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N° 111 – January 2009

GENERAL INTEREST

Performance 2009: Productivity, Employment, and Growth in the World's Economies

The Conference Board - January 22, 2009 – 20 pages

http://www.conference-board.org/pdf_free/Productivity2009.pdf

Despite a slowdown in world productivity in 2008, output per hour worked in the United States increased slightly by 1.7 percent, up from 1.5 percent in 2007, according to the latest annual. The most recent productivity advances have been realized, however, through rapid layoffs, suggesting that the productivity of remaining workers and firms is actually strengthening.

Economic Report of the President

Council of Economic Advisors - January 2009 419 pages

http://www.gpoaccess.gov/eop/2009/2009_erp.pdf

The report contains current/foreseeable trends and annual numerical goals concerning topics such as employment, production, real income, and Federal budget outlays.

The Global Economy: Outlook, Risks, and Implications for Policy

Senate Budget Committee – Hearing – January 29, 2008

- [Dr. Simon Johnson](#) -- Ronald Kurtz Professor of Entrepreneurship, MIT Sloan School of Management
-- Senior Fellow, Peterson Institute for International Economics
- [Dr. Brad W. Setser](#) -- Fellow for Geoeconomics, The Council on Foreign Relations
- [Mr. Tim Adams](#) -- Managing Director, The Lindsey Group

Recession Rewind

The Urban Institute - Reports

<http://www.urban.org/toolkit/issues/recession.cfm>

“As economists, policymakers, pundits, and the public debate whether we're in a recession, UI researchers review the lessons from the 2001 recession and its aftermath. Have we learned from our past?”

S. Kathi Brown

A Year-End Look at the Economic Slowdown's Impact on Middle-Aged and Older Americans

American Association of Retired Persons - January 2009 – 34 pages

http://assets.aarp.org/rgcenter/econ/economic_slowdown_09.pdf

Throughout 2008, the economy was battered by falling housing prices and increasing foreclosure rates, record stock market losses, rising unemployment, and weak consumer spending. An overwhelming majority of Americans ages 45+ believe that the economy is in bad shape. As a result of the economic downturn, the majority say that they cut back on entertainment spending (68%) and eating out (64%) during 2008. Additionally, 52 percent had more difficulty paying for essential items such as food, gas, and medicine in 2008, and 44 percent found it more difficult to pay for utilities.

A First Look at the Foundation and Corporate Response to the Economic Crisis

Foundation Center – Report - January 2009 – 4 pages

http://foundationcenter.org/gainknowledge/research/pdf/researchadvisory_economy_200901.pdf

The report is an examination of foundation and corporate support in response to the current economic crisis. It is part of a research series intended to shed light on the impact of the economic downturn on the nonprofit sector.

ECONOMIC RECOVERY

Economic Stimulus: Issues and Policies

Congressional Research Service – January 23, 2009 – 23 pages

http://assets.opencrs.com/rpts/R40104_20090123.pdf

The need for additional fiscal stimulus depends on the state of the economy... Fiscal policy temporarily stimulates the economy through an increase in spending which also, if not offset by increases in revenue, increases the budget deficit... Economists generally agree that spending proposals are somewhat more stimulative than tax cuts since part of a tax cut may be saved by the recipients.

Summary of the American Recovery and Reinvestment Act

Senate – Appropriations Committee – February 2, 2009 – 5 pages

<http://appropriations.senate.gov/>

“The American Recovery and Reinvestment Act of 2009 combines two essential ingredients needed to bring our economy back to life,” said Senate Appropriations Chairman Daniel K. Inouye (D-Hawaii). “We will create four million jobs in the near-term, and invest in America’s future by rebuilding our crumbling infrastructure for the long-term. In addition, this bill includes more than \$301 billion to aid state and local governments as they struggle to meet increasing demand for social services amidst plummeting tax revenues. As we address this crisis, we must never lose sight of our responsibility to avoid wasteful spending by providing strict accountability and oversight measures. We must invest this money quickly, but also wisely.”

Scott Lilly

Pumping Life Back into the U.S. Economy - Why a Stimulus Package Must Be Big and Targeted

Center for American Progress – Report - January 2009 – 28 pages

http://www.americanprogress.org/issues/2009/01/pdf/lilly_stimulus.pdf

“Priming the pump” is a metaphor that economists have frequently used to explain a policy of using government deficits to restore the circulation of goods, services, and money in a struggling economy. As our economy continues to deteriorate after nearly a year in recession, the question of pump priming becomes a central issue in public discourse. But there are a number of questions that need to be addressed before enacting any economic stimulus plan.”

Repower America with Green Education, Green Jobs, Green Schools

National Wildlife Federation - January 8, 2009

http://www.nwf.org/nwfwebadmin/binaryVault/Education_Fact_Sