growth in high-tech sectors and a slower rate of MFP advance outside the high-tech sector. The results suggest that innovation in the tech sector has been more rapid than official statistics imply, yet the results also confirm that this mismeasurement does not explain the labor productivity slowdown.”

Stephen D. Oliner, David M. Byrne, and Daniel E. Sichel

How Fast Are Semiconductor Prices Falling?

AEI Economics Working Paper Series – June 2017 – 31 pages

https://www.aei.org/wp-content/uploads/2015/03/Byrne_Oliner_Sichel_Nov-16-2015.pdf

“The authors examine the potentially troubling rate at which microprocessor units (MPUs) prices are falling, given the long-run relationship between rates of price decline of semiconductors and the pace of innovation in that sector. They find that, adjusted for quality, MPU prices actually continued to fall rapidly in recent years and that concerns that the semiconductor sector had faded as an engine of growth appear to be unwarranted.”

Leading the Way: Examining Advances in Environmental Technologies

House Committee on Science, Space, and Technology – Hearing - June 21, 2017

<https://science.house.gov/legislation/hearings/environment-subcommittee-hearing-leading-way-examining-advances-environmental>

“What I like most about this bill is that it compels NOAA to innovate. For far too long we have relied on outmoded government technologies and systems. Thankfully, the weather ill dictates that NOAA must partner with the growing private sector to test and validate its data in order to enhance our nation’s forecasting capabilities... Switching gears slightly, we will also hear today about innovative technologies deployed in the oceans and how they can significantly influence a number of areas of our lives.”

INFORMATION TECHNOLOGIES

The Internet of Things Is the Next Digital Evolution—What Will It Mean?

Pew Research Center – Essay - June 12, 2017

<http://trend.pewtrusts.org/en/archive/summer-2017/the-internet-of-things-is-the-next-digital-evolution-what-will-it-mean>

“More and more items are being connected to the internet: cars, appliances, thermostats. It’s called the internet of things, and it brings convenience — and concerns. In the new issue of our Trend magazine, the Pew Research Center’s Lee Rainie imagines how this evolution will change our future.”

Disrupter Series: Update on IOT Opportunities and Challenges

Subcommittee on Digital Commerce and Consumer - Hearing - June 13, 2017

<https://energycommerce.house.gov/hearings-and-votes/hearings/disrupter-series-update-iot-opportunities-and-challenges>

“The Internet of Things (IoT) generally refers to a growing network in which connected devices, services, and objects collect and exchange data. These “smart devices” are equipped with microchips, sensors, and wireless communication capabilities and are being used to optimize everything from manufacturing and home appliances to healthcare and automobiles. Connected devices offer businesses and consumers a variety of benefits... As for businesses, IoT innovations have driven efficiency, productivity, real-time, accurate information, and much more. The Internet of Things is revolutionizing a variety of industries and, as IoT

applications increasingly become more prevalent, having a substantial impact on major U.S. economic sectors including manufacturing, healthcare, and automotive."

FCC Should Streamline Small-Cell and Advanced-Broadband Deployment

Comments to Federal Communications Commission – June 15, 2017 – 8 pages

http://www2.itif.org/2017-fcc-comments-broadband-deployment.pdf?mc_cid=0b079cd4de&mc_eid=c56f7c6ab9

"Broadband benefits the whole economy, so there are tensions when localities impose fees that shift deployment costs to everyone else in the market. This issue will continue to grow with the rise of 5G, which demands many more, but smaller, cell sites. The FCC should help remove barriers to deployment by streamlining access to infrastructure, reforming regulatory procedures, and helping to allay unfounded fears about radio-frequency emissions."

The Universal Service Fund and Rural Broadband Investment

Senate Subcommittee on Communications, Technology, Innovation, and the Internet - Hearing - June 20, 2017

<https://www.commerce.senate.gov/public/index.cfm/hearings?ID=628B02EB-3D8D-4356-B0E9-5F4BC4B5A312>

"The subcommittee will examine the Federal Communications Commission's Universal Service Fund and its capabilities for the deployment of broadband in rural America."

