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N° 127– August/September 2010

GENERAL INTEREST

The Recovery Act: Transforming the American Economy through Innovation

White House - August 2010 - 50 pages

http://www.whitehouse.gov/sites/default/files/uploads/Recovery_Act_Innovation.pdf

“This report focuses on this third group of programs – the “Reinvestment” part of the Recovery Act – and on those aspects of these programs that harness the innovative power of the American economy. It also explores the Recovery Act’s transformative impact on diverse sectors of the U.S. economy.”

Estimated Impact of the American Recovery and Reinvestment Act on Employment and Economic Output from January 2010 through March 2010

Congressional Budget Office - August 2010 - 20 pages

<http://www.cbo.gov/ftpdocs/117xx/doc11706/08-24-ARRA.pdf>

“The American Recovery and Reinvestment Act of 2009 (ARRA) contains provisions that are intended to boost economic activity and employment in the United States. Section 1512(e) of the law requires the Congressional Budget Office (CBO) to comment on reports filed by recipients of ARRA funding that detail the number of jobs funded through their activities. This CBO report fulfills that requirement. It also provides CBO’s estimates of ARRA’s overall impact on employment and economic output in the second quarter of calendar year 2010. Those estimates--which CBO considers more comprehensive than the recipients’ reports--are based on evidence from similar policies enacted in the past and on the results of various economic models.”

Carmen M. and Vincent R. Reinhart

After the Fall

American Enterprise Institute for Public Policy Research - August 27, 2010- 47 pages

<http://www.aei.org/docLib/Reinhart-After-the-Fall-August-17.pdf>

« The paper examines the behavior of real GDP (levels and growth rates), unemployment, inflation, bank credit, and real estate prices in a twenty one-year window surrounding selected adverse global and country-specific shocks or events. The episodes include the 1929 stock market crash, the 1973 oil shock, the 2007 U.S. subprime collapse and fifteen severe post-World War II financial crises. The focus is not on the immediate antecedents and aftermath of these events but on longer horizons that compare decades rather than years. »

James Bullard

Seven Faces of “The Peril”

Federal Reserve Bank of St. Louis Review – September/October 2010 - pp. 339-52

<http://research.stlouisfed.org/publications/review/10/09/Bullard.pdf>

“In this paper the author discusses the possibility that the U.S. economy may become enmeshed in a Japanese-style deflationary outcome within the next several years. To frame the discussion, the author relies on an analysis that emphasizes two possible long-run steady states for the economy: one that is consistent with monetary policy as it has typically been implemented in the United States in recent years and one that is consistent with the low nominal interest rate, deflationary regime observed in Japan during the same period.”

Richard Auxier

Taxed Enough Already? Despite Anti-Government Sentiment, More Americans Say They Pay a Fair Share of Taxes

Pew Research Center- September 20, 2010

<http://pewresearch.org/pubs/1734/taxed-enough-already-tea-party-pay-right-amount-taxes>

“Many Americans are angry with Washington. The public has a very low opinion of both political parties and their political leaders. Support for congressional incumbents is at a historical low. Attempts by the government to turn things around are seen as ineffective or worse. Most see government policies as helping banks, corporations and wealthy people while doing very little for the middle class and small business; few believe the stimulus did much to prevent job losses. But despite all the animosity aimed at the nation's capital, one usual political punching bag is actually not seen as villainous as it once was: taxes.”

Daniel Wilson

Is the Recent Productivity Boom Over?

FRBSF Economic Letter- September 20, 2010 - 5 pages

<http://www.frbsf.org/publications/economics/letter/2010/el2010-28.pdf>

“Productivity growth has been quite strong over the past 2½ years, despite a drop in the second quarter of 2010. Many analysts believe that productivity growth must slow sharply in order for the labor market to recover robustly. However, looking at the observable factors underlying recent productivity growth and the patterns of productivity over past recessions and recoveries, a sharp slowdown appears unlikely.”

Women and the Economy 2010: 25 Years of Progress but Challenges Remain

U.S. Congress Joint Economic Committee- August 2010- 14 pages

http://jec.senate.gov/public/index.cfm?a=Files.Serve&File_id=f9f3a9b8-2f54-4e83-9029-477a3fc73cd5

“On August 26, 2010, Americans will celebrate the 90th anniversary of the ratification of the 19th amendment, which granted women the right to vote and led to their increased participation in our political system. In 1984, Geraldine Ferraro shattered the political glass ceiling by becoming the first woman nominated to a national ticket and ushered in a new era of political leadership for women. Over the last quarter century, women have become a powerful political force, both as voters and as elected leaders. Did that political benchmark have implications for women's economic well-being? Data compiled by the Joint Economic Committee suggest that the answer is yes.”

ECONOMICS OF IMMIGRATION

Role of Immigration in Strengthening America's Economy

House Committee on the Judiciary - Hearing - September 30, 2010

http://judiciary.house.gov/hearings/hear_100930.html

Hon. Michael R. Bloomberg, Mayor, City of New York

Rupert Murdoch, Chairman and CEO, News Corporation, New York, NY

Jeff Moseley, President and CEO, The Greater Houston Partnership
Steven A. Camarota, Director of Research, Center for Immigration Studies, Washington, DC

The Economics Facts about Immigration

The Hamilton Project- September 2010 – 20 pages

http://www.brookings.edu/~media/Files/rc/reports/2010/09_immigration_greenstone_looney/09_immigration.pdf

“Most Americans agree that the current U.S. immigration system is flawed. Less clear, however, are the economic facts about immigration—the real effects that new immigrants have on wages, jobs, budgets, and the U.S. economy—facts that are essential to a constructive national debate.”

Giovanni Peri

The Effect of Immigrants on U.S. Employment and Productivity

FRBSF Economic Letter- August 30, 2010- 5 pages

<http://www.frbsf.org/publications/economics/letter/2010/el2010-26.pdf>

“The effects of immigration on the total output and income of the U.S. economy can be studied by comparing output per worker and employment in states that have had large immigrant inflows with data from states that have few new foreign-born workers. Statistical analysis of state-level data shows that immigrants expand the economy’s productive capacity by stimulating investment and promoting specialization. This produces efficiency gains and boosts income per worker. At the same time, evidence is scant that immigrants diminish the employment opportunities of U.S.-born workers.”

FISCAL POLICY

The Democratic Record on Fiscal Responsibility and Economic Recovery

Committee on the Budget - Updated: July 30, 2010 – 15 pages

<http://budget.house.gov/doc-library/fy2011/07292010-DemocraticRecordOnFiscalResponsibility.pdf>

“We have proven our commitment to fiscal responsibility by reinstating statutory Pay-As-You-Go (PAYGO) and enacting landmark health care reform legislation that reduces the deficit by \$143 billion over the next ten years – and by \$1.2 trillion more over the following decade.”

The Federal Budget Outlook

The Brookings Institution- September 29, 2010 – 29 pages

http://www.brookings.edu/~media/Files/rc/papers/2010/0917_federal_budget_outlook_auerbach_gale/0917_federal_budget_outlook_auerbach_gale.pdf

“The report presents new estimates of the budget outlook, based on the latest projections from the Congressional Budget Office and the Medicare and Social Security Trustee reports. The medium-term budget outlook has not changed appreciably since earlier this year. Under reasonable assumptions, the federal government is likely to face deficits in excess of 6 percent of GDP by late in the decade, with the debt-GDP ratio reaching 90 percent by or before 2020 and passing its previous all-time high of 109 percent by around 2022.”

Douglas W. Elmendorf

The Economic Outlook and Fiscal Policy Choices

Testimony before the Committee on the Budget, United States Senate – September 28, 2010 – 42 pages

<http://www.cbo.gov/doc.cfm?index=11874>

This testimony reviews the Congressional Budget Office's (CBO's) recent analyses of the economic outlook and the potential impact on the economy of various fiscal policy options. It also adds to those analyses by quantifying the economic impact of extending some or all of the 2001 and 2003 tax cuts that are scheduled to expire in three months.

