

PUBLIC AFFAIRS - American Embassy  
 Sylvie VACHERET  
 Tel: 01 43 12 29 28  
 E-Mail: vacheretsr@state.gov

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## GENERAL INTEREST

Open Access to the Brookings Papers on Economic Activity  
<http://www.brookings.edu/economics/bpea/past-editions.aspx>

“Brookings is now offering open access to the Brookings Papers on Economic Activity (BPEA). All papers since the first BPEA conference in 1970 are now available online. For more than forty years, BPEA has provided rigorous analyses of important issues in macroeconomics, broadly defined. BPEA is known in the field for its commitment to clear and accessible research that is policy relevant and focused on the current economic climate.”

*Ruy Teixeira, John Halpin*

### **The Origins and Evolution of Progressive Economics**

Center for American Progress - Report - March 14, 2011

[http://www.americanprogress.org/issues/2011/03/progressive\\_economics.html](http://www.americanprogress.org/issues/2011/03/progressive_economics.html)

“Although multiple schools of economic thought exist within the progressive tradition, there are several core assumptions that broadly define a progressive approach to economics in terms of theory, values, and practice. On the theoretical side, progressive economics is primarily concerned with striking a proper balance between private and public action to ensure greater stability and equitable growth in the economy and better achieve national goals.”

*Mary Meeker*

### **A Basic Summary of America's Financial Statements**

Kleiner Perkins Caufield & Byers – Report - February 2011 - 266 pages

[http://www.kpcb.com/usainc/USA\\_Inc.pdf](http://www.kpcb.com/usainc/USA_Inc.pdf)

“This report looks at the federal government as if it were a business, with the goal of informing the debate about our nation’s financial situation and outlook. In it, we examine USA Inc.’s income statement and balance sheet. We aim to interpret the underlying data and facts and illustrate patterns and trends in easy-to-understand ways. We analyze the drivers of federal revenue and the history of expense growth, and we examine basic scenarios for how America might move toward positive cash flow.”

*Richard B. Freeman, Joseph R. Blasi, and Douglas L. Kruse*

**Inclusive Capitalism for the American Workforce: Reaping the Rewards of Economic Growth through Broad-based Employee Ownership and Profit Sharing**

Center for American Progress – March 2011 – 40 pages

[http://www.americanprogress.org/issues/2011/03/pdf/worker\\_productivity.pdf](http://www.americanprogress.org/issues/2011/03/pdf/worker_productivity.pdf)

“From the mid-1970s through the 2000s the earnings of most American workers increased more slowly than the rate of productivity growth (...) The disconnect between economic growth and earnings growth over the past four decades results today in the United States having an extremely high level of economic disparity (...) This paper lays out a policy reform that will help restore the link between economic growth and the earnings of workers so that the recovery re-establishes a prosperous middle class.”

*Sylvia A. Allegretto*

**The State of Working America’s Wealth - Through volatility and turmoil, the gap widens**

Economic Policy Institute – March 2011 – 34 pages

[http://www.irlf.berkeley.edu/cwed/wp/wealth\\_in\\_the\\_us.pdf](http://www.irlf.berkeley.edu/cwed/wp/wealth_in_the_us.pdf)

“This brief takes a historical view of wealth and its components, and places a special emphasis on the bursting of the housing bubble, which thus far has resulted in \$6 trillion of lost wealth; an additional \$2 trillion is expected (...) why is wealth important? Like wages and income, overall wealth is central to a family’s standard of living. Wealth—particularly liquid assets such as savings and checking account balances and direct holding of stocks and bonds—can help families cope with financial emergencies that arise due to unemployment or illness. Wealth also makes it easier for families to invest in education and training, start a small business, or fund retirement. “

*Kenneth A. Couch, Mary C. Daly, and Colin Gardiner*

**Life-Cycle Shocks and Income**

FRB San Francisco – Economic Letter – March 14, 2011 – 5 pages

<http://www.frbsf.org/publications/economics/letter/2011/el2011-08.pdf>

“Unexpected events such as job displacement, disability, and divorce can have negative effects on individual and family income. For many families, social insurance provided by the government plays an important role in buffering the impact of these shocks. However, on average, Americans depend more on private resources rather than the public sector to insure against these losses.”

**ECONOMIC GROWTH**

**Understanding the Economy: State-by-State Snapshots**

U.S Congress Joint Economic Committee – March 2011 – 107 pages

[http://jec.senate.gov/public/?a=Files.Serve&File\\_id=efe90b95-c976-46ac-90ce-9e24b7900131](http://jec.senate.gov/public/?a=Files.Serve&File_id=efe90b95-c976-46ac-90ce-9e24b7900131)

“This is the second edition of state-by-state snapshots issued by the Chairman designate of the Joint Economic Committee during the 112th Congress and includes data through January 2011. In recent months, the economy has gained strength and this is reflected in a broad range of economic data (...) This month’s state-by-state report looks at how the economic progress nationally is translating to individual states. The report highlights progress in creating private sector jobs and reducing unemployment and tracks the employment gains in key sectors, including manufacturing and professional and business services.”

**The Shifting Winds and Currents of Recovery National Economic: Update March 2011**

FRB Dallas – March 2011

<http://www.dallasfed.org/research/update-us/2011/1102.cfm>

“The outlook for U.S. economic growth has shifted from optimistically strong to cautiously remaining above trend. Recent data have continued to be relatively robust, with various measures of manufacturing, expenditure, exports, capital spending and labor suggesting solid underlying growth. However, as with a large ship buffeted by competing forces, emerging cross-currents complicate navigating the challenges posed by existing headwinds.”

*Darrell M. West, Rick Kimball, Raffiq Nathoo, Daniel Zwirn, Vijaya Ramachandran, Gordon M. Goldstein, and Joel H. Moser*

### **Rebuilding America: The Role of Foreign Capital and Global Public Investors**

The Brookings Institute – Report - March 2011 – 27 pages

[http://www.brookings.edu/~media/Files/rc/papers/2011/0311\\_sovereign\\_wealth\\_funds/0311\\_sovereign\\_wealth\\_funds.pdf](http://www.brookings.edu/~media/Files/rc/papers/2011/0311_sovereign_wealth_funds/0311_sovereign_wealth_funds.pdf)

“Sovereign wealth funds, foreign government employee pension funds and foreign currency reserve funds control trillions of dollars in assets and are projected to maintain significant growth over the next decade. In today’s volatile global financial environment, the investment strategies of these global public investors will impact capital flows and influence markets around the world. Despite their growing salience in the international economy, many U.S. policymakers and political leaders have only a partial understanding of the investment practices, objectives, management and governance of global public investors.”

### **Reviving our Economy: The Role of Higher Education in Job Growth and Development**

Education and the Workforce Committee – March 2011

<http://edworkforce.house.gov/Calendar/EventSingle.aspx?EventID=227568>

“With unemployment still hovering around 9 percent and more than 13 million out of work, the American people have made jobs their number one priority. Immediate solutions are required, but we must also look to the future to ensure tomorrow’s workers can lead in a global economy and are prepared to weather future economic downturns (...)When you scratch beneath the surface, you discover education is a jobs issue. It is no secret our current education system is failing. We all know the statistics of high school and college dropouts and test scores that leave students unprepared to tackle the challenges they will confront both in the classroom and in the workplace.”