Data Stored Abroad: Ensuring Lawful Access and Privacy Protection in the Digital Era

House Judiciary Committee - Hearing - June 15, 2017

<https://judiciary.house.gov/hearing/data-stored-abroad-ensuring-lawful-access-privacy-protection-digital-era/>

"The need for effective, efficient, and lawful access to data in criminal investigations is paramount in the digital age. Obstacles to obtaining such electronic evidence jeopardize investigations into every category of criminal activity... Countries around the world rely on data held by U.S. communications service providers to protect their legitimate public safety interests. However, the Stored Communications Act may preclude U.S. service providers from disclosing U.S.-stored data to foreign countries pursuant to lawful foreign orders. In these instances, the foreign authority would likely use the formal mutual legal assistance process to obtain the data. Yet the Second Circuit's decision has hindered our ability to obtain content data from U.S. providers on behalf of our foreign partners, just as it has in U.S. investigations."

INFRASTRUCTURE – TRANSPORTATION

Chris Edwards

Who Owns U.S. Infrastructure?

Cato Institute - Tax and Budget Bulletin – June 1, 2017 – 7 pages

<https://object.cato.org/sites/cato.org/files/pubs/pdf/tbb-78-updated.pdf>

"As part of its 2018 budget proposal, the Trump administration has introduced a plan to improve the nation's infrastructure. The administration intends to reduce regulatory barriers that delay infrastructure projects and raise project costs. It also intends to encourage private investment in infrastructure through privatization and public-private partnerships. In a new bulletin, Cato scholar Chris Edwards argues that a reduced federal role would allow for increases in private investment and more efficient state and local investment."

Ryan Bourne

Would More Government Infrastructure Spending Boost the U.S. Economy?

Cato Institute – Policy Analysis - June 6, 2017

<https://www.cato.org/publications/policy-analysis/would-more-government-infrastructure-spending-boost-us-economy>

“President Trump has promised to induce \$1 trillion of new public and private investment in infrastructure over the next decade. He believes that strategy will be beneficial both for short-run, macroeconomic reasons (it will stimulate the economy) and for long-run, microeconomic reasons (it will improve productivity). A new paper from Cato scholar Ryan Bourne assesses both sets of reasoning, and finds that the case for more government investment is significantly weaker than commonly asserted.”

Michaela D. Platzner, William J. Mallett

Effects of Buy America on Transportation Infrastructure and U.S. Manufacturing: Policy Options

Congressional Research Service – Report - June 14, 2017 – 22 pages

<https://fas.org/sgp/crs/misc/R44266.pdf>

“The President’s “Buy American and Hire American” initiative includes an executive memorandum requiring the Secretary of Commerce to develop a plan for new pipelines in the United States to be made from domestically produced iron and steel, and a separate executive order directing agencies to strictly adhere to Buy America laws... Buy America could increase the cost of some transportation projects by requiring the purchase of domestic steel, vehicles, and vehicle components when imported products might be cheaper. In some cases, the difficulty of complying with Buy America rules has been blamed for project delays.”

Jenni Bergal

Building a Sustainable ‘Highway of the Future’

Pew Charitable Trusts – Stateline - June 08, 2017

<http://www.pewtrusts.org/en/research-and-analysis/blogs/stateline/2017/06/08/building-a-sustainable-highway-of-the-future>

“The long-term goal is to build the world’s first sustainable road, a highway that could create its own clean, renewable energy and generate income by selling power to utility companies, while producing no stormwater runoff or other pollution and eliminating traffic deaths. The project, called The Ray, is an unusual collaboration between state agencies, private companies, and a family foundation that is paying for it.”

Joe Kennedy

How Regulatory Reform Can Advance Automation in Freight Transportation

Information Technology & Innovation Foundation - Report – June 2017 – 23 pages

http://www2.itif.org/2017-regulatory-reform-transportation.pdf?mc_cid=2af8388587&mc_eid=c56f7c6ab9

“Railroads, trucking, and certain types of aviation are ripe for automation that will improve the safety and efficiency of U.S. freight transportation, but overly restrictive regulations prevent companies and consumers from capitalizing fully on these opportunities. This report outlines six principles policymakers should heed to improve the regulatory balance between safety concerns and innovation potential and thereby maximize productivity and competitiveness.”

Ian Hathaway and Mark Muro

Ridesharing Hits Hyper-Growth

Brookings - The Avenue - June 1, 2017

<https://www.brookings.edu/blog/the-avenue/2017/06/01/ridesharing-hits-hyper-growth>

“Overall, the trend in 2015 represents a major acceleration of the previous years’ trend. Specifically, nonemployer firms in the rides industries increased 10 percent between 2012 and 2013, 34 percent between 2013 and 2014, and then by 63 percent in 2015. The spread of ridesharing was accelerating! With that said, the national trends mask considerable local variation—and some new wrinkles. Though 93 percent of the gig

activity in ridesharing took place in the largest 100 metropolitan areas, the distribution of ridesharing across cities has been evolving.”

Building a 21st Century Infrastructure for America: Challenges and Opportunities for Intercity Passenger Rail Service

House Transportation and Infrastructure Committee – Hearing – June 22, 2017

<https://transportation.house.gov/calendar/eventsingle.aspx?EventID=401565>

“Given the limited federal dollars available for intercity passenger rail projects, it is imperative that projects be better prioritized to accomplish specific national goals. This hearing is also about understanding new technologies that will transform our passenger rail network. As an example, a number of the Members of this Subcommittee have experienced high-speed trains in Europe and Asia and alternative technologies such as maglev.”

AGRICULTURE

Agricultural Research: Perspectives on Past and Future Successes for the 2018 Farm Bill

US Senate Committee on Agriculture - Hearing - June 15, 2017

<https://www.agriculture.senate.gov/hearings/agricultural-research-perspectives-on-past-and-future-successes-for-the-2018-farm-bill>

Testimonies by government officials and academics

The Next Farm Bill: University Research

House Committee on Agriculture - Hearing - June 22, 2017

<https://agriculture.house.gov/calendar/eventsingle.aspx?EventID=3927>

“Agricultural research has been essential to U.S. gains in productivity over the past century. With the global population expected to reach 9.7 billion by 2050, U.S. production agriculture will continue to be asked to produce more with fewer resources and the best way to do that will be through strategic investments in agricultural research. I look forward to hearing from university leaders about the opportunities and challenges they face in ensuring American agriculture remains a world leader in cutting-edge technology and research.”

Ashley Hungerford, Gregory Astill, and Anne Effland

Changes to the Noninsured Crop Disaster Assistance Program Under the Agricultural Act of 2014: Their Potential Risk Reduction Impacts

USDA - Economic Information Bulletin - May 2017 – 31 pages

<https://www.ers.usda.gov/webdocs/publications/83651/eib-172.pdf>

“ERS examines impacts of the Buy-Up coverage addition to the Noninsured Crop Disaster Assistance Program (NAP) on expected payments, producers' risk reduction, and NAP enrollment by type of producer and crops.”

Cullen S. Hendrix

Agriculture in the NAFTA Renegotiation

Peterson Institute - Policy Brief - June 2017 – 10 pages

<https://piie.com/system/files/documents/pb17-24.pdf>

“Agricultural issues will be a thorny aspect of the NAFTA renegotiation as US and Canadian agricultural producers fight hard to preserve their preferences. Aside from some wrangling over market access issues for dairy, poultry, and eggs and recent spats over Canadian softwood lumber, farm organizations in both countries view NAFTA positively. Public opinion in Mexico is more ambivalent, but NAFTA has created strong export-

oriented agricultural interests in the country's north that balance more protectionist interests in the south. Disrupting NAFTA could create big problems for Trump-voting states dependent on agriculture exports.”

EMPLOYMENT – WAGES

Mariacristina De Nardi and Sharada Dharmasankar

Female Labor Supply and Why Women Need To Be Included In Economic Models

FRB Chicago – Fed Letter – June 2017

<https://www.chicagofed.org/publications/chicago-fed-letter/2017/380>

“Women contribute a large fraction of aggregate labor hours, earnings, and labor force participation. Yet, many models used to study the effects of government policy ignore gender differences and use data on men only. These models are used extensively for examining the effects of government policies and programs—including Social Security, taxation, and welfare programs. Before evaluating how people respond to such policies, it is important to construct a reliable model of how people behave and why.”

Michael Papadopoulos, Margarita Patria, and Robert K. Triest

Population Aging, Labor Demand, and the Structure of Wages

FRB Boston - Working Paper – June 2017 – 44 pages

<https://www.bostonfed.org/publications/research-department-working-paper/2017/population-aging-labor-demand-and-the-structure-of-wages.aspx>

“What happens to the wages of older workers and the structure of wages more generally as the population ages has potentially important implications for public policy. Many analysts are convinced that longer working lives must be a key component of any solution to providing for the consumption needs of the old as the traditionally defined dependency ratio increases. The efficacy of this solution depends, in part, on the wage rates that older workers command in labor markets. If the wages of older workers fall as their ranks become crowded with the baby boomers, then continued work may seem a less desirable option to those contemplating retirement, and the earnings of those who do continue working will not go as far in financing their consumption.”

Martha Ross and Natalie Holmes

Meet the Out-of-Work

Brookings – Report - June 22, 2017 – 48 pages

<https://www.brookings.edu/research/meet-the-out-of-work>

“A new interactive report takes a first-ever look at seven categories of jobless Americans, their diverse needs, and the solutions that can help connect them to work.”

Helping Americans Get Back to Work: Implementation of the Workforce Innovation and Opportunity Act

House Committee on Education and the Workforce - Hearing - June 15, 2017

<https://edworkforce.house.gov/calendar/eventsingle.aspx?EventID=401733>

"It has been almost three years since the bipartisan Workforce Innovation and Opportunity Act was signed into law, and now it is time for Congress to explore whether or not the included reforms are being turned into action. Prior to the passage of WIOA, the federal government had over 47 separate but overlapping employment education programs across nine different federal agencies... Despite the overwhelming support for the passage of WIOA, it faced significant implementation delays during the Obama Administration... While we have a new administration, the need for congressional oversight is still essential to ensure a timely and proper implementation of WIOA."

Harry J. Holzer

Will Robots Make Job Training (And Workers) Obsolete? Workforce Development in an Automating Labor Market

Brookings – Report - June 19, 2017

<https://www.brookings.edu/research/will-robots-make-job-training-and-workers-obsolete-workforce-development-in-an-automating-labor-market>

“While robots and automation are not likely to cause widespread unemployment anytime soon, Harry Holzer highlights the implications policymakers must consider for U.S. workforce development.”

Anat Bracha

Relative Pay, Productivity, and Labor Supply

FRB Boston - Current Policy Perspectives – June 2017 – 11 pages

<https://www.bostonfed.org/publications/current-policy-perspectives/2017/relative-pay-productivity-and-labor-supply.aspx>

“Concerns regarding relative pay—earnings compared with the earnings of others doing a similar job or compared with one's earnings in the past—affect labor supply and productivity. Specifically, changes in pay, transparency of differential pay across workers, and the ability to explain these differences seem to be important for the decision of how much to work and how much effort to exert on the job. This implies, in turn, that relative pay concerns may contribute to unemployment and help determine the success or failure of using differential pay to incentivize employees. This brief summarizes a collection of studies showing the effect of relative pay information, even if irrelevant, on labor supply and effort.”

Paid Family and Medical Leave: An Issue Whose Time Has Come

AEI-Brookings Working Group on Paid Family Leave - May 2017 – 48 pages

<http://www.aei.org/wp-content/uploads/2017/06/Paid-Family-and-Medical-Leave-An-Issue-Whose-Time-Has-Come.pdf>

This new report “highlights the benefits and costs of providing paid leave from the perspective of workers, businesses, and society. There was disagreement in the group about the specific design of a paid leave policy, but the group unanimously agreed that some form of paid parental leave should be offered to help workers at the time of birth, adoption, or fostering of a child.”

HEALTH

Caitlin Brandt, Margaret Darling, Marcela Cabello, and Kavita Patel

10 Questions Americans Are—And Should Be—Asking About The House-Passed AHCA and Its Projected Impact

Brookings - June 8, 2017

<https://www.brookings.edu/blog/up-front/2017/06/08/10-questions-americans-are-and-should-be-asking-about-the-house-passed-ahca-and-its-projected-impact>

“On May 4th, the House of Representatives passed the American Health Care Act (AHCA), complete with a series of amendments that represent compromises to gather enough votes. The majority of amendments centered around compromises to either relax federal requirements for the essential health benefits that were required in the Affordable Care Act as well as compromises to add more money to care for older patients or those with high risk medical conditions, since those patients are more likely to find insurance unaffordable due to changes allowing insurance companies to charge more for these patients... While the Senate is working on their own bill that will likely look different than the one passed, Americans need to know how they may expect to be affected by this legislation. Here, we answer ten important questions about the legislation, its estimated impact, and what Americans can anticipate moving forward.”

Longer-Term Effects of the Better Care Reconciliation Act of 2017 on Medicaid Spending

C.B.O. - Report - June 29, 2017 – 4 pages

<https://www.cbo.gov/system/files/115th-congress-2017-2018/reports/52859-medicaid.pdf>

“Medicaid spending under the Better Care Reconciliation Act of 2017 would be about 35 percent lower in 2036 compared with CBO’s extended baseline. Such spending under the bill would increase each year throughout the next two decades.”

Roundup: Analyzing the Senate GOP Health Bill

Center on Budget and Policy Priorities - June 29, 2017

<http://www.cbpp.org/blog/roundup-analyzing-the-senate-gop-health-bill>

“The Senate Republican bill to repeal the Affordable Care Act (ACA) would leave 22 million more people uninsured while raising premiums and out-of-pocket costs for tens of millions more — and giving a tax windfall to those at the top. Here are some key analyses and charts that illustrate how the Senate bill would hurt coverage and affordability for millions of Americans.”

Joseph Antos, James C. Capretta, Benedic N. Ippolito

The Basis for Compromise on Medicaid Reform and Expansion

American Enterprise Institute – June 15, 2017

<http://www.aei.org/publication/the-basis-for-compromise-on-medicaid-reform-and-expansion>

“Republicans must accept that Medicaid should be available to all citizens below some income level, and the program’s financial incentives should be calibrated accordingly. Democrats must accept that the current system of federal matching payments for financing Medicaid undermines political accountability and fiscal responsibility. A compromise plan would combine a middle-ground expansion of the program with financing reforms that lower costs over the longer term without imposing undue risks to beneficiaries or the states.”

James C. Capretta

An Examination of Medicare’s Current Design and An Alternative

The Mercatus Center – Paper - June 13, 2017 – 22 pages

<http://www.aei.org/wp-content/uploads/2017/06/mercatus-capretta-medicare-alternative-v1.pdf>

“James Capretta examines how Medicare’s basic characteristics have resulted in alarming unfunded liabilities, and he proposes reforms that would substantially restructure the program. These proposed reforms include combining the various Medicare benefit programs into one rationalized insurance product entirely funded by a Medicare payroll tax, allowing premiums to vary based on lifetime earnings and coverage preference, and facilitating savings for health care premiums and costs in retirement. While reforms of this nature are politically ambitious and will require an extended timetable for implementation, such changes would transform Medicare into a program that is more sustainable, more consistent with stronger economic growth, less burdensome on workers, and less distorting of the US health care system than it is today.”

INTERNATIONAL ECONOMIC RELATIONS

U.S. Trade Policy Agenda

House Ways and Means Committee - Hearing - June 22, 2017

<https://waysandmeans.house.gov/event/hearing-u-s-trade-policy-agenda/>

Witness: Robert E. Lighthizer Ambassador, United States Trade Representative

Rachel F. Fefer, Shayerah Ilias Akhtar, and Wayne M. Morrison

Digital Trade and U.S. Trade Policy

Congressional Research Service – Report - June 6, 2017 – 43 pages

<https://fas.org/sgp/crs/misc/R44565.pdf>

“As the rules of global Internet develop and evolve, digital trade has risen in prominence on the global trade and economic agenda, but multilateral trade agreements have not kept pace with the complexities of the digital economy. The economic impact of the Internet was estimated to be \$4.2 trillion in 2016, making it the equivalent of the fifth-largest national economy. According to one source, the volume of global data flows grew 45-fold from 2005 to 2014, faster than international trade or financial flows. Congress has an important role to play in shaping global digital trade policy, from oversight of agencies charged with regulating cross-border data flows to shaping and considering legislation to implement new trade rules and disciplines through ongoing trade negotiations, and also working with the executive branch to identify the right balance between digital trade and other policy objectives, including privacy and national security.”

Chad P. Bown

Steel, Aluminum, Lumber, Solar: Trump's Stealth Trade Protection

Peterson Institute - Policy Brief - June 2017 – 16 pages

<https://piie.com/system/files/documents/pb17-21.pdf>

“The Trump administration has quickly adopted an aggressive and antagonistic approach to using US trade laws as a protectionist tool. The effect on trade relations may not be as immediately disruptive as imposing steep tariffs on China, but the escalating trade barriers called for by the administration has the potential to severely weaken the rules-based trading system, imploding the World Trade Organization from within.”

Nigel Cory

How to Revise NAFTA to Create a North American Innovation Zone

Information Technology & Innovation Foundation - Comments to the Office of the U.S. Trade Representative – June 12, 2017 – 23 pages

http://www2.itif.org/2017-ustr-objectives-nafta.pdf?mc_cid=0b079cd4de&mc_eid=c56f7c6ab9

“Many of the innovative goods and services at the heart of trade between NAFTA partners today could not have been foreseen when the agreement was negotiated 25 years ago. Data, technology, and intellectual property, in particular, have fundamentally reshaped how consumers and businesses operate in the region. For NAFTA to continue playing its role as a vehicle for shared economic prosperity, it must be modernized to enable rather than hinder these advances.”

Gary Clyde Hufbauer and Euijin Jung

NAFTA Renegotiation: US Offensive and Defensive Interests vis-à-vis Canada

Peterson Institute - Policy Brief - June 2017 – 14 pages

<https://piie.com/system/files/documents/pb17-22.pdf>

“NAFTA renegotiation gives the Trump administration an opportunity to resolve longstanding trade grievances with Canada, provided the United States makes its own concessions. Both countries can benefit from updating NAFTA to address issues not foreseen in the early 1990s, such as digital commerce and state-owned enterprises. But US insistence on “blockbuster” demands could put not only the talks but also the entire relationship between Ottawa and Washington at risk.”

C. Fred Bergsten

Trade Balances and the NAFTA Renegotiation

Peterson Institute - Policy Brief - June 2017 – 9 pages

<https://piie.com/system/files/documents/pb17-23.pdf>

“The Trump administration's focus on lowering trade deficits as an objective in renegotiating trade agreements, including the North American Free Trade Agreement (NAFTA), is fundamentally misplaced. Trade deficits result from macroeconomic policies, including exchange rate policy. It is also self-defeating for the administration to focus on the bilateral rather than global scope of those imbalances.”

Caroline Freund

Streamlining Rules of Origin in NAFTA

Peterson Institute - Policy Brief - June 2017 – 10 pages

<https://piie.com/system/files/documents/pb17-25.pdf>

“After promising last year to terminate US participation in the North American Free Trade Agreement (NAFTA), President Donald Trump has opted for renegotiation in several specific areas, including in the "rules of origin" chapter. These rules were designed when NAFTA was negotiated to make sure that goods made outside the region do not enter the United States duty free. Caroline Freund explains that tightening the rules of origin, as the Trump administration wants, could perversely disrupt regional supply chains and lower regional content in final goods crossing borders with Mexico and Canada. Freund argues in favor of streamlining rules, with regional content requirements for all goods set at one rate.”