C. Eugene Steuerle

America's Related Fiscal Problems

The Urban Institute - September 8, 2010- 8 pages

<http://www.urban.org/UploadedPDF/1001447-Americas-Related-Fiscal-Problems.pdf>

Eugene Steuerle discusses five pressing fiscal problems facing America (all intertwined: short-term or countercyclical policy, long-term sustainability, fiscal democracy, fiscal sclerosis, an aged age policy), and suggests tax and budget reform options to address these issues.

Conn Carroll

The Age of Entitlements Must End

Heritage Foundation - August 19, 2010. – 3 pages

<http://www.heritage.org/Research/Reports/2010/07/US-Long-Term-Debt-Situation-Is-One-of-the-Worlds-Worst>

“By 2030, the CBO projects that debt will more than double to 146 percent of GDP. The only good news, if it can be called that, is that the U.S. is not alone. Two recent studies by the International Monetary Fund (IMF) and the Bank for International Settlements (BIS) highlight the significance of the global debt challenge and stress the need for governments to aim higher than short-term deficit reductions. For the U.S., one of the most poorly positioned countries, addressing the long-term debt challenge must include prompt reform of Social Security, Medicare, and Medicaid.”

The Budgetary Impact of Fannie Mae and Freddie Mac

Congressional Budget Office- September 16, 2010

<http://www.cbo.gov/ftpdocs/117xx/doc11745/09-16-Frank-Letter.pdf>

“In September 2008, the federal government took control of Fannie Mae and Freddie Mac—two government sponsored enterprises (GSEs) that provide credit guarantees on more than half of the outstanding residential mortgages in the United States. Although they are not legally federal agencies, the government operates them to fulfill the public purpose of supporting the housing and mortgage markets. Therefore, CBO (Congressional Budget Office) believes that it is appropriate to include the GSEs' financial transactions in the federal budget.”

TAX POLICY

Tax Reform: Lessons from the Tax Reform Act of 1986

United States Senate Committee on Finance - Hearing- Thursday, September 23, 2010

<http://finance.senate.gov/hearings/hearing/?id=1d2a7636-5056-a032-5282-4bb7cf0d5078>

“In 1986, Congress pruned the tax code, pretty severely. But it's grown back, bigger and stronger. Once again, it needs to be pruned... The Tax Reform Act of 1986 was a landmark law... But since the 1986 tax reform, Congress has made more than 15,000 changes to the tax code... Some may wonder why we're holding this hearing. They may assume that Congress cannot tackle tax reform. They may think: Times have changed, Congress won't compromise, and special interests are too strong... The 1986 reform was the largest tax reform of a generation. It's important to learn from that history. And that's what this hearing is about.”

Adam Looney

The Debate over Expiring Tax Cuts: What about the Deficit?

The Brookings Institution – September 22, 2010- 12 pages

http://www.brookings.edu/papers/2010/0811_tax_cuts_looney.aspx

“As the economy begins to recover from the Great Recession, policymakers must confront the next fiscal challenge: the long-run federal deficit. Over the next ten years, the cumulative deficit is projected to exceed \$10 trillion if current budget policies are continued. Addressing the deficit will require extremely difficult and unpopular tradeoffs. Consider that in 2020 federal spending on Social Security, Medicare, Medicaid, defense, and interest on debt will exceed 106 percent of 2020 tax revenues, according to the Congressional Budget Office. Clearly, balancing the budget will require either cutting these valued programs (to say nothing of the rest of federal spending) or raising taxes (...). New estimates from the Urban-Brookings Tax Policy Center help illustrate the tradeoffs involved between deficit reduction and the impact on American taxpayers from allowing some of the tax cuts to expire.

Michael Ettlinger and Michael Linden

A Thousand Cuts: What Reducing the Federal Budget Deficit Through Large Spending Cuts Could Really Look Like

Center for American Progress - September 20, 2010 – 58 pages

<http://www.americanprogress.org/issues/2010/09/pdf/athousandcuts.pdf>

The deficits our nation will run for the next few years are important for getting the country back on a solid economic foundation, according to the report. It also recommends planning for longer-term deficits.

Alan D. Viard

The High-Income Rate Reductions: The Neglected Stepchild of the Bush Tax Cuts

American Enterprise Institute for Public Policy Research - September 2010 – 8 pages

<http://www.aei.org/docLib/03-Sept-TPO-g.pdf>

Congress is considering allowing the Bush tax cuts' rate reductions for high-income households to expire at the end of 2010 while providing a deficit-financed extension of the middle-class portion of the tax cuts. This combination would damage economic growth by hiking marginal tax rates on saving and investment while swelling the budget deficit. The vulnerable state of the high-income rate reductions is largely due to the failure of supporters of the Bush tax cuts to make the economic-growth case for these reductions, says the author.

MONETARY POLICY

Dennis P. Lockhart

The Approaching Monetary Policy Decision Dilemma

Federal Reserve Bank of Atlanta-September 28, 2010

http://www.frbatlanta.org/news/speeches/lockhart_092810.cfm

“Although the pace of economic expansion has slowed, Lockhart believes the slowdown will likely prove temporary. (...) The risk of deflation cannot be dismissed, but Lockhart does not expect outright deflation to take hold. Lockhart said that one possible explanation of slow growth and low inflation in the United States is an elevated state of uncertainty, which is affecting consumer and business behavior (...) A monetary policy dilemma is taking shape about causes of the slowdown in the U.S. economic expansion and the low measured rate of inflation, whether the Fed can do more to improve the situation, and, if so, the appropriate policy prescription.

Eric S. Rosengren

How Should Monetary Policy Respond to a Slow Recovery?

The Forecasters Club of New York- September 29, 2010- 25 pages

<http://www.bos.frb.org/news/speeches/rosengren/2010/092910/092910.pdf>

“While the economy is growing, it is currently growing too slowly to significantly reduce the unemployment rate or stem disinflationary pressures created by the high degree of slack in the economy. While fiscal policies may be the most effective way to stimulate the economy when short-term interest rates approach the zero bound, unconventional monetary policies provide additional policy options. Of course, policymakers need to carefully weigh the benefits and costs of unconventional monetary policy. (...) It is important that policymakers be open to implementing policies consistent with achieving full employment, and an appropriate level of inflation, within a reasonable time frame.”

The Treasury Department’s Report on International Economic and Exchange Rate Policies

US Senate Committee on Banking, Housing, & Urban Affairs - Hearing- September 16, 2010

http://banking.senate.gov/public/index.cfm?FuseAction=Hearings.Hearing&Hearing_ID=30e4f6c0-1aef-42b8-92b7-f674071b5a99

Timothy Geithner, Secretary, United States Department of the Treasury

Dr. C. Fred Bergsten, Director, The Peterson Institute for International Economics

Mr. Lynn Brown, Senior Vice President of Sales and Marketing, Hydro Aluminum

Mr. Charles Freeman, Freeman Chair in China Studies, Center for Strategic and International Studies (CSIS)

China’s Exchange Rate Policy

House Committee on Ways and Means - Hearing - September 15 & 16, 2010

<http://waysandmeans.house.gov/Hearings/hearingDetails.aspx?NewsID=11305>

<http://waysandmeans.house.gov/Hearings/hearingDetails.aspx?NewsID=11339>

"As of today, China has allowed the RMB to appreciate less than one percent since China decided to allow exchange rate flexibility more than a month ago, on June 19. The purpose of this hearing, which will take place almost three months after China announced that decision, is to consider whether China has made material progress in allowing appreciation of the exchange rate and what action Congress and the Administration may need to take to address China’s exchange rate policy and its effect on the U.S. and global economic recoveries and on U.S. job creation. Actions to be discussed include legislation, such as the Currency Reform for Fair Trade Act (H.R. 2378), and the initiation of formal dispute settlement consultations with China within the World Trade Organization."

FINANCIAL CRISIS – FINANCIAL REGULATION

Stéphane Rottier and Nicolas Véron

Not All Financial Regulation is Global

Peterson Institute for International Economics- September 2010 - 9 pages

<http://www.iie.com/publications/pb/pb10-22.pdf>

“All politics is local,” as the saying goes, but all economics is global, and regulation is one area where these two realities meet and conflict. This has been particularly true for financial regulation in the wake of the unprecedented financial crisis. The newly prominent Group of Twenty (G-20) heralded financial regulation as a top priority. But almost two years on, many, especially in Europe, feel that the results have not matched the initial ambition. This warrants a reconsideration of the global financial regulatory agenda. All things being equal, consistent regulatory choices across the globe are preferable, but achieving consistency involves difficult political and economic tradeoffs.”