### **The Role of the Export-Import Bank in U.S. Competitiveness and Job Creation**

United States House of Representatives - Committee on Financial Services – March 10, 2011

<http://financialservices.house.gov/Hearings/hearingDetails.aspx?NewsID=1792>

<http://amos-maritime.com/statement.php?a=1>

“Sovereign-backed export finance has a fundamental and growing impact on international commerce and U.S. exports. In the competition for global markets, American companies and workers are increasingly competing with foreign companies armed with substantial, attractive government-backed export finance packages. Moreover, a growing number of those competitors are from emerging markets, whose governments have not signed up to the OECD disciplines on export finance. In this increasingly competitive world, America’s principal sovereign-backed export finance institution – the U.S. Export-Import Bank (“Ex-Im”) – plays a critical role in supporting American exports and jobs.”

### **Rules for Growth - A collection of essays promoting innovation and growth through legal reform**

Kauffman Foundation – Book – March 2011 – 513 pages

<http://www.kauffman.org/uploadedfiles/Rules-for-Growth.pdf>

“The United States economy is struggling to recover from its worst economic downturn since the Great Depression. After several huge doses of conventional macroeconomic stimulus—deficit-spending and monetary stimulus—policymakers are understandably eager to find innovative no-cost ways of sustaining growth both in the short and long runs. In response to this challenge, the Kauffman Foundation convened a number of America’s leading legal scholars and social scientists during the summer of 2010 to present and discuss their ideas for changing legal rules and policies to promote innovation and accelerate U.S. economic growth.” This meeting led to the publication of this book.

## **FISCAL POLICY**

### **Reducing the Deficit: Spending and Revenue Option**

Congressional Budget Office – Mars 2011 – 256 pages

<http://www.cbo.gov/ftpdocs/120xx/doc12085/03-10-ReducingTheDeficit.pdf>

“CBO has not yet updated its long-term projections to reflect enactment of the 2010 tax act and other recent changes. But the 10-year baseline that the agency issued in January 2011, which does reflect those changes, shows larger budget deficits and accumulated debt over the next decade than the June 2010 projections did (...) CBO also prepared long-term budget projections last year under an alternative fiscal scenario. Whereas the extended-baseline scenario was predicated on current law, the alternative fiscal scenario incorporated several changes to current law that were widely expected to occur or that would modify some provisions of law that might be difficult to sustain for a long period.”

### **Report of the Bipartisan Policy Center’s Debt Reduction Task Force**

House – Budget Committee – Hearing – March 15, 2011

[http://budget.senate.gov/democratic/index.cfm/committeehearings?ContentRecord\\_id=e8232467-52bd-48db-8368-56cc1ae48ca6&ContentType\\_id=14f995b9-dfa5-407a-9d35-56cc7152a7ed&Group\\_id=d68d31c2-2e75-49fb-a03a-be915cb4550b](http://budget.senate.gov/democratic/index.cfm/committeehearings?ContentRecord_id=e8232467-52bd-48db-8368-56cc1ae48ca6&ContentType_id=14f995b9-dfa5-407a-9d35-56cc7152a7ed&Group_id=d68d31c2-2e75-49fb-a03a-be915cb4550b)

The Senate Budget Committee held a hearing to receive testimony from Sen. Pete Domenici and Dr. Alice Rivlin, Co-Chairs of the Bipartisan Policy Center’s Debt Reduction Task Force. Domenici and Rivlin testified about the final report of the Debt Reduction Task Force.

### **Lifting the Crushing Burden of Debt**

House – Budget Committee – Hearing – March 10, 2011

<http://budget.house.gov/HearingSchedule/#03102011>

Witnesses:

Douglas Holtz-Eakin, President, American Action Forum, Former Director CBO

Carmen M. Reinhart, Senior Fellow, Peterson Institute for International Economics

Maya MacGuineas, President, Committee for a Responsible Federal Budget

John Podesta, President and CEO, Center for American Progress

*Robert Greenstein*

### **A Framework for Deficit Reduction: Principles and Cautions**

Center on Budget and Policy Priorities – March 2011 – 10 pages

<http://www.cbpp.org/cms/index.cfm?fa=view&id=3435&emailView=1>

“Policymakers in Washington are increasingly focusing on the possibility that the White House and Congress may enact comprehensive legislation this year to reduce annual deficits enough to stabilize the debt as a share

of the economy, which would put the nation back on a sustainable fiscal course. This report outlines the principles that policymakers should follow, and the steps they should avoid, in crafting such legislation.”

*Michael Tanner*

**Bankrupt Entitlements and the Federal Budget**

Cato Institute – Policy Analysis – March 28, 2011 – 36 pages

[http://www.cato.org/pub\\_display.php?pub\\_id=12880](http://www.cato.org/pub_display.php?pub_id=12880)

“The U.S. government is about to exceed its statutory debt limit of \$14.3 trillion. But that actually underestimates the size of the fiscal time bomb that this country is facing... Driving this massive increase in the size and cost of government are so-called "entitlement programs," in particular Social Security, Medicare, and Medicaid. Indeed, by 2050, those three programs alone will consume 18.4 percent of GDP. If one assumes that revenues return to and stay at their traditional 18 percent of GDP, then those three programs alone will consume all federal revenues. Therefore any serious attempt to balance the federal budget and reduce our growing national debt must include a plan to reform entitlements.”

*John H. Makin*

**Getting to Deficit Reduction**

American Enterprise Institute - Economic Outlook - March 2011 – 6 pages

<http://www.aei.org/docLib/EO-2011-03-g.pdf>

“Relatively strong growth in 2011 may fade when the Fed's second round of quantitative easing ends in June and the second stimulus is withdrawn in December. Against this backdrop, the 112th Congress must address a serious budget problem; the ratio of debt to gross domestic product (GDP) will continue to rise without aggressive deficit-reduction measures. Policymakers can arrest the slow death of the US economy by following prescriptions similar to those of the bipartisan deficit commission: cut federal spending, lower tax rates, stabilize the debt-to-GDP ratio, and avoid deflation. Waiting for a fiscal crisis to occur before taking action is unwise.”

**TAX POLICY**

**How Did We Get Here? Changes in the Law and Tax Environment since the Tax Reform Act of 1986**

Senate Committee on Finance – Hearing – March 1, 2011

<http://finance.senate.gov/hearings/hearing/?id=1b8fecb9-5056-a032-52d0-47a451564fcf>

“We will look at how the tax environment is different since we last revamped the code in the 1986 Tax Reform Act. And we will consider how globalization affects the central issues we face in tax reform. We have made 15,000 changes to the tax code since 1986, but many of these changes have stretched the code in different directions. Have these changes left us with a tax code that is more efficient, competitive and fair? How have these changes affected average Americans?”

*Mark Robyn and Gerald Prante*

**State-Local Tax Burdens Fall in 2009 as Tax Revenues Shrink Faster than Income: New Jersey's Citizens Pay the Most, Alaska's Least**

Tax Foundation - February 2011 – 14 pages

<http://www.taxfoundation.org/files/sr189.pdf>

For nearly two decades the Tax Foundation has published an estimate of the combined state-local tax burden shouldered by the residents of each of the 50 states. For each state, they calculate the total amount paid by the residents in taxes, and then divide those taxes by the state's total income to compute a "tax burden." The goal

is to focus not on the tax collectors but on the taxpayers. That is, they seek to answer the question: What percentage of income are the residents of this state paying in state and local taxes?

### **Does the Tax System Support Economic Efficiency, Job Creation and Broad-Based Economic Growth?**

United States Senate Committee on Finance – March 8, 2011

<http://finance.senate.gov/hearings/hearing/?id=849b3fad-5056-a032-527c-72eacba03d>

“Our tax code must maximize job creation and widespread economic growth (...) We need a tax code that supports putting Americans back to work. We also need a tax code that does all it can to ensure the long-term prosperity of our country(...)So let us ask how the tax code is positively and negatively affecting individual and businesses decisions. Let us question what more we can do to incentivize job creation and widespread economic growth. And let us determine how we can ensure our tax system drives our economy into the future, rather than putting the brakes on it.”

*Seth Hanlon and Michael Ettlinger*

### **Cut Spending in the Tax Code - Wasteful Spending in the Tax Expenditure Budget is Fertile Ground for Deficit Reduction**

Center for American Progress – Report - March 2011 – 36 pages

[http://www.americanprogress.org/issues/2011/03/pdf/tax\\_expenditures.pdf](http://www.americanprogress.org/issues/2011/03/pdf/tax_expenditures.pdf)

“The focus should be on the waste found in the largest area of spending, an area of the budget larger than Social Security, Medicare, Medicaid, or national defense: the more than \$1 trillion of tax-code spending hidden in the federal tax code. Dollars spent through the tax code in the form of tax breaks, called tax expenditures, are widely recognized to be the functional equivalent of direct government spending. After all, give a company a \$1,000 check to subsidize an activity, or give it \$1,000 off its tax bill—the company doesn’t care. Yet the federal government treats tax-code spending very differently than it does direct spending. This keeps tax-code spending hidden, out of sight of budget cutters, and in a generally privileged position in the budget process. Yet the potential savings from cutting spending through the tax code are substantial.”

How Do Complexity, Uncertainty and Other Factors Impact Responses to Tax Incentives? Watch Now United States Senate Committee on Finance – Hearing - March 30, 2011

<http://finance.senate.gov/hearings/hearing/?id=53a90b23-5056-a032-5218-f76d2266c431>

“Some of the tax code’s complexity is a result of incentives inserted in the code. That intentional complexity is what we are discussing today. Today we will ask our expert witnesses how to measure the effectiveness of a tax incentive, including our current incentives. And we will ask how to best structure incentives so people respond as we intended.”

### **Small Businesses and Tax Reform**

United-States House of Representatives – Hearing - Committee on Ways and Means – March 3, 2011

<http://www.waysandmeans.house.gov/Calendar/EventSingle.aspx?EventID=226307>

The Select Revenue Measures Subcommittee held a hearing on the special burdens that the tax code imposes on small businesses and pass-through entities and the need for comprehensive tax reform to address these problems”

*Duanjie Chen and Jack Mintz*

### **New Estimates of Effective Corporate Tax Rates on Business Investment**

Cato Institute – Tax and Budget Bulletin - February 2011 – 4 pages

[http://www.cato.org/pubs/tbb/tbb\\_64.pdf](http://www.cato.org/pubs/tbb/tbb_64.pdf)

“We find that the U.S. effective corporate tax rate on new investment was 34.6 percent in 2010, which was the highest rate in the OECD and the fifth-highest rate among 83 countries. The average OECD rate was 18.6 percent, and the average rate for 83 countries was 17.7 percent.”

*Scott A. Hodge*

**Who Benefits from Corporate “Loopholes”?**

Tax Foundation - March 1, 2011 – 7 pages

<http://www.taxfoundation.org/files/ff260.pdf>

“President Obama has been critical of so-called tax loopholes because, he maintains, they unfairly reward some industries—such as the oil and gas industry—and incentivize others to expand overseas rather than domestically. Despite this well stated position, the president’s recently released FY 2012 budget shows that, like most people, he believes there are good tax expenditures and bad tax expenditures, and one’s opinion and priorities determine which is which.”

## MONETARY POLICY

**The Semiannual Monetary Policy Report to the Congress**

United-States Senate Committee on Banking, Housing & Urban Affairs - March 1, 2011

[http://banking.senate.gov/public/index.cfm?FuseAction=Hearings.Hearing&Hearing\\_ID=9ff8158e-fc56-495b-aa5b-e957b981da96](http://banking.senate.gov/public/index.cfm?FuseAction=Hearings.Hearing&Hearing_ID=9ff8158e-fc56-495b-aa5b-e957b981da96)

“Following the stabilization of economic activity in mid-2009, the U.S. economy is now in its seventh quarter of growth; last quarter, for the first time in this expansion, our nation's real gross domestic product (GDP) matched its pre-crisis peak. Nevertheless, job growth remains relatively weak and the unemployment rate is still high(...)With job creation stalling, concerns about the sustainability of the recovery increased. At the same time, inflation--already at very low levels--continued to drift downward, and market-based measures of inflation compensation moved lower as investors appeared to become more concerned about the possibility of deflation, or falling price.”

## FINANCE

*Eric S. Rosengren*

**The Role of ‘Financial Myths’ in Financial Crises**

Federal Reserve Bank of Boston – February 28th, 2011 – 40 pages

<http://www.bostonfed.org/news/speeches/rosengren/2011/022811/022811.pdf>

“Today I’d like to discuss the role of what I call “financial myths” in creating financial crises. By financial myths I mean the beliefs, held by most market participants and by regulators, that certain outcomes are so unlikely to occur that they can basically be ignored – essentially that low probability events, based on historical experience, can be reclassified as zero probability events. When these sorts of widespread assumptions – these financial myths – turn out to be wrong, most financial-market participants find themselves poorly positioned for the resulting shocks”

*Silvio Contessi and Johanna L. Francis*

**TARP Beneficiaries and Their Lending Patterns During the Financial Crisis**

Federal Reserve Banks of St. Louis Review - March/April 2011 - pp. 105-25

<http://research.stlouisfed.org/publications/review/11/03/105-126Contessi.pdf>

This paper provides a systematic analysis of the lending performance of U.S. commercial banks and savings institutions that received financial support through the Capital Purchase Program (CPP) established in October 2008. The authors combine U.S. Treasury data on recipients of the CPP with quarterly financial data for the entire population of depository institutions to reconstruct aggregate lending and gross credit flows (expansion and contraction). CPP institutions experienced a less severe lending contraction than non-CPP institutions for all types of loans and bank asset levels. The authors find no evidence of unusual reallocation of lending across depository institutions.”

### **Brief Summary of the Dodd-Frank Wall Street Reform and Consumer Protection Act**

United States Senate Committee on Banking, Housing and Urban Affairs – March 2011 – 16 pages

[http://banking.senate.gov/public/\\_files/070110\\_Dodd\\_Frank\\_Wall\\_Street\\_Reform\\_comprehensive\\_summary\\_Final.pdf](http://banking.senate.gov/public/_files/070110_Dodd_Frank_Wall_Street_Reform_comprehensive_summary_Final.pdf)

“Years without accountability for Wall Street and big banks brought us the worst financial crisis since the Great Depression, the loss of 8 million jobs, failed businesses, a drop in housing prices, and wiped out personal savings. The failures that led to this crisis require bold action. We must restore responsibility and accountability in our financial system to give Americans confidence that there is a system in place that works for and protects them. We must create a sound foundation to grow the economy and create jobs”

*Harold Bradley, Robert Fawls, Robert E. Litan, and Fred Sommers*

### **Canaries in the Coal Mine – How the Rise in Settlements “Fails” Creates Systemic Risk for Financial Firms and Investors**

Ewing Marion Kauffman Foundation – Report – March 2011 – 18 pages

<http://www.kauffman.org/uploadedfiles/canaries-in-the-coal-mine-report.pdf>

“Our central conclusion is this: Every fail introduces a cumulative and potentially compounding liquidity risk into the orderly process of settling the \$7.5 trillion of security transactions completed each day, which could be especially dangerous during times when financial institutions are short of liquidity (as was true during the financial crisis of 2008).”