Mary Amiti, Mi Dai, Robert C. Feenstra and John Romalis

How Did China's WTO Entry Benefit U.S. Consumers?

FRB New York - Staff Report - June 2017 – 50 pages

https://www.newyorkfed.org/research/staff_reports/sr817

“China's rapid rise in the global economy following its 2001 World Trade Organization (WTO) entry has raised questions about its economic impact on the rest of the world. In this paper, we focus on the U.S. market and potential consumer benefits. We find that the China trade shock reduced the U.S. manufacturing price index by 7.6 percent between 2000 and 2006... We find that at least two-thirds of the China WTO effect on the U.S. price index of manufactured goods was through China lowering its own tariffs on intermediate inputs.”

ENVIRONMENTAL ECONOMIC ISSUES

Benjamin Leard, Joshua Linn, and Yichen Christy Zhou

Do Consumers Benefit from Automobile Fuel Economy and Greenhouse Gas Standards?

Resources for the Future – Blog and Report – June 2017

<http://www.rff.org/blog/2017/do-consumers-benefit-automobile-fuel-economy-and-greenhouse-gas-standards?>

“Tighter standards for new vehicle fuel economy and greenhouse gas emissions have had approximately zero effect on buyers—the benefits to those consumers of reducing fuel costs are roughly offset by the consumer costs of trading off performance for fuel economy. Read the blog post, or for more in-depth analysis, read the report.”

Can States and Cities Really Uphold the Paris Climate Deal?

Governing – Article - June 21, 2017

<http://www.governing.com/topics/transportation-infrastructure/gov-states-climate-change-paris-trump-global-warming.html>

“You see surprisingly wide support for these standards, even in really red states—though there they aren't described as climate policy,” says Rob Williams, a professor of economics at the University of Maryland and a senior fellow at Resources for the Future. “There are lots of reasons people like renewable energy. Sometimes it's about energy independence or local environmental issues that don't have to do with climate.”

David M. Hart, Chad A. Smith, and Mark Muro

How States and Localities Can Limit the Fallout of Trump’s Withdrawal from Paris

Brookings – The Avenue - June 2, 2017

<https://www.brookings.edu/blog/the-avenue/2017/06/02/how-states-and-localities-can-limit-the-fallout-of-trumps-withdrawal-from-paris>

“And so here is an idea: states and localities should take it to the next level. They should magnify their impact by formally registering their clean energy commitments with the international community, as former New York Mayor Michael Bloomberg has proposed and aggregating them together in a single unified announcement, which would be made at a national convention of leaders from all sectors of American society. While such distributed but collective action by state and local governments would not be a complete substitute for the federal government’s pullback, it would be more than a mere holding action. It might even trigger a new wave of “bottom up” progress toward a clean energy economy.”

Joshua Linn and Virginia McConnell

The Role of State Policies under Federal Light-Duty Vehicle Greenhouse Gas Emissions Standards

Resources for the Future – Report – June 2017 – 26 pages

<http://www.rff.org/research/publications/role-state-policies-under-federal-light-duty-vehicle-greenhouse-gas-emissions>

“Federal and state policies that regulate vehicle fuel economy and GHG emissions can overlap and interfere with one another. This paper highlights some of the pitfalls and identifies how carefully constructed state policies can complement federal policies and reduce GHG emissions, air pollution, and congestion.”

ENERGY

Energy Opportunities in North America

House Foreign Affairs Committee - Hearing - June 7, 2017

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

"U.S. energy policy toward Canada and Mexico is very important to the American people. While we already have strong energy partnerships with our neighbors, the North American energy market has huge potential to create more American jobs, lower domestic energy prices, and achieve greater energy independence and security. North America makes up almost 30 percent of the world’s natural gas production, our neighbors are major buyers of petroleum products refined in our country, and opportunities from the Canadian oil sands and Mexico’s energy reforms provide increasing ways to expand North American energy collaboration. This hearing will examine these issues and ways to increase U.S. energy cooperation with Canada and Mexico in the days ahead.”