The State of the International Financial System, Including International Regulatory Issues Relevant to the Implementation of the Dodd-Frank Act

House Committee on Financial Services - Hearing - September 22, 2010

<http://financialservices.house.gov/Hearings/hearingDetails.aspx?NewsID=1358>

Testimony by Timothy F. Geithner, Secretary, U.S. Department of the Treasury

Walter W. Eubanks

The European Union's Response to the 2007-2009 Financial Crisis

Congressional Research Service, Library of Congress- August 13, 2010. -23 pages

<http://www.fas.org/sgp/crs/row/R41367.pdf>

“The report assesses the response of the European Union (EU) to the 2007-2009 financial crisis in terms of the financial regulatory changes the EU has made or is planning to make. The financial crisis began in the United States with a sharp increase in U.S. bank losses due to subprime mortgage foreclosures. Because the U.S. and EU banks were using a similar business model, the EU banks experienced similar distressed financial conditions that U.S. banks faced. Large banks on both sides of the Atlantic found themselves severely undercapitalized and holding insufficient liquidity. However, finding and implementing effective remedies for the causes of the financial crisis have been slower and different in EU than the United States.”

Anna L. Paulson and Kirstin E. Wells

Enhancing Financial Stability: The Case of Financial Market Utilities

FRB Chicago – Fed Letter - October 2010 – 4 pages

http://www.chicagofed.org/digital_assets/publications/chicago_fed_letter/2010/cfloctober2010_279.pdf

“The sweeping overhaul of the nation’s financial regulatory system that was signed into law on July 21, 2010, will touch virtually every aspect of financial markets. This Chicago Fed Letter focuses on provisions in the Dodd–Frank Wall Street Reform and Consumer Protection Act that affect "financial market utilities," critical behind-the-scenes institutions and arrangements that ensure the smooth functioning of financial markets.”

Troubled Asset Relief Program: Bank Stress Test Offers Lessons as Regulators Take Further Actions to Strengthen Supervisory Oversight

US Government Accountability Office GAO - September 29, 2010 -130 pages

<http://www.gao.gov/new.items/d10861.pdf>

“The Supervisory Capital Assessment Program (SCAP) was established under the Capital Assistance Program (CAP)-a component of the Troubled Asset Relief Program (TARP)--to assess whether the 19 largest U.S. bank holding companies (BHC) had enough capital to withstand a severe economic downturn. Led by the Board of Governors of the Federal Reserve System (Federal Reserve), federal bank regulators conducted a stress test to determine if these banks needed to raise additional capital, either privately or through CAP. This report (1) describes the SCAP process and participants' views of the process, (2) assesses SCAP's goals and results and BHCs' performance, and (3) identifies how regulators and the BHCs are applying lessons learned from SCAP. To do this work, GAO reviewed SCAP documents, analyzed financial data, and interviewed regulatory, industry, and BHC officials.”

Laurence Copeland

Short Sale Bans: Shooting the Messenger?

Cato Institute- September 14, 2010.

<http://www.cato.org/pubs/bp/bp119.pdf>

“In response to the recent financial crisis, many governments chose to ban or restrict short sales, hoping to mitigate the impact of the stock market downturn. Stock markets function as a continuous election, held to determine the allocation of resources with buyers voting for and sellers voting against investment in particular stocks. Banning short selling is akin to disenfranchising the “no” voter, thereby creating a distortion in the resource allocation process, says the author. Ban-induced price distortions damage the integrity of stock prices among investors and potentially cause stocks to expand beyond what is optimal for the firms and the economy. Despite these costs, short sales bans continue to be pursued.”

Executive Compensation Oversight after the Dodd-Frank Wall Street Reform and Consumer Protection Act

House Committee on Financial Services - Hearing - September 24, 2010

<http://financialservices.house.gov/Hearings/hearingDetails.aspx?NewsID=1361>

- * Mr. Scott Alvarez, General Counsel, Board of Governors of the Federal Reserve System
- * Ms. Meredith Cross, Director, Division of Corporation Finance, U.S. Securities and Exchange Commission
- * Mr. Marc Steckel, Associate Director, Division of Insurance and Research, Federal Deposit Insurance Corporation
- * Mr. Martin Baily, Senior Fellow, The Brookings Institution
- * Ms. Darla C. Stuckey, Senior Vice President - Policy & Advocacy, Society of Corporate Secretaries and Governance Professionals

FINANCE - BANKING

Covered Bonds: Potential Uses and Regulatory Issues

US Senate Committee on Banking, Housing, & Urban Affairs- Hearing - September 15, 2010

http://banking.senate.gov/public/index.cfm?FuseAction=Hearings.Hearing&Hearing_ID=10a110de-69ef-49e4-a058-8fe562883e60

“Covered bonds can provide an additional option to the two dominant funding mechanisms in the US marketplace, which are securitization and the traditional portfolio lender model, where a bank holds mortgages on its balance sheet and funds them with deposit... It is important that Congress look for alternative measures that could stimulate the economy. The Committee is holding today’s hearing to learn more about this alternative and whether it will contribute to safe, stable and sustained economic growth.”

Craig P. Aubuchon and David C. Wheelock

The Geographic Distribution and Characteristics of U.S. Bank Failures, 2007-2010: Do Bank Failures Still Reflect Local Economic Conditions?

Federal Reserve Bank of St. Louis Review - September/October 2010 - pp. 395-415

<http://research.stlouisfed.org/publications/review/10/09/Aubuchon.pdf>

The financial crisis and recession that began in 2007 brought a sharp increase in the number of bank failures in the United States. This article investigates characteristics of banks that failed and regional patterns in bank failure rates during 2007-10. The article compares the recent experience with that of 1987-92, when the United States last experienced a high number of bank failures. As during the 1987-92 and prior episodes, bank failures during 2007-10 were concentrated in regions of the country that experienced the most serious distress in real estate markets and the largest declines in economic activity. Although most legal restrictions on branch banking were eliminated in the 1990s, the authors find that many banks continue to operate in a small number of markets and are vulnerable to localized economic shocks.

Too Big Has Failed: Learning from Midwest Banks and Credit Unions

House Committee on Financial Services - Hearing - August 23, 2010
<http://financialservices.house.gov/Hearings/hearingDetails.aspx?NewsID=1348>

“Over the past 20 years, as the banking industry has consolidated into fewer and larger banks, a perennial question has been, “Is the community bank model viable?” The short answer is, yes. The longer answer is, yes, if they are not put at a competitive disadvantage by policies which favor and subsidize the largest financial institutions... There is no better test of the viability of the community bank business model than the financial crisis, recession, and abnormally slow recovery that we’ve experienced over the past 2½ years. The community bank business model has held up well when compared with the megabank model that had to be propped up with taxpayer funding.”

Nonprime Mortgages: Analysis of Loan Performance, Factors Associated with Defaults, and Data Sources

U.S. Government Accountability Office-August 24, 2010 - 73 pages
<http://www.gao.gov/new.items/d10805.pdf>

“The surge in mortgage foreclosures that began in late 2006 and continues today was initially driven by deterioration in the performance of nonprime (subprime and Alt-A) loans. Nonprime mortgage originations increased dramatically from 2000 through 2006, rising from about 12 percent (\$125 billion) of all mortgage originations to about 34 percent (\$1 trillion). The nonprime market contracted sharply in mid-2007, partly in response to increasing defaults and foreclosures for these loans. This report (1) provides information on the performance of nonprime loans through December 31, 2009; (2) examines how loan and borrower characteristics and economic conditions influenced the likelihood of default (including foreclosure) of nonprime loans; and (3) describes the features and limitations of primary sources of data on nonprime loan performance and borrower characteristics, and discusses federal government efforts to improve the availability or use of such data.”

William Mark and Steven VanBever

Understanding the New World Order of Private Equity

FRB Chicago – Economic Letter – October 2010 – 4 pages
http://www.chicagofed.org/digital_assets/publications/chicago_fed_letter/2010/cfloctober2010_279a.pdf

The Federal Reserve System’s Private Equity Merchant Banking Knowledge Center, formed at the Chicago Fed in 2000 after the passage of the Gramm–Leach–Bliley Act, sponsored an annual conference on new industry developments. This article summarizes the tenth annual conference held on July 21–22, 2010.

Edwin M. Truman

Sovereign Wealth Funds: Threat or Salvation?

Peterson Institute for International Economics- September 2010 - 4 pages
<http://www.piie.com/publications/briefs/truman4983.pdf>

“Sovereign wealth funds (SWFs)—large pools of government-owned or -controlled funds that are invested in whole or in part outside their home countries—have existed for nearly five decades but began to attract international attention only a few years ago. Their explosive growth up until 2007 fanned widespread anxieties about shifts of global economic wealth and the role of governments in managing that wealth. In 2003, assets under management of SWFs were about \$0.5 trillion, but by 2007, they had increased six times to \$3 trillion and were projected optimistically to reach \$12 trillion by 2015. This rapid growth was seen as a threat in many countries receiving SWF investments. On the other hand, SWF investments assisted some major Western financial institutions that were under financial stress weather the recent global financial crisis.”

HOUSING

Kristopher S. Gerardi, Christopher L. Foote, and Paul S. Willen

Reasonable People Did Disagree: Optimism and Pessimism about the U.S. Housing Market Before the Crash

FRB Boston - Public Policy Discussion Papers – 32 pages

<http://www.bos.frb.org/economic/ppdp/2010/ppdp1005.htm>

“Understanding the evolution of real-time beliefs about house price appreciation is central to understanding the U.S. housing crisis. At the peak of the recent housing cycle, both borrowers and lenders appealed to optimistic house price forecasts to justify undertaking increasingly risky loans. Many observers have argued that these rosy forecasts ignored basic theoretical and empirical evidence that pointed to a massive overvaluation of housing and thus to an inevitable and severe price decline. We revisit the boom years and show that the economics profession provided little such countervailing evidence at the time.”

A Comparison of International Housing Finance Systems

US Senate Committee on Banking, Housing, & Urban Affairs- Hearing- September 29, 2010

http://banking.senate.gov/public/index.cfm?FuseAction=Hearings.Hearing&Hearing_ID=e780789c-4385-4ed5-b96b-827b5cbeeb6c

The witnesses are: Dr. Michael Lea, Director, The Corky McMillin Center for Real Estate, San Diego State University; Dr. Susan M. Wachter, Worley Professor of Financial Management, Professor of Real Estate, Finance and City and Regional Planning, The Wharton School, University of Pennsylvania; and Mr. Alex J. Pollock, Resident Fellow, American Enterprise Institute.

INFRASTRUCTURE AND TRANSPORTATION

Investing in Infrastructure: Creating Jobs and Growing the Economy

US Senate Committee on Banking, Housing, & Urban Affairs - Hearing- September 21, 2010

http://banking.senate.gov/public/index.cfm?FuseAction=Hearings.Hearing&Hearing_ID=cc9dca46-9dad-462a-8a73-e03ebbfdb99c

John F. Kerry: “I wanted to thank you for the opportunity to testify at this hearing to explore ways to develop a National Infrastructure Bank. Rising economic powers around the world are investing in their future – we need to do the same before we are left behind... There are many ideas about how to do this. However, the costs of tackling this problem are high and it’s clear to me that the best way – and the most efficient way - is to create an infrastructure bank for the United States. Already, a diverse bipartisan group supports the idea of a national infrastructure bank including the Chamber of Commerce, the AFL-CIO and SEIU.”

Obama’s Infrastructure Agenda: Understanding the Pillars

The Brookings Institution- September 28, 2010- 50 pages

http://www.brookings.edu/~media/Files/events/2010/0916_infrastructure/20100916_obama_infrastructure_transcript.pdf

“Last week President Obama announced his support for a \$50 billion plan for “Renewing and Expanding America’s Roads, Railways, and Runways.” This plan is aimed toward strengthening the U.S. economy and shaping a long-term vision for transportation investments. Several key reforms that could change the way that infrastructure projects develop on the federal, state and metropolitan levels include a merit-driven national infrastructure bank; projects that link transportation, housing, energy and environmental concerns; and a competitive discretionary grant program for transportation reform focused on encouraging innovative and performance-based transportation investments.”

Recovery Act Transportation and Infrastructure Projects: Impacts on Local Communities and Business
House Committee on Transportation and Infrastructure - Hearing - September 29, 2010
<http://transportation.house.gov/hearings/hearingDetail.aspx?NewsID=1312>

The Committee examined progress to date on implementing the American Recovery and Reinvestment Act (P.L. 111-5) (Recovery Act). The hearing addressed implementation efforts in programs across the Committee's jurisdiction, including highways, bridges, public transportation, rail, aviation, waterways, flood control, water resource development, wastewater treatment facilities, hazardous waste clean-ups, economic development, and Federal buildings.

Innovative Project Finance

Senate Committee on Environment and Public Works – hearing – September 28, 2010
http://epw.senate.gov/public/index.cfm?FuseAction=Hearings.Hearing&Hearing_id=34f99bba-802a-23ad-4d9a-1e32d9ff2997

“There is a growing consensus that smart investments in transportation are an important part of the solution to the serious economic challenges we are facing... In these difficult economic times, it is more important than ever to look for tools that can stretch the resources we have. We need to get the maximum benefit from every transportation dollar. Today's hearing will focus on potential changes to federal surface transportation programs and funding that will encourage additional state, local and private investments in transportation, and accelerate the benefits of those investments.”

The Federal Role in National Rail Policy

Senate Committee on Commerce, Science and Transportation – Hearing – September 15, 2010
http://commerce.senate.gov/public/index.cfm?p=Hearings&ContentRecord_id=97a2df94-1e24-499f-bff8-d803ce4ca574&ContentType_id=14f995b9-dfa5-407a-9d35-56cc7152a7ed&Group_id=b06c39af-e033-4cba-9221-de668ca1978a

Today's hearing is about progress. It's about what's required to modernize our transportation system so our businesses and our workers can stay competitive in the 21st century. One of the keys to this progress is our national rail system. We all understand that our highways and skies are continuing to get more crowded. That means rail is going to have to become a higher priority... I'm looking forward to hearing today from Deputy Secretary Porcari about the status of the development of the Department of Transportation's new "National Rail

SCIENCE AND TECHNOLOGY

Averting the Storm: How Investments in Science Will Secure the Competitiveness and Economic Future of the U.S.

House Committee on Science and Technology - Hearing - September 29, 2010
http://science.house.gov/publications/hearings_markups_details.aspx?NewsID=2919

"I am confident that, in the America COMPETES Act and the pending reauthorization bill, we have laid the groundwork to reverse the troubling trajectory laid out in this latest report and to ensure our competitiveness and long-term prosperity. I fully expect that the COMPETES reauthorization bill will be enacted by the end of the year, and that Congress will have once again answered this call to action."

The Science of Science and Innovation Policy

House Committee on Science and Technology - Hearing - September 23, 2010
http://science.house.gov/publications/hearings_markups_details.aspx?NewsID=2911

"The "science of science policy" is a field of interdisciplinary research that focuses on understanding how our policy decisions impact innovation and science and engineering research. Given the magnitude of the federal investment in science and technology, there is a need for objective analysis and evaluation of federally funded R&D programs. And given the size of the budget deficit, Congressional decision makers need the best information possible to make sure we are spending taxpayer dollars optimally. Today we'll be hearing from a diverse panel of witnesses about the current state of research and education in this emerging field."

LOCAL ECONOMIC DEVELOPMENT

Enterprising States - Creating Jobs, Economic Development and Prosperity in Challenging Times

National Chamber Foundation – Study – 2010 – 86 pages

<http://nfc.uschamber.com/enterprising-states/>

"Enterprising States is a beginning, not an end. It is an in-depth look at the vast and complex network of economies we call the 50 states and territories. It is an attempt to find some of the most important regional and policy differences that can yield new information to local leaders and lawmakers. Studying the differences among the states should help them learn from one another. What works? What doesn't? By sharing these success stories and lessons learned we hope to create a roadmap to economic resilience and an ongoing dialogue that makes every state stronger."