### **Legislative Proposals to Promote Job Creation, Capital Formation, and Market Certainty**

United-States House of Representatives – Committee on Financial Services – March 16, 2011

<http://financialservices.house.gov/Hearings/hearingDetails.aspx?NewsID=1800>

“Legislative Proposals: A bill to amend the definitions “major swap participant” and “major security based swap participant” in the Commodity Exchange Act and the Securities Exchange Act of 1934, respectively, A bill to repeal section 939G of the Dodd-Frank Wall Street Reform and Consumer Protection Act and to restore Securities and Exchange Commission Rule 436(g) repealed by such section, A bill to amend the Dodd-Frank Wall Street Reform and Consumer Protection Act to repeal certain additional disclosure requirements, and for other purposes “

### **BASEL III: Long-Term Impact on Economic Performance and Fluctuations**

FRB New York - Staff Report - February 2011 – 24 pages

[http://www.newyorkfed.org/research/staff\\_reports/sr485.html](http://www.newyorkfed.org/research/staff_reports/sr485.html)

The authors assess the long-term economic impact of the new regulatory standards (the Basel III reform), answering the following questions: 1) What is the impact of the reform on long-term economic performance? 2) What is the impact of the reform on economic fluctuations? 3) What is the impact of the adoption of countercyclical capital buffers on economic fluctuations? The main results are the following: 1) Each percentage point increase in the capital ratio causes a median 0.09 percent decline in the level of steady-state output, relative to the baseline. The impact of the new liquidity regulation is of a similar order of magnitude,

at 0.08 percent. This paper does not estimate the benefits of the new regulation in terms of reduced frequency and severity of financial crisis, analyzed in Basel Committee on Banking Supervision (2010b). 2) The reform should dampen output volatility; the magnitude of the effect is heterogeneous across models; the median effect is modest. 3) The adoption of countercyclical capital buffers could have a more sizable dampening effect on output volatility.

## HOUSING

### **The State of the Housing Market**

United States Senate Committee on Banking, Housing and Urban Affairs – Hearing – March 9, 2011  
[http://banking.senate.gov/public/index.cfm?FuseAction=Hearings.Hearing&Hearing\\_ID=abfc976f-f14f-46a9-807f-f1b0cd1b718e](http://banking.senate.gov/public/index.cfm?FuseAction=Hearings.Hearing&Hearing_ID=abfc976f-f14f-46a9-807f-f1b0cd1b718e)

The witnesses are: Dr. Susan Wachter, Richard B. Worley Professor of Financial Management, Professor of Real Estate and Finance, The Wharton School, University of Pennsylvania; Dr. Mark Calabria, Director of Financial Regulation Studies, the CATO Institute; Dr. David Crowe, Chief Economist, National Association of Home Builders; Mr. Ron Phipps, President, National Association of Realtors; and, Mr. Jeffrey Lubell, Executive Director of the Center for Housing Policy.

*Lawrence J. White*

### **Five Proposals for a New Housing Finance System in the United States: US Residential Mortgage Finance in a Post-GSE World**

Mercatus Center – George Mason University – March 2011 – 14 pages  
[http://mercatus.org/sites/default/files/publication/wp1110-us-residential-mortgage-finance-in-a-post-gse-world\\_1.pdf](http://mercatus.org/sites/default/files/publication/wp1110-us-residential-mortgage-finance-in-a-post-gse-world_1.pdf)

“The insolvencies and conservatorships of Fannie Mae and Freddie Mac in September 2008 have clearly established the inappropriateness of the “government-sponsored enterprise” (GSE) model for residential mortgage finance in the U.S(...) The paper lays out a vision for how private markets would (...) replace the GSEs and provide a fully functioning secondary market for residential mortgages. In the event that the private sector is deemed inadequate for the task, this paper also proposes a “side-by-side” private/government form of mortgage guarantee that would be superior to the “tail risk” or “catastrophe” government insurance proposals that have circulated as alternatives to the GSEs.”

### **The Administration’s Report to Congress: Reforming America’s Housing Finance Market**

United States Senate Committee on Banking, Housing and Urban Affairs – Hearing – March 15, 2011  
[http://banking.senate.gov/public/index.cfm?FuseAction=Hearings.Hearing&Hearing\\_ID=482a3e7b-b029-4711-8881-b2dad0b2f1b3](http://banking.senate.gov/public/index.cfm?FuseAction=Hearings.Hearing&Hearing_ID=482a3e7b-b029-4711-8881-b2dad0b2f1b3)

“There is bipartisan agreement that we need to restructure Fannie and Freddie and limit the government’s role in the mortgage market. But we have to be careful and get this right, and not rush towards a solution that might not be the right one just for the sake of acting quickly... The proposals we will discuss today outline options to properly target and limit the government’s involvement in the mortgage business... However, we need to clearly remember that the federal government became involved in the housing finance system because of a series of major failures in this sector.”

### **Public Proposals for the Future of the Housing Finance System**

United States Senate Committee on Banking, Housing & Urban Affairs – Hearing – March 29, 2011  
[http://banking.senate.gov/public/index.cfm?FuseAction=Hearings.Hearing&Hearing\\_ID=2b23a783-35ff-43f3-8b43-ad4b16e1b3cc](http://banking.senate.gov/public/index.cfm?FuseAction=Hearings.Hearing&Hearing_ID=2b23a783-35ff-43f3-8b43-ad4b16e1b3cc)

“On the economic front, data in recent months have been stronger than anticipated, with personal consumption expenditures and business spending propelling the current pace of economic recovery. The job market continues to improve, at a disappointing pace, and housing markets remain weak, but we are beginning to turn the corner with respect to mortgage performance. MBA (Mortgage Banker Association) continues to identify the key components and optimal structure of a safe, stable and liquid housing finance system for the long-term.”

## **OTHER ECONOMIC POLICIES**

### **Start Up America Partnership**

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

“The Startup America Partnership is an alliance of the country's most innovative entrepreneurs, corporations, foundations, and other private sector leaders working to dramatically increase the prevalence and success of high-growth enterprises in the U.S. The Partnership is the private sector's response to President Obama's Startup America campaign, which was launched at the White House on January 31, 2011, to celebrate, inspire, and accelerate high-growth entrepreneurship throughout the nation.”

### **Investing in Federal R&D**

United States Senate Committee on Commerce, Science & Transportation – Hearing – March 17th, 2011

[http://commerce.senate.gov/public/index.cfm?p=Hearings&ContentRecord\\_id=932ec1f9-1494-4080-bd64-576dfc0b1db9&ContentType\\_id=14f995b9-dfa5-407a-9d35-56cc7152a7ed&Group\\_id=b06c39af-e033-4cba-9221-de668ca1978a](http://commerce.senate.gov/public/index.cfm?p=Hearings&ContentRecord_id=932ec1f9-1494-4080-bd64-576dfc0b1db9&ContentType_id=14f995b9-dfa5-407a-9d35-56cc7152a7ed&Group_id=b06c39af-e033-4cba-9221-de668ca1978a)

“The President’s FY 2012 budget proposal—with its call for increases in science at the National Science Foundation and the National Institute of Standards and Technology—sets the right agenda for the future. However, we must first take action in this fiscal year. We simply cannot afford to continue jeopardizing our nation’s future by failing to invest today. This hearing is an opportunity to identify the hurdles we must overcome on the path toward a more competitive America. I am pleased to welcome to this Committee a group of witnesses who have tremendous insight into the challenges we face.”