States’ Perspectives on Energy Security Planning, Emergency Preparedness, and State Energy Programs

House Subcommittee on Energy - Hearing - June 14, 2017

<https://energycommerce.house.gov/hearings-and-votes/hearings/states-perspectives-energy-security-planning-emergency-preparedness-and>

"The United States’ energy infrastructure is comprised of a vast network of energy and electricity delivery systems. These intricate and highly interdependent systems are crucial to the daily lives of Americans. The nation’s economy, security, and the health and safety of its citizens depend upon the reliable and uninterrupted delivery of fuels and power. The manner in which energy and power is being generated, transmitted, and delivered is rapidly changing. Recent events have shown that the nation’s energy and electricity delivery systems are vulnerable to cyberattacks and other emerging threats.¹ States are leaders in recognizing the need to prioritize energy security, emergency planning, and energy infrastructure protection. States have taken significant action in preparing and coordinating for energy emergencies."

Cost Reductions in Emerging Energy Technologies with a Specific Focus on How Recent Trends May Affect Today's Energy Landscape

Senate Committee on Energy and Natural Resources - Hearing - June 8, 2017

<https://www.energy.senate.gov/public/index.cfm/hearings-and-business-meetings?ID=A4A8F241-CEB9-4CBB-A9C9-1D9D328207B0>

"This hearing is meant to provide us with a better understanding of what is happening in the energy marketplace, how federal energy policies may be affecting those changes, and what more we can do to help keep energy affordable. A stronger grasp of what is happening will help us determine what to expect going forward, and the best ways for the federal government to be involved as we continue our policymaking efforts. The big story in recent years has been sustained and historically low prices for electricity rates and consumers at the pump."

Richard G. Newell and Amelia Keyes

Electric Power Markets and State Policy: Changing Dynamics amid Federal Policy Uncertainty

Resources for the Future – Issue Brief – June 2017 – 5 pages

<http://www.rff.org/files/document/file/RFF-IB-17-08.pdf>

"Major shifts in federal energy policy under the Trump administration alongside technological and policy changes underway across electricity markets and states raise important questions about the future of US energy policy, at federal and state levels."

Microgrids and Hybrid Energy Systems

Senate Committee on Energy and Natural Resources - Hearing - June 10, 2017

<https://www.energy.senate.gov/public/index.cfm/hearings-and-business-meetings?ID=A7A2231E-F30A-44EE-B4EC-C44C44A3313A>

"Cordova is an ideal location for witnessing the street-smart innovation, resilient microgrid architecture, and hybrid energy systems characteristic of many Alaskan electric utilities, which represent approximately 12% of the world's microgrids."

Alan J. Krupnick, Isabel Echarte, Laura Zachary, Daniel Raimi

WHIMBY (What's Happening in My Backyard?): A Community Risk-Benefit Matrix of Unconventional Oil and Gas Development

Resources for the Future – Report - June 23, 2017 – 15 pages

<http://www.rff.org/research/publications/whimby-what-s-happening-my-backyard-community-risk-benefit-matrix>

"RFF researchers recently completed a major review of the impacts of energy resource activities on local communities in the United States—focusing on health, housing prices, public education, local government, economic activity, and seismicity. Their findings are presented in a new community risk-benefit matrix tool."

Examining Access to Oil and Gas Development on Federal Lands

House Committee on Natural Resources - Hearing - June 29, 2017

<https://naturalresources.house.gov/calendar/eventsingle.aspx?EventID=402244>

A careful analysis of the regulations directing the leasing and drill permitting process reveals considerable inefficiencies that effectively discourage development of federal oil and gas resources. These delays are much to the detriment of our national energy security and economic prosperity.

Lifting the U.S. Crude Oil Export Ban: Prospects for Increasing Oil Market Efficiency

RRB Kansas City - Economic Review – Article – Second Quarter 2017 – 26 pages

<https://www.kansascityfed.org/publications/research/er/articles/2017/~//media/06e74b48a1dd46dc81b06ea07c9f37fd.ashx>

In December 2015, the United States lifted a 40-year ban on crude oil exports. Nida Çakır Melek and Elena Ojeda find that repealing the export ban led to increased trade and efficiency in the oil market.