Golden State Action Plan

U.S. Chamber of Commerce – Report - August 24, 2010 - 16 pages

<http://california.uschamber.com/wp-content/uploads/2010/08/Golden-State-Action-Plan.pdf>

"This Golden State Action Plan documents California's growing crisis and identifies the core competitive challenges that the state must address to step back from the edge of the cliff, recover, and build for the future... The best solution to California's economic woes is a simple one—economic growth. But to stimulate the economy and spur job creation, the state will need a new direction."

Mark Muro and Bruce Katz

The New 'Cluster Moment': How Regional Innovation Clusters Can Foster the Next Economy

Brookings Institution - September 21, 2010 – 59 pages

http://www.brookings.edu/~media/Files/rc/papers/2010/0921_clusters_muro_katz/0921_clusters_muro_katz.pdf

Twenty years after Harvard Business School professor Michael Porter introduced the concept to the policy community and 10 years after its wide state adoption, clusters ,geographic concentrations of interconnected firms and supporting or coordinating organizations, have reemerged as a key tool and rubric in Washington and in the nation's economic regions.

After a decade of delay, the executive branch and Congress have joined state and local policymakers in embracing "regional innovation clusters" (RICs) as a framework for structuring the nation's economic development activities. At the state level, governors and gubernatorial candidates of both parties are maintaining or stepping up their longstanding interest.

Todd Gabe, Jaison R. Abel, Adrienne Ross, and Kevin Stolarick

Knowledge in Cities

FRB New York – Staff Report - September 2010 – 44 pages

http://www.newyorkfed.org/research/staff_reports/sr470.pdf

This study identifies clusters of U.S. and Canadian metropolitan areas with similar knowledge traits. These groups--ranging from Making Regions, characterized by knowledge about manufacturing, to Thinking

Regions, noted for knowledge about the arts, humanities, information technology, and commerce--can be used by analysts and policymakers for the purposes of regional benchmarking or comparing the types of programs and infrastructure available to support closely related economic activities. In addition these knowledge-based clusters help explain the types of regions that have levels of economic development that exceed, or fall short of, other places with similar amounts of college attainment. Regression results show that Engineering, Enterprising, and Building Regions are associated with higher levels of productivity and earnings per capita, while Teaching, Understanding, Working, and Comforting Regions have lower levels of economic development.”

Sean Randolph

Silicon Valley Expats Spur Innovation in India

Yale Global- September 2, 2010

<http://yaleglobal.yale.edu/content/silicon-valley-spur-innovation>

“As the US tech industry saw rapid growth during the 1990s, immigrating students and workers from Asia heeded innovation’s call. Engineers and programmers from India settled in Silicon Valley and enjoyed immediate success. About one out of six tech startups were launched by immigrants from India. Now some of these tech workers return to India, explains author and trade specialist Sean Randolph. Some head Indian offices for companies like Google or Cisco and others return on their own, with multiple factors driving the exodus: restrictive immigration policies, reduced opportunity in the US accompanied by high rates of growth, a huge market and entrepreneurial opportunities in India.”

STATE FISCAL AND TAX POLICIES

Ryan Forster and Kail Padgitt

Where Do State and Local Governments Get Their Tax Revenue?

Tax Foundation - Fiscal Fact – August 27, 2010

<http://www.taxfoundation.org/publications/show/26662.html>

“Newly released Census data show how different the 50 states' fiscal systems are. Their reliance on various sources of tax revenue differs widely because they have different endowed resources and policy priorities. These differences are reflected in state-local tax collections no matter how large or small a fraction of the residents' income state and local governments have decided to take in taxes.”

State and Local Governments: Fiscal Pressures Could Have Implications for Future Delivery of Intergovernmental Programs

United States Government Accountability Office - GAO-10-899 - July 30, 2010. - 47 pages

<http://www.gao.gov/products/GAO-10-899>

« State and local governments work in partnership with the federal government to implement numerous intergovernmental programs. Fiscal pressures for state and local governments may exist when spending is expected to outpace revenues for the long term. GAO was asked to examine (1) the long-term fiscal pressures facing state and local governments and historical spending and revenue trends, (2) spending and revenue trends to identify patterns among states, and (3) what is known about the implications of these fiscal pressures for federal policies.(...) Understanding patterns in state and local government expenditures and revenues is crucial for identifying and analyzing potential future fiscal pressures for the sector. The March 2010 update to GAO's state and local fiscal model updates simulations that state and local governments' long-term fiscal position will steadily decline through 2060 absent policy changes. »

Lucy Dadayan and Donald Boyd

State Tax Revenues Are Slowly Rebounding.

The Nelson A. Rockefeller Institute of Government - August 30, 2010 - 7 pages

http://www.rockinst.org/pdf/government_finance/state_revenue_report/2010-08-30-State_Revenue_Flash.pdf

“Preliminary tax collection data for the April-June quarter of 2010 show improvement in overall state tax collections as well as for personal income tax and sales tax revenue. However, revenue collections remain significantly below peak levels and are still weak in a number of states. We will provide a full report on the April-June quarter, and further analysis of the fiscal year 2009-10 and the current outlook for the states, after Census Bureau data for the quarter are available.”

BUSINESS

Zoltan J. Acs and Laszlo Szerb

Global Entrepreneurship and the United States

Small Business Administration - September 14, 2010 - 62 pages

<http://www.sba.gov/advo/research/rs370tot.pdf>

« This paper looks at the performance of the United States on the Global Entrepreneurship and Development Index (GEDI), which captures the contextual features of entrepreneurship. The index builds on and improves earlier measures by capturing quantitative and qualitative aspects of entrepreneurship. It measures entrepreneurial performance in 71 countries over three sub-indexes, 14 pillars, and 31 individual and institutional variables. The United States appears among the top entrepreneurial economies and ranks third on the GEDI. It performs very well on the aspirations sub-index but lags somewhat on the attitudes and activity sub-indexes. At the pillar level, the United States is strong in startup skills, competition, and new technology but weak in cultural support, tech sector, and high-growth business. »

Whistleblower Protection: Sustained Management Attention Needed to Address Long-Standing Program Weaknesses.

U.S. Government Accountability Office- Web posted September 16, 2010. -50 pages

<http://www.gao.gov/new.items/d10722.pdf>

“Workers who “blow the whistle” on prohibited or unlawful practices that they discover during their employment can play an important role in the enforcement of federal laws. However, these whistleblowers may also risk reprisals from their employers, sometimes being demoted, reassigned, or fired. Federal laws establish whistleblower protection processes, whereby workers who believe that they have faced retaliation for blowing the whistle can report their allegations to the appropriate federal agency, which then determines the merit of their claims. The Whistleblower Protection Program at the Department of Labor’s (Labor) Occupational Safety and Health Administration (OSHA) is responsible for receiving and investigating most whistleblower complaints filed by nonfederal workers.”

Mark Foggin

Breaking into the Corporate Supply Chain

Center for an Urban Future - September 2010 - 22 pages

http://www.nycfuture.org/images_pdfs/pdfs/BreakingIntoSupplyChain.pdf

“ The report reveals that strikingly few small businesses become suppliers to the nation’s largest corporations but argues that helping more of them make this leap could give small firms a much-needed boost and help spark an economic recovery.”

International Comparisons of Hourly Compensation Costs in Manufacturing, 2008

Bureau of Labor Statistics, U.S. Department of Labor- August 26, 2010. – 25 pages

<http://www.bls.gov/news.release/pdf/ichcc.pdf>

“The trade-weighted average of hourly compensation costs in U.S. dollars for all employees in manufacturing among 32 foreign economies was 85 percent of the U.S. level in 2008, increasing from 82 percent in 2007, according to the data. Compensation costs relative to the United States rose or remained unchanged in 28 of the 32 foreign economies covered in 2008. The data contains data for all employees and production workers.”

A Strange Case: Violations of Workers’ Freedom of Association in the United States by European Multinational Corporations.

Human Rights Watch- September 2, 2010. -130 pages

<http://www.hrw.org/en/reports/2010/09/02/strange-case-0>

“The report details ways in which some European multinational firms have carried out aggressive campaigns to keep workers in the United States from organizing and bargaining, violating international standards and, often, U.S. labor laws.”

EMPLOYMENT

Where the Jobs are: A First Look at Private Industry Job Growth and Wages in 2010

National Employment Law Project - August 27, 2010 -16 pages

http://nelp.3cdn.net/83908daa61a1d4d108_r5m6bgy4a.pdf

“While technically the Great Recession may have ended sometime in the second half of 2009, it is clear that the US economy is mired in a tepid recovery at best. Job growth is anemic and not nearly strong enough to make up for two years’ worth of job losses or move the needle on unemployment.

That said, over the past seven months the private sector has seen a net gain of 630,000 jobs, giving us the opportunity to take a first look at where the jobs are growing, and what types of opportunities they are providing to America’s workers – job seekers, new labor market entrants, and current job holders.

The data brief, using a unique synthesis of Bureau of Labor Statistics data, tracks private industry employment and wages from December 2007, the start of the recession, through July 2010, the most recent month of data available.”

Small Business Employment: Bank Lending Restrains Job Creation

U.S. Congress Joint Economic Committee - September 13, 2010 – 4 pages

http://jec.senate.gov/public/index.cfm?a=Files.Serve&File_id=72eed3af-cdae-4b60-9bac-f7100cd3ee9d

The report shows that small business hiring has not started to increase, although larger and mid-sized firms continue to increase hiring. Additionally, the report finds that the number of small business loans and the dollar value of these loans are both dropping. The number of loans made to small businesses, which peaked at 27.2 million in the second quarter of 2008, has fallen by over 4.8 million since then, a drop of 17.8 percent. The total value of those loans fell by \$60 billion to approximately \$650 billion.

Todd Swanstrom et al.

More Transit = More Jobs: The Impact of Increasing Funding for Public Transit

Transportation Equity Network - September 2, 2010 - 31 pages

<http://www.transportationequity.org/images/downloads/MoreTransit=MoreJobs-final.pdf>

The report reveals that investment in public transit can create hundreds of thousands more jobs than highway projects. It examines official project lists from 20 federally authorized Metropolitan Planning Organizations (MPOs) and concludes that “if [they] shifted 50 percent of their highway funds to transit, they would generate an additional 184,801 jobs over a five-year period without spending any more money.”

Bracken Hendricks and al.

Efficiency Works: Creating Good Jobs and New Markets through Energy Efficiency

Center for American Progress- September 2010- 56 pages

http://www.americanprogress.org/issues/2010/08/pdf/good_jobs_new_markets.pdf

“In this paper, the Center for American Progress and Energy Resource Management look at state regulations and incentives for energy efficiency that are working today in leading states to accelerate demand for energy efficiency services, businesses, and ultimately jobs. As this market rapidly grows in coming years, states that have put in place strong policies for energy efficiency will be best positioned to capture these new employment opportunities for construction workers in clean energy.”

Randy Capps et al.

Still An Hourglass?: Immigrant Workers in Middle-Skilled Jobs

Migration Policy Institute - September 2010 – 21 pages

<http://www.migrationpolicy.org/pubs/sectoralbrief-Sept2010.pdf>

It has been conventional wisdom that the immigrant workforce is shaped like an hourglass — wide at the top and the bottom but narrow in the middle. In reality, immigrants are more evenly dispersed across the skills spectrum than has been widely recognized, say the authors.

Stephen Sweet et al.

Talent Pressures and the Aging Workforce: Responsive Action Steps for the Professional, Scientific, and Technical Services Sector

The Sloan Center on Aging & Work - August 2010 - 51 pages

http://www.bc.edu/research/agingandwork/meta-elements/pdf/publications/TMISR06_ProfScientificTech.pdf

“The professional, scientific, and technical services sector offers some of the best jobs available – high skilled, high paying, and relatively flexible – but these jobs are disappearing, creating an acute need for highly skilled workers.”

Paul Taylor et al.

Most ‘Re-Employed’ Workers Say they’re Overqualified for Their New Job

Pew Research Center - September 2, 2010 - 10 pages

<http://pewsocialtrends.org/assets/pdf/763-re-employed-workers.pdf>

“Workers who suffered a spell of unemployment during Great Recession are, on average, less satisfied with their new jobs than workers who didn’t. They are more likely to consider themselves over-qualified for their current position. And six-in-ten say they changed careers or seriously thought about it while they were unemployed, according to the survey...”

Persons with a Disability: Labor Force Characteristics -- 2009

Bureau of Labor Statistics, U.S. Department of Labor- August 25, 2010- 10 pages

<http://www.bls.gov/news.release/pdf/disabl.pdf>

“The proportion of the population employed in 2009—the employment-population ratio—was 19.2 percent among those with a disability. The employment-population ratio for persons without a disability was 64.5 percent. The unemployment rate of persons with a disability was 14.5 percent, higher than the rate for those with no disability, which was 9.0 percent. This is the first news release focusing on the employment status of persons with a disability.”

Ariane Hegewisch et al.

Separate And Not Equal? Gender Segregation in the Labor Market and the Gender Wage Gap

Institute for Women's Policy Research - September 2010 -16 pages

<http://iwpr.org/pdf/C377.pdf>

“Occupational gender segregation is a strong feature of the US labor market. While some occupations have become increasingly integrated over time, others remain highly dominated by either men or women. The analysis of trends in overall gender segregation shows that, after a considerable move towards more integrated occupations in the 1970s and 1980s, progress has completely stalled since the mid 1990s.”

New Evidence on Gender Pay Gap for Women in Management

Joint Economic Committee - Hearing - September 28, 2010

http://jec.senate.gov/public/index.cfm?p=Hearings&ContentRecord_id=10d3c1d3-ce9e-4dcc-a68f-4c05f4c5eb0b

"Are gender pay gaps more prevalent in some industries than others? Are women in management paying a price for being mothers? Are families who depend on the wages of Management Moms being penalized? The U.S. Congress Joint Economic Committee held a hearing that explored these questions. At the hearing, the Government Accountability Office (GAO) presented their findings of a comprehensive industry-by-industry assessment of wage differences between men and women managers. This report, for the first time, takes an in-depth look at the impact of motherhood on the wage gap among managers and its impact on family incomes."

Jeffrey Keefe

Debunking the Myth of the Overcompensated Public Employee

Economic Policy Institute- September 15, 2010. -14 pages

http://epi.3cdn.net/8808ae41b085032c0b_8um6bh5ty.pdf

“The research in this paper investigates whether state and local public employees are overpaid at the expense of taxpayers. Thirty-seven states are struggling with substantial budget deficits. Several governors have identified excessive public employee compensation as a major cause of their states’ fiscal duress. The remedies they propose include public employee pay freezes, benefits reductions, privatization, major revisions to the rules of collective bargaining, and constitutional amendments to limit pay increases, each as a necessary antidote to the public employee overpayment malady. The data analysis, however, indicate that public employees, both state and local government, are not overpaid.”

Julie L. Hotchkiss and Menbere Shiferaw

Decomposing the Education Wage Gap: Everything but the Kitchen Sink

Federal Reserve Bank of Atlanta -Working Paper – December 2010. - 46 pages

http://www.frbatlanta.org/pubs/wp/working_paper_2010-12.cfm

The wage gap between high school and college graduates began widening dramatically in the 1980s and 1990s. Using multiple data sources, the authors examine the source of this gap. “The results confirm the importance of investments in and use of technology, which has been the focus of most of the previous literature, but are also able to show that demand and supply factors played very different roles in the growing wage gaps of the 1980s and 1990s.”

Heather Boushey and Jordan Eizenga

Extending Unemployment Benefits 101 - UI Benefits Help Workers, Businesses, and the Economy

Center for American Progress – Memo - September 21, 2010 – 4 pages
http://www.americanprogress.org/issues/2010/09/pdf/ui_benefits101.pdf

“Maintaining unemployment benefits until the unemployment rate comes back down is not only necessary and the right thing to do; it’s also consistent with past practice. UI benefits stabilize the economy by increasing the demand for goods and services, which at this point in the nascent economic recovery is crucial to saving and creating jobs and boosting earnings.”

Upsetting The Natural Order’: Managing Employees Old Enough To Be Your Parents.

Knowledge at Wharton- September 1, 2010. - 4 pages

<http://knowledge.wharton.upenn.edu/articlepdf/2577.pdf?CFID=26842252&CFTOKEN=32427068&jsessionid=a8302f03771a0e387ed649355b251e783267>

If one looks at the research on older workers, those who are at or close to retirement age, one finds what Peter Cappelli, director of Wharton's Center for Human Resources, calls "an incredible amount of discrimination, bigger even than discrimination against race or gender." Older people, he says, often find it difficult to get a job, partly because relatively young supervisors are reluctant to hire and then manage employees who are decades older, even though these employees are the type of worker many employers say they want.

Karlyn Bowman

The State of the American Worker 2010: Attitudes about Work in America.

American Enterprise Institute for Public Policy Research.. August 31, 2010. - 53 pages

<http://www.aei.org/docLib/American-Worker-2010.pdf>

The State of the American Worker 2010 reviews attitudes about jobs and work : “For the past five years, AEI has released a yearly poll compilation on workers’ attitudes about their jobs to coincide with Labor Day. This year’s study, The State of the American Worker, 2010, comes at a time of deep pessimism about the economy. Around two-thirds of those surveyed tell pollsters that they know someone other than a family member who has lost a job in the past few months. Around three in ten say they or someone in their family has lost one. More than eight in ten say it is a bad time to find a job today.(...) We look here at workers’ views about their jobs to see how negative 2010 sentiments about the economy have affected job perceptions.”

Paid Sick Leave Does Not Harm Business Growth or Job Growth

Drum Major Institute for Public Policy- September 28, 2010 - 11 pages

http://www.drummajorinstitute.org/pdfs/Paid_Sick_Leave_Does_Not_Harm.pdf

“A New York City Council bill guaranteeing working people the right to earn paid sick leave will not harm job growth or business growth, according to a study we released today that’s been covered in City Hall News and Gotham Gazette. Also today, in the New York Post and Wall Street Journal, we push back against a misleading new opinion survey on paid sick leave that doesn’t do justice to the facts, evidence, and data we and other organizations have closely analyzed in recent months.”

PENSIONS

Pension Insurance Data Book 2009

Pension Benefit Guaranty Corporation- August 20, 2010 - 120 pages

<http://www.pbgc.gov/docs/2009databook.pdf>

« The Pension Benefit Guaranty Corporation (PBGC) was established by the Employee Retirement Income Security Act of 1974 (ERISA) to ensure that participants in defined benefit pension plans receive their pensions if their plans terminate without sufficient assets to pay promised benefits. The PBGC administers

separate insurance programs to protect participants in single-employer and multiemployer plans. The PBGC has published the Pension Insurance Data Book annually since 1996 to present detailed statistics on PBGC program operations and benefit protections.

Choosing to Work During Retirement and the Impact on Social Security

United States Senate Committee on Finance- Hearing- July 15, 2010

<http://finance.senate.gov/hearings/hearing/?id=994b091c-5056-a032-52a6-97cee60ebe87>

“Today, we’ll talk about people who want to work beyond retirement age. And we’ll talk about how those folks’ decisions affect Social Security. When it comes to Social Security, folks often say that there are only two ways to improve solvency: cutting benefits or raising taxes. Neither is easy. And each has drawbacks. Fortunately, there are other ways. And these ways don’t involve cutting benefits or raising taxes. For example, there’s the tax gap. The tax gap is the difference between what taxpayers owe and what they actually pay...And today, we are going to look at another idea for improving Social Security and Medicare solvency, without raising taxes or cutting benefits.”

Ross Eisenbrey

Top Ten Reasons not to Raise the Retirement Age

Economic Policy Institute - August 24, 2010 - 2 pages

http://www.epi.org/page/-/pdf/08242010_social%20security%20fact%20sheet.pdf

« At a time when more Americans are living longer, raising the retirement age may seem like a good way to strengthen Social Security. Ross Eisenbrey explains why it is not. »

Mixed Views of GOP Proposals on Entitlements

Pew Research Center for the People & the Press - September 13, 2010

<http://people-press.org/report/653/>

“The public has sharply different reactions to major changes in Social Security and Medicare programs being proposed by some leading Republicans. While a majority favors a proposal to allow some private investments in Social Security, there is considerably less support for the idea of ending Medicare and replacing it with a system of vouchers for purchasing private insurance.”

State and Local Government Pension Plans: Governance Practices and Long-term Investment Strategies Have Evolved Gradually as Plans Take on Increased Investment Risk

United States Government Accountability Office - GAO-10-754 - August 24, 2010. – 48 pages

<http://www.gao.gov/products/GAO-10-754>

« Recent market declines have significantly diminished the asset value of state and local pension plans. Reported unfunded liabilities for these plans are estimated in the hundreds of billions of dollars. As a result, in the long term, these governments may need to make significant fiscal adjustments such as modifying employee benefits, or increasing contributions to plans. They may also alter investment strategies to attempt to maximize returns by assuming increased risk. Consequently, GAO was asked to examine: (1) who makes investment decisions for state and local defined benefit pension plans and what guides their decision making; (2) how plans allocate their assets and manage their investments; and (3) practices that plans are using to meet a range of challenges in governance, investment, or funding. »

David C. John

Disparities for Women and Minorities in Retirement Saving

The Brookings Institution- September 1, 2010

http://www.brookings.edu/testimony/2010/0901_retirement_saving_john.aspx

“Women have experienced substantial gains in the labor market over the last several decades. The share of women in the labor force has grown from under 38 percent in 1960 to almost 60 percent in 2000. Women have also made concomitant gains in educational attainment levels and wage rates. Today, a higher proportion of women than men graduate from college and women's earnings are approaching the level of men's... Despite the improvements in women's employment outcomes, gender differences in employment persist in several key aspects. First, women are more likely to choose jobs that are part-time, have shorter careers in the paid job market, and experience shorter job tenure at any given point in time than men. Second, despite the fact that many women have entered highly-skilled and highly-paid occupations the majority of women still work in occupations or industries with lower earnings.”

Diana Furchtgott-Roth

Union Pensions at Risk

Hudson Institute - Summer 2010 - 76 pages

http://www.hudson.org/files/documents/DFR_Pension_2010_highres.pdf

“Congress, with the support of some private firms, is considering bailing out the underfunded multiemployer pension plans, at a potential cost of \$165 billion to the taxpayer, but this would be a mistake. The advertised benefits of joining a union sound appealing, but what unions do not tell prospective recruits is that collectively bargained defined benefit pension plans perform poorly when compared to plans sponsored unilaterally by single employers for nonunion employees. And pensions sponsored by unions that cover multiple employers (multiemployer plans) fare even worse than pensions offered by a single employer under a collective bargaining agreement with a union.”

HEALTH CARE

Health Care Spending: 1998, 2003, and 2008

Bureau of Labor Statistics, U.S. Department of Labor- August 2010

http://www.bls.gov/opub/focus/volume1_number8/cex_1_8.htm

“ How have rising health care costs affected household budgets? That question was raised many times before the passage of the Affordable Care Act, whose goal—as the act’s name implies—is to make health care more affordable for American families. This analysis of Consumer Expenditure Survey (CE) data from the 1998, 2003, and 2008 Interview Surveys provides a picture of nominal out-of-pocket health care spending among households categorized by the age of the reference person.”

Income, Poverty, and Health Insurance Coverage in the United States: 2009

U.S. Census Bureau - September 16, 2010 - 88 pages.

<http://www.census.gov/prod/2010pubs/p60-238.pdf>

“This report presents data on income, poverty, and health insurance coverage in the United States based on information collected in the 2010 and earlier Current Population Survey Annual Social and Economic Supplements (CPS ASEC) conducted by the U.S. Census Bureau.

Some of the main findings of this report are:

- The median household income in 2009 was not statistically different from the 2008 median in real terms
- The poverty rate increased between 2008 and 2009.
- The uninsured rate and number of people without health insurance increased between 2008 and 2009.”

TRADE

Ex-Im Bank Oversight: The Role of Trade Finance in Doubling Exports over Five Years

House Committee on Financial Services - Hearing - September 29, 2010

<http://financialservices.house.gov/Hearings/hearingDetails.aspx?NewsID=1367>

- * The Honorable Fred P. Hochberg, Chairman and President, Export-Import Bank of the United States
- * Mr. Osvaldo Luis Gratacós, Acting Inspector General, Export-Import Bank of the United States
- * Mr. Loren Yager, Director, International Affairs and Trade, U.S. Government Accountability Office (GAO)
- * Mr. John Hardy, President, Coalition for Employment Through Exports (CEE)

Alejandro Foxley

Regional Trade Blocs: The Way to the Future?