*Robert Matheson, Adele C. Morris*

### **The Technical Basis for Spectrum Rights: Policies to Enhance Market Efficiency**

The Brookings Institute – March 2011 – 55 pages

[http://www.brookings.edu/~media/Files/rc/papers/2011/0303\\_spectrum\\_rights\\_matheson\\_morris/0303\\_spectrum\\_rights\\_matheson\\_morris.pdf](http://www.brookings.edu/~media/Files/rc/papers/2011/0303_spectrum_rights_matheson_morris/0303_spectrum_rights_matheson_morris.pdf)

“The inefficiencies inherent in the traditional command-and-control spectrum regulatory system are increasingly costly as demand for spectrum-dependent services explodes. This paper describes a conceptual framework to articulate clear rights of access to spectrum in a way that fosters a market-based allocation of the resource.”

### **Spurring Innovation and Job Creation: The SBIR Program**

House Committee on Small Business – Hearing – March 16, 2011

<http://smallbusiness.house.gov/Calendar/EventSingle.aspx?EventID=228546>

“This hearing marks the beginning of the Committee’s work to reauthorize the SBIR program. Last fully reauthorized in 2000, the SBIR program is an effective way to jump start entrepreneurs, grow our economy, and create jobs. This hearing will provide members with an opportunity to learn more about this important

program and will be the first in a series of Committee meetings aimed at fully examining the SBIR program before introducing reauthorizing legislation”

### **The State of Online Consumer Privacy**

United States Senate Committee on Commerce, Science & Transportation – Hearing – March 16th, 2011

[http://commerce.senate.gov/public/index.cfm?p=Hearings&ContentRecord\\_id=e018f33b-d047-4fba-b727-5513c66a6887&ContentType\\_id=14f995b9-dfa5-407a-9d35-56cc7152a7ed&Group\\_id=b06c39af-e033-4cba-9221-de668ca1978a](http://commerce.senate.gov/public/index.cfm?p=Hearings&ContentRecord_id=e018f33b-d047-4fba-b727-5513c66a6887&ContentType_id=14f995b9-dfa5-407a-9d35-56cc7152a7ed&Group_id=b06c39af-e033-4cba-9221-de668ca1978a)

“Wednesday’s hearing will examine commercial practices that involve collecting, maintaining, using, and disseminating large amounts of consumer information, some of it potentially very sensitive and private in nature. It comes on the heels of two new reports by the Federal Trade Commission and the U.S. Department of Commerce calling for greater privacy protections for Americans online. “

*Scott Wallsten*

### **The Universal Service Fund: What Do High-Cost Subsidies Subsidize?**

Technology Policy Institute - February 2011 – 18 pages

[http://www.heartland.org/custom/semod\\_policybot/pdf/29434.pdf](http://www.heartland.org/custom/semod_policybot/pdf/29434.pdf)

“The universal service program in the United States currently transfers about \$7.5 billion per year from telephone subscribers to certain telephone companies. Those funds are intended to help achieve particular policy goals, such as subsidizing telephone service in rural areas and making phone service more affordable to low-income people. The bulk of the funds, about \$4.5 billion per year, subsidizes firms operating in high-cost areas. A large literature documents the inefficiency and ineffectiveness of these subsidies, raising the question of where the money goes.”

*Robert Carbaugh and Thomas Tenerelli*

### **Restructuring the U.S. Postal Service**

Cato Journal – 2011 – 22 pages.

<http://www.cato.org/pubs/journal/cj31n1/cj31n1-9.pdf>

“The USPS has faced escalating problems for years, squeezed by the rise of online bill-paying and e-mail and competition from private delivery companies, and being hit hard by the recent recession. Former postmaster general John Potter has acknowledged that technology has rendered obsolete many aspects of his business model and that technological innovation is not going away. Although Potter made attempts to commercialize the USPS by cutting costs and increasing revenue, those efforts have fallen short.”

### **Ending Saturday Delivery Would Reduce Costs, but Comprehensive Restructuring Is Also Needed**

United States Government Accountability Office - March 2011 – 40 pages

<http://www.gao.gov/new.items/d11270.pdf>

“The U.S. Postal Service’s (USPS) financial Outlook has deteriorated as customers have shifted to electronic alternatives. Mail volumes have declined over 20 percent since fiscal year 2006 and are expected to continue declining. To help its financial Outlook, in March 2010, USPS presented a detailed proposal to the Postal Regulatory Commission (PRC) to move from a 6-day to a 5-day delivery schedule.”

## **LOCAL ECONOMIC DEVELOPMENT**

**State and Local Governments: Knowledge of Past Recessions Can Inform Future Federal Fiscal Assistance**

GAO – Report - March 31, 2011 – 68 pages  
<http://www.gao.gov/products/GAO-11-401>

“The most recent recession, which started in December 2007, is generally believed to be the worst economic downturn the country has experienced since the Great Depression. In response to this recession, Congress passed the American Recovery and Reinvestment Act of 2009 (Recovery Act), which provided state and local governments with about \$282 billion in fiscal assistance. The Recovery Act requires GAO to evaluate how national economic downturns have affected states since 1974. In this report, GAO (1) analyzes how state and local government budgets are affected during national recessions and (2) identifies strategies to provide fiscal assistance to state and local governments and indicators policymakers could use to time and target such assistance.”

*Elizabeth McNichol, Phil Oliff, Nicholas Johnson*

**States Continue to Feel Recession’s Impact**

Center on Budget and Policy Priorities – March 2011 – 13 pages  
<http://www.cbpp.org/files/9-8-08sfp.pdf>

“This report chronicles the short-term deficits states currently are facing, which will have to be closed as budgets are enacted for the upcoming fiscal year. These deficits are primarily caused by the continued slow economic growth and high unemployment that have depressed revenues, along with increased demand for services (...) State tax collections, adjusted for inflation, are now 11 percent below pre-recession levels.”

*David Madland and Nick Bunker*

**State Budget Deficits Are Not an Employee Compensation Problem - The Great Recession Is to Blame**

Center for American Progress Action Fund – March 2011 – 9 pages  
<http://www.americanprogressaction.org/issues/2011/03/pdf/statebudgetissuebrief.pdf>

“The conservative explanation for state budget deficits is that employee compensation for public-sector workers is out of control. But a close look at the facts demonstrates these claims are unjustified. Public-sector pay is not the cause of state budget deficits because public-sector compensation did not significantly increase in recent years. Instead, state tax revenues declined sharply amid the Great Recession.”

**Medicaid: Improving Responsiveness of Federal Assistance to States during Economic Downturns**

**GAO – Report - March 31, 2011 – 50 pages**  
<http://www.gao.gov/products/GAO-11-395>

“In response to the most recent U.S. recession, from December 2007 to June 2009, Congress passed the American Recovery and Reinvestment Act of 2009 (Recovery Act). To help states maintain their Medicaid programs and provide states with general fiscal relief, the Recovery Act temporarily increased the federal share of Medicaid funding for states. The federal funding states receive for Medicaid is determined by a statutory formula—the Federal Medical Assistance Percentage (FMAP). The Recovery Act also required GAO to study options for providing a temporary increased FMAP in response to future recessions. GAO reviewed how past recessions affected states’ ability to fund Medicaid, examined the responsiveness of past increased FMAP assistance to state needs, and identified options for adjusting the increased FMAP formula for use during future recessions.”

*Edwin Park and Matt Broaddus*

**Medicaid Block Grant Would Produce Disparate and Inequitable Results Across States**

Center on Budget and Policy Priorities - March 2011 – 12pages

<http://www.cbpp.org/files/3-10-11health.pdf>

“Some policymakers, including House Energy and Commerce Committee Chairman Fred Upton and House Budget Committee Chairman Paul Ryan, are considering converting Medicaid to a block grant to produce large federal budget savings (...) All states would face substantial reductions in federal funding under such a block grant,<sup>2</sup> but some states would likely be hit particularly hard — including states whose current Medicaid expenditure levels are relatively low and states whose expenditures would rise relatively quickly in future years due to demographic, economic, or other factors.”

*Howard Wial and Richard Shearer*

**Metro Monitor: Tracking Economic Recession and Recovery in America’s 100 Largest Metropolitan Areas**

The Brookings Institute - March 2011 – 7 pages

[http://www.brookings.edu/~media/Files/Programs/Metro/metro\\_monitor/2011\\_03\\_metro\\_monitor/0314\\_metro\\_monitor.pdf](http://www.brookings.edu/~media/Files/Programs/Metro/metro_monitor/2011_03_metro_monitor/0314_metro_monitor.pdf)

Nearly all the metropolitan areas whose economies have suffered the most since the start of the Great Recession are ones that experienced a large house price boom and bust or that depend heavily on auto or auto parts manufacturing... Job growth was sluggish and unemployment rates, although lower than at the end of 2009 in most large metropolitan areas, remained very high. Housing market performance was mixed; house prices fell in nearly all large metropolitan areas, but the pace of foreclosures slowed. As always, metropolitan economic performance varied greatly among the 100 largest metropolitan areas.

*Bruce Katz and Jennifer Bradley*

**Metro Connection - With Washington paralyzed by gridlock, states—and the metropolitan areas that power them—need to take the lead in rebuilding the economy**

Democracy – Article - Spring 2011 – 5 pages

<http://www.democracyjournal.org/20/metro-connection.php?page=2>

“We need to rebalance the American economy and cultivate the fundamentals that can bring prosperity back: robust exports, low-carbon technology, continuous innovation, and opportunity for all. And the path to a different and better American economy runs directly through our metropolitan areas... There is a lot that the federal government could do to lay the groundwork for the flourishing of metropolitan America: Set a price on carbon, invest intelligently in advanced research and development, make transformative investments in infrastructure, and overhaul our immigration laws.”

*Emily Garr*

**The Landscape of Recession: Unemployment and Safety Net Services across Urban and Suburban America**

The Brookings Institute – March 2011 – 12 pages

[http://www.brookings.edu/~media/Files/rc/papers/2011/0331\\_recession\\_garr/0331\\_recession\\_garr.pdf](http://www.brookings.edu/~media/Files/rc/papers/2011/0331_recession_garr/0331_recession_garr.pdf)

Twenty months following the official start of economic recovery, metropolitan communities across the country find themselves still struggling with high levels of unemployment and relying increasingly on services like SNAP. The demand for jobs and a social safety net—evident across cities and suburbs alike—is widespread, and will necessitate metropolitan-scale coordination to balance social and economic needs as the recovery progresses.

**Agritourism Takes Root in the Southeast**

FRB Atlanta – EconSouth - First Quarter 2011 - 4 pages

[http://www.frbatlanta.org/documents/pubs/econsouth/11q1\\_agritourism.pdf?d=1&s=email](http://www.frbatlanta.org/documents/pubs/econsouth/11q1_agritourism.pdf?d=1&s=email)

“Most Southerners are generations removed from their agrarian roots, if they ever had any. Agritourism, which combines elements of modern-day agriculture and tourism, is growing in popularity across the region as urban residents seek to play in the dirt again.”

## TRANSPORTATION

### **Automobile in American Life and Society**

<http://www.autolife.umd.umich.edu/>

Over the past century or so, the automobile has transformed the American experience in ways that are hard to fully comprehend. This website from the University of Michigan at Dearborn brings together commentary from scholars on the automobile's impact in the areas of environment, design, labor, gender, and race. These commentaries are written by leaders in their fields, including Stephen Meyer, Virginia Scharff, Margaret Walsh, and Thomas Sugrue. The essays are illustrated with archival materials from the collections of The Henry Ford and supplemented with resources such as discussion questions and writing assignments for students and teachers. Additionally, the site includes transcripts of a number of oral histories of automotive designers taken by The Henry Ford in the 1980s.

### **Alternative Approaches to Funding Highways**

CBO – Study – March 2011 – 38 pages

<http://www.cbo.gov/doc.cfm?index=12101>

“About 25 percent of the nation's highways, which carry about 85 percent of all road traffic, are paid for in part by the federal government. Federal spending on highways comes primarily from taxes on gasoline and diesel fuel, but those and other taxes paid by highway users do not yield enough revenue to support current or proposed federal spending on highways. Although raising fuel taxes would increase revenue, those taxes alone cannot provide a strong incentive for highway users to consider all of the costs their road use imposes on others. This CBO study, prepared at the request of the Senate Budget Committee, examines broad alternatives for federal funding of highways, focusing on fuel taxes and on other taxes that could be assessed on the basis of the number of miles that vehicles travel.”

### **Finding Ways to Encourage and Increase Private Sector Participation in Passenger Rail Service**

House Transportation and Infrastructure Committee – Memo and Hearing - March 11, 2011

<http://republicans.transportation.house.gov/hearings/hearingdetail.aspx?NewsID=1149>

The hearing focuses on how to make intercity passenger rail more effective and less expensive, particularly through competition in providing these services. The hearing will also look at the Federal Railroad Administration's (FRA) and Amtrak's implementation of the Passenger Rail Investment and Improvement Act of 2008, which was the first passenger rail authorization bill in 11 years, with an eye toward reforms or correction to the provisions of that Act that should be made in the upcoming surface transportation reauthorization bill.

## EMPLOYMENT – WAGES - UNIONS

### **CBO's Labor Force Projections Through 2021**

Congressional Budget Office – March 2011 – 34 pages

<http://www.cbo.gov/ftpdocs/120xx/doc12052/03-22-LaborForceProjections.pdf>

“In producing regular reports on the state of the U.S. economy and 10-year and longer-term projections of the nation's budget and economic outlook, CBO examines many developments that could have short- or longer-term consequences for the budget and the economy. In coming decades, one such development is expected to be a slower rate of growth of the labor force relative to its average over the past few decades... This background paper describes CBO's methods for projecting such trends through 2021, updating CBO's Projections of the Labor Force, a CBO Background Paper published in September 2004.”

*Bart Hobijn, Colin Gardiner, and Theodore Wiles*

**Recent College Graduates and the Labor Market**

Federal Reserve Bank of San Francisco - March 21, 2011- 5 pages

<http://www.frbsf.org/publications/economics/letter/2011/el2011-09.pdf>

“In the recent recession and recovery, the unemployment rates, part-time employment trends, and earnings growth of recent college graduates have closely mirrored the patterns they displayed during the cyclical recession of 2001 and the subsequent jobless recovery. Recent college graduates are typically not subject to structural frictions that can contribute to weak labor markets, such as mismatches between the skills of job seekers and the needs of employers. Similarities in the labor market experiences of recent college graduates in the two recessions and recoveries suggest that the current high unemployment rate is primarily cyclical.”

**Clean Air Act and Jobs**

Senate Committee on Environment and Public Works – Hearing - March 17, 2011

[http://epw.senate.gov/public/index.cfm?FuseAction=Hearings.Hearing&Hearing\\_ID=a5bc5d16-802a-23ad-47f8-159a4c0058a6](http://epw.senate.gov/public/index.cfm?FuseAction=Hearings.Hearing&Hearing_ID=a5bc5d16-802a-23ad-47f8-159a4c0058a6)

“My colleagues and the Obama EPA believe that more regulation, even if draconian, necessarily means more benefits and more jobs. As David Montgomery of CRA International will show, this is simply wrong.”