Carnegie Endowment for International Peace - September 2010 - 65 pages

http://carnegieendowment.org/files/regional_trade_blocs.pdf

“Pursuing stronger regional trade agreements can help form the building blocks for global free trade deals. Increasing trade will not only help middle income economies develop but also drive growth around the world as the financial crisis recedes. (...)This paper is an evaluation of the most significant regional trade pacts in the Eastern Europe, Latin America, and East Asia regions that assesses the potential of regional integration as a relevant instrument for achieving higher growth rates and lower unemployment in the postcrisis period.”

Hugh Corbet

Time to Sort out the Long Overdue Doha Round: a Solution to the Global Economic Slowdown Is in Plain Sight

YaleGlobal- August 26, 2010.

<http://yaleglobal.yale.edu/content/long-overdue-doha-round>

“ Expanding trade has enriched the world, and completing the Doha Round of negotiations could deliver nations, both rich and poor, from stagnation, says the author. The round of World Trade Organization negotiations began in 2001 as an effort to ease poverty by reducing trade barriers. But wealthy nations resist ending protections for their agricultural industries. “By offering to reduce agricultural subsidies further, the Obama administration could induce Brazil, China, India and other developing countries to improve their market-access offers, a major goal of US trade negotiators.” Corbet lists specific mechanisms to move Doha negotiations forward. By dropping subsidies, Europe and the U.S. could tap new, huge markets. Open trade can be a win-win game for all nations”.

Sabina Dewan

From Bangladesh to You: How Workers Protesting in the Streets of Dhaka hurts the U.S. Economy

Center for American Progress - August 25, 2010

http://www.americanprogress.org/issues/2010/08/bangladesh_protest.html

“Beyond fundamental human rights considerations, we should care because ensuring “just jobs”—jobs commensurate with decent wages, labor rights, and good working conditions in developing countries such as Bangladesh—is in the hard-nosed economic self-interest of the United States.”

DEVELOPMENT

Making Development Aid More Effective

The Brookings Institution- September 2010 – 64 pages

http://www.brookings.edu/~media/Files/rc/papers/2010/09_development_aid/09_development_aid.pdf

“Given the need to reform development assistance efforts within the current window of political opportunity, in these policy briefs Brookings experts and colleagues with other organizations offer a range of recommendations for influential global development actors that look beyond questions of increased resources for antipoverty services to the effectiveness of different approaches and to the systemic issues associated with the delivery of development outcomes.”

Banking On Reform: Capital Increase Proposals from the Multilateral Development Banks

Senate Committee on Foreign Affairs – Hearing – September 15, 2010

<http://foreign.senate.gov/hearings/hearing/?id=33c66777-5056-a032-525a-a0a5806634e9>

“We are here to discuss proposed increases in the capital we provide to Multilateral Development Banks. We’re fortunate to be joined by three policymakers who can speak directly to the new burdens these banks have taken on and the challenges they still must evolve to meet.”

MISCELLANEOUS

Ross A. Hammond and Ruth Levine

The Economic Impact of Obesity in the United States

Brookings Institution - September 14, 2010 - 11 pages

http://www.brookings.edu/~media/Files/rc/articles/2010/0914_obesity_cost_hammond_levine/0914_obesity_cost_hammond_levine.pdf

Over the past several decades, obesity has grown into a major global epidemic. In the U.S., more than two-thirds of adults are now overweight and one-third is obese. The report provides an overview of the state of research on the likely economic impact of the U.S. obesity epidemic at the national level. Research to date has identified at least four major categories of economic impact linked with the obesity epidemic: direct medical costs, productivity costs, transportation costs, and human capital costs.

How Does Obesity in Adults Affect Spending on Health Care?

Congressional Budget Office- September 8, 2010. – 12 pages.

http://www.cbo.gov/ftpdocs/118xx/doc11810/09-08-Obesity_brief.pdf

“Over the past two decades, the adult population in the United States has, on average, become much heavier. From 1987 to 2007, the fraction of adults who were overweight or obese increased from 44 percent to 63 percent; almost two-thirds of the adult population now falls into one of those categories.(...)This Congressional Budget Office (CBO) issue brief examines changes over time in the distribution of adults among four categories of body weight: underweight, normal, overweight, and obese. Those categories are defined in federal guidelines using a measure known as the body-mass index—a measure that standardizes weight for height. CBO analyzes how past changes in the weight distribution have affected health care spending per adult and projects how future changes might affect spending going forward. (In this issue brief, “health care spending” refers to spending by public and private insurers and out-of-pocket spending by individuals.)”

Dan A. Black, Natalia A. Kolesnikova, and Lowell J. Taylor

The Economic Progress of African Americans in Urban Areas: A Tale of 14 Cities

Federal Reserve Bank of St. Louis Review - September/October 2010 - pp. 353-79

<http://research.stlouisfed.org/publications/review/10/09/Black.pdf>

“How significant was the economic progress of African Americans in the United States between 1970 and 2000? In this paper the authors examine this issue for black men 25 to 55 years of age who live in 14 large U.S. metropolitan areas. They present evidence that significant racial disparities remain in education and labor

market outcomes of black and white men, and they discuss changes in industrial composition, migration, and demography that might have contributed to the stagnation of economic progress of black men between 1970 and 2000. In addition, the authors show that there was no progress in the financial well-being of black children, relative to white children, between 1970 and 2000.”

Rural America at a Glance, 2010 Edition

U.S. Department of Agriculture - September 13, 2010 – 6 pages

<http://ers.usda.gov/Publications/EIB68/EIB68.pdf>

The study highlights the most recent indicators of social and economic conditions in rural areas for use in developing policies and programs to assist rural areas. The 2010 edition focuses on the U.S. rural economy, including employment trends, poverty, and demographics.

Jason Henderson and Jennifer Clark

Farming, Finance and the Global Marketplace: A Summary of the 2010 Agricultural Symposium

FRB Kansas City – The Main Street Economist – September 2010 – 6 pages

http://www.kc.frb.org/publicat/mse/mse_0410.pdf

“In 2008, surging commodity prices triggered promises of a new golden era for agriculture. While prospects dimmed during the recession, the recovery is rekindling hopes with rising commodity prices. On June 8 and 9, more than 180 agricultural business and finance leaders examined agriculture’s potential at the Federal Reserve Bank of Kansas City’s symposium, “Farming, Finance and the Global Marketplace.” Participants discussed how changes in the global marketplace are likely to affect the profitability and structure of agriculture.”

The National Organic Law at 20: Sowing Seeds for a Bright Future

Senate Committee on Agriculture – Hearing - September 15 2010

<http://ag.senate.gov/site/calendar.html>

The growth in demand for products of organic agriculture reflects the desire of consumers to have more information about their food, where it comes from, and how it is produced. This exciting trend is good for both consumers and our country’s farmers and ranchers... Strengthening the link between consumers and the farmers and ranchers they depend on deepens our appreciation and understanding of the contributions of our hardworking farm families. The demand for organic products helps provide established farmers with important markets, and can be a vital path to profitability for beginning farmers. And, improving our awareness of food and where it comes from can help empower consumers to make healthy choices, an important objective given the recent rise in childhood obesity rates.”

Competition in the Evolving Digital Marketplace

House Committee on the Judiciary - Hearing - September 16, 2010

http://judiciary.house.gov/hearings/hear_100916.html

Witness List:

Richard Feinstein, Director, Bureau of Competition, Federal Trade Commission, Washington, DC

Edward J. Black, President & CEO, Computer and Communications Industry Association, Washington, DC

Morgan Reed, Executive Director, Association for Competitive Technology, Washington, DC

Scott C. Cleland, President, Precursor, LLP, McLean, VA

Geoffrey A. Manne, Executive Director, International Center for Law & Economics, Lewis & Clark Law School, Portland, OR

Mark N. Cooper, Ph.D., Director of Research, Consumer Federation of America, Washington, DC