*Bhashkar Mazumder*

**How Did Unemployment Insurance Extensions Affect the Unemployment Rate in 2008–10?**

Chicago Federal Letter – April 2011 – 4 pages

[http://www.chicagofed.org/digital\\_assets/publications/chicago\\_fed\\_letter/2011/cflapril2011\\_285.pdf](http://www.chicagofed.org/digital_assets/publications/chicago_fed_letter/2011/cflapril2011_285.pdf)

“In summary, the base case and alternative estimates using the approach outlined in this article suggest that the extension of unemployment insurance benefits during the recent economic downturn can account for somewhere in the neighborhood of 1 percentage point of the increase in the unemployment rate, with a preferred estimate of 0.8 percentage points”

*Lawrence Mishel Heidi Shierholz*

**The Sad but True Story of Wages in America**

Economic Policy Institute – March 2011 – 5 pages

[http://epi.3cdn.net/3b7a1c34747d141327\\_4dm6bx8ni.pdf](http://epi.3cdn.net/3b7a1c34747d141327_4dm6bx8ni.pdf)

“Recent debates about whether public- or private-sector workers earn more have obscured a larger truth: all workers have suffered from decades of stagnating wages despite large gains in productivity. The current public discussion illogically pits state and local government employees against private workers, when both groups have failed to sufficiently benefit from the economic fruits of their labors. This paper examines trends in the compensation of public (state and local government) and private-sector employees relative to the growth of productivity over the past two decades.”

*Andrew Biggs, Jason Richwine*

### **Comparing Federal and Private Sector Compensation**

American Enterprise Institute – March 2011 – 21 pages

<http://www.aei.org/docLib/AEI-Working-Paper-on-Federal-Pay.pdf>

“Public sector compensation has come under increased scrutiny from politicians and the media, but comprehensive technical comparisons of federal and private pay have been largely absent from the discussion. Drawing from the academic literature and using the most recent government data, this report measures the generosity of federal pay and benefits, including the implicit compensation that federal employees derive through greater job security (...) Reducing federal pay to market levels could save taxpayers roughly \$60 billion per year”.

*Jeffrey H. Keefe*

### **Desperate Techniques Used to Preserve the Myth of the Overcompensated Public Employee**

Economic Policy Institute - March 2011 – 9 pages

[http://www.epi.org/publications/entry/desperate\\_techniques\\_used\\_to\\_preserve\\_the\\_myth\\_of\\_the\\_overcompensated\\_publi/](http://www.epi.org/publications/entry/desperate_techniques_used_to_preserve_the_myth_of_the_overcompensated_publi/)

“Efforts to roll back public sector wages and benefits and collective bargaining are under way in many states, with proponents claiming that overpaid public sector workers are a drag on state budgets. Our widely disseminated research refuting that claim has been targeted by critics. But as this paper shows, the criticisms leveled against our analyses of public employee compensation are themselves unsound. This paper responds to the criticisms that suggest our results are biased.”

### **Labor Unions Seen as Good for Workers, Not U.S. Competitiveness**

Pew Research Center - February 17, 2011

<http://people-press.org/2011/02/17/labor-unions-seen-as-good-for-workers-not-u-s-competitiveness/>

“The favorability ratings for labor unions remain at nearly their lowest level in a quarter century with 45% expressing a positive view. Yet the public expresses similar opinions about business corporations – 47% have a favorable impression – and this rating is also near a historic low. (...) In general, Americans do not believe that union agreements give union workers unfair advantages over other workers. Slightly more than half (55%) say that labor agreements ensure that union workers are treated fairly, while only about a third (34%) say the agreements give union workers unfair advantages.”

## **IMMIGRATION ECONOMIC ISSUES**

*Pia Orrenius and Madeline Zavodny*

### **From Brawn to Brains - How Immigration Works for America**

Federal Reserve Bank of Dallas – 2010 - Annual report – 14 pages

<http://www.dallasfed.org/fed/annual/2010/ar10b.pdf>

“Future U.S. prosperity depends on having a skilled workforce. This requires educating the native-born population and continuing to attract the world’s best and brightest to the U.S. For decades, the nation has been the world leader in attracting skilled immigrants who, until recently, had few good alternatives. Today, other destination countries increasingly recognize the economic benefits of these workers and are designing policies to attract them, even as the immigrants’ nations of origin seek ways to entice them to return home.”

### **Immigration Reform and U.S. Economic Performance**

Council on Foreign Relations - Expert Roundup - March 14, 2011

<http://www.cfr.org/immigration/immigration-reform-us-economic-performance/p24358>

As the United States struggles to rebound from the economic downturn and policymakers try to figure out how to improve U.S. global competitiveness, the question of immigration reform has become more urgent. Approximately eleven million unauthorized immigrants are estimated to be currently living and working in the United States. But as unemployment hovers near 9 percent nationally, many Americans are concerned that these immigrants are taking away jobs and resources. The six experts interviewed support immigration reform and improving the legalization process, but otherwise have divergent views.

### **Filling Labor Shortages through Immigration: An Overview of Shortage Lists and Their Implications**

Migration Policy Institute, February 2011

<http://www.migrationinformation.org/USfocus/display.cfm?id=828>

Some skills and abilities are in short supply, even in times of recession, and sometimes vacancies in certain sectors are particularly hard to fill. Since immigration brings new workers to the economy who might fill these gaps, immigration policy represents a logical part of any strategy that addresses recruiting difficulties

*Peter H. Schuck John E. Tyler*

### **Making the Case for Changing U.S. Policy Regarding Highly Skilled Immigrants**

Fordham Urban Law Journal – March 2011 – 36 pages

[http://law.fordham.edu/assets/ULJ/Schuck-Tyler\\_Christensen.pdf](http://law.fordham.edu/assets/ULJ/Schuck-Tyler_Christensen.pdf)

“The authors contend that the pace, strength and magnitude of U.S. innovation and economic growth will depend, in part, on changing our approach to visas for highly skilled immigrants, particularly those who graduate from U.S. universities with degrees in science, technology, engineering and math. Historically, HSIs in these degree fields have disproportionately catalyzed and expanded U.S. innovation, jobs, wealth creation and resulting advances in human welfare. New policy approaches--which could include a new class of provisional visas, purposeful recruiting of HSIs with preferred skills and experiences, and a job creators visa--could better deploy these talents and help boost job creation and economic growth.”

## **HEALTH ECONOMIC ISSUES**

### **Health Reform: Lessons Learned During the First Year**

Senate Committee on Finance – Hearing – March 16, 2011

<http://finance.senate.gov/hearings/hearing/?id=1c311317-5056-a032-52b1-d9445ad6f868>

Statements by Max Baucus (D-MT) and Orrin G. Hatch (R-UT)

Witnesses: Kathleen Sebelius, Secretary of Health and Human Services, United States Department of Health and Human Services; Paul Van de Water, Center on Budget and Policy Priorities, Washington, DC; Douglas Holtz-Eakin, President, American Action Forum, Washington, DC

*D. Eric Schansberg*

### **Envisioning a Free Market in Health Care**

Cato Journal – March 2011 – 32 pages

<http://www.cato.org/pubs/journal/cj31n1/cj31n1-2.pdf>

“It is increasingly obvious that government solutions to health care are not effective. People often find market outcomes appealing. Proponents of free markets in health care should work to make the most persuasive case for real reform and to achieve incremental reforms where possible. “

### **The Pressures of Rising Costs on Employer Provided Health Care**

United States House of Representatives - Education and the Workforce Committee – March 10, 2011  
<http://edworkforce.house.gov/Calendar/EventSingle.aspx?EventID=227131>

“Roughly 170 million individuals receive health insurance through an employer-provided health care plan. It has become central to our nation’s health care system. While not perfect, it has served employers and employees well for nearly forty years. Any changes to the nation’s health care system will affect the lives of millions of employers, workers, and families (...) that is why the challenge of rising costs is a pressing national concern. An aging workforce, more advanced therapies, higher utilization of services, and fewer providers are just some of the factors contributing to the increases. As policy makers, we have a responsibility to understand the underlying causes of these factors and to consider commonsense solutions that ultimately reduce expenses for workers and their families.”

*Jason Saving*

### **Federal Health Care Law Promises Coverage for All, But at a Price**

Federal Reserve Bank of Dallas - March 2011 – 4 pages  
<http://dallasfed.org/research/eclett/2011/e11102.pdf>

“The health care reform law was designed to expand coverage while also controlling costs. The law certainly will provide insurance for millions of currently uninsured Americans. However, it is unlikely to simultaneously “bend the cost curve.” That is the more difficult task left to future policymakers to resolve.”

*David Balto*

### **Making Health Reform Work: Accountable Care Organizations and Competition**

Center for American Progress – Report - February 2011 – 26 pages  
[http://www.americanprogress.org/issues/2011/02/pdf/aco\\_competition.pdf](http://www.americanprogress.org/issues/2011/02/pdf/aco_competition.pdf)

One critical element under the Affordable Care Act is the formation of accountable care organizations, or ACOs, which seek to create integrated entities of hospitals, physicians, and other health care providers, to better control health care costs and deliver high-quality services. As explained in this paper, antitrust enforcers are frequently skeptical of integration, and in the past, administration antitrust enforcement—or the threat and cost of enforcement—was often a barrier to efficient collaboration. At the same time, reduced enforcement led to the growth of market power, especially in health insurance and hospital markets. The result was that if antitrust enforcement was an answer, it was the answer to the wrong problem. Fortunately, in the Obama administration, health care antitrust enforcement is beginning to focus on the critical health care competition issues.”

*Alex Brill*

### **Overspending on Multi-Source Drugs in Medicaid**

American Enterprise Institute – Working paper – March 28, 2011 – 16 pages  
<http://www.aei.org/paper/100207>

“This working paper analyzes a large subset of 2009 Medicaid drug data from the Medicaid drug program and identifies twenty popular multi-source drugs (that is, prescription drugs for which both brand and generic versions are available) for which there are significant sales of the more costly product. The findings are consistent with the widely held opinion that brand drugs are more expensive than therapeutically equivalent generic products. Given this, the paper quantifies the potential savings that could have been achieved had Medicaid consistently used the lower-cost version of each of these twenty products.”

## TRADE

### **The President's 2011 Trade Agenda**

Senate Committee on Finance – Hearing – March 9, 2011

<http://finance.senate.gov/hearings/hearing/?id=b3348fe0-5056-a032-52ab-fd736221edc9>

“Our work is producing results. U.S. goods and services exports through 2010 were up \$261 billion over 2009. We are on pace to reach President Obama’s National Export Initiative (NEI) goal of doubling exports by the end of 2014. The NEI’s success will require a vigorous trade policy that opens markets and creates commercial opportunities for American firms. The 2011 Trade Policy Agenda builds on the significant progress we made in 2010 with a job-focused, comprehensive trade policy that benefits American businesses, workers, farmers and ranchers. Opening global trade markets and enforcing America’s trade rights continue to be key components of our economic recovery effort.”

### **Pending, Job-Creating Trade Agreements**

US House of Representatives - Committee on Ways and Means – Hearings - March 17 and 30, 2011

<http://www.waysandmeans.house.gov/Calendar/EventSingle.aspx?EventID=228803>

<http://www.waysandmeans.house.gov/Calendar/EventSingle.aspx?EventID=230458>

“The focus of the hearings is on Congressional consideration of the pending trade agreement with Panama. The hearing will address the economic benefits this agreement will bring to American businesses, farmers, workers, consumers, and the U.S. economy. In addition, the hearing will examine the national security and geopolitical implications of the agreement, as well as Panama’s tax transparency”

### **APEC 2011: Breaking Down Barriers, Creating Economic Growth**

United States Senate Committee on Finance – Hearing - March 31, 2011

<http://finance.senate.gov/hearings/hearing/?id=1ffeae53-5056-a032-522a-8424d50b51a3>

“American companies frequently face barriers when they seek to export their products abroad. Rather than bricks and mortar, these are tariff and non-tariff barriers. Today, we are here to discuss the Asia-Pacific Economic Cooperation forum, or APEC, which is dedicated to breaking through these economic walls.”

*Daniel Ikenson*

### **Protection Made to Order - Domestic Industry’s Capture and Reconfiguration of U.S. Antidumping Policy**

Cato Institute – Trade Policy Analysis - December 2010 – 24 pages

<http://www.cato.org/pubs/tpa/tpa-044.pdf>

“The evolution of U.S. antidumping policy is marked by distinct inflection points corresponding to legal and administrative changes favorable to protection-seekers. In the decades following World War II, the U.S. antidumping apparatus was gradually captured by interested parties, and the law transformed from one predicated on protecting consumers and preserving competition into a tool that suppresses competition in the name of remedying “injury” done to domestic producers. The arcane mix of statutory rules and discretionary whimsy that emerged is a far cry from the first antidumping law—in both practice and intent.”

## INTERNATIONAL RELATIONS

*C. Randall Henning*

### **Coordinating Regional and Multilateral Financial Institutions**

Peterson Institute for International Economics – March 2011 – 49 pages

<http://www.piiie.com/publications/wp/wp11-9.pdf>

“Recent crises and the expansion of international financial arrangements have dramatically elevated the importance of cooperation between regional institutions and the International Monetary Fund (IMF)... This paper reviews (1) the case for organizing cooperation on an ex ante basis, (2) the policy and institutional matters that should be coordinated, (3) how East Asian arrangements in particular and the IMF might cooperate, and (4) an Interinstitutional Agenda of general principles, modalities, and institutional recommendations. The G-20, member states, and institutions themselves should address this agenda proactively.”

*Larry D. Wall, María J. Nieto, and David Mayes*

**Creating an EU-Level Supervisor for Cross-Border Banking Groups: Issues Raised by the U.S. Experience with Dual Banking**

FRB Atlanta - Working Paper – March 2011 – 27 pages

<http://www.frbatlanta.org/documents/pubs/wp/wp1106.pdf>

Some propose supplementing national supervision of banks in the European Union with an EU-level supervisor for cross-border groups. This proposal is examined by the authors through the prism of the experience in the United States with dual banking.

*Fernanda Nechio*

**Long-Run Impact of the Crisis in Europe: Reforms and Austerity Measures**

FRB San Francisco – Economic Letter – March 7, 2011 - 5 pages

<http://www.frbsf.org/publications/economics/letter/2011/el2011-07.pdf>

“The euro area faces its first sovereign debt crisis, highlighting the fiscal imbalances of member countries. Troubled countries are implementing austerity measures, with adjustments focusing on the short and medium run. However, a long-run solution to Europe’s problems requires economic reforms that increase competitiveness and reduce labor costs in the peripheral countries. Such reforms would promote convergence of the euro-area economies and enhance the long-run sustainability of monetary union.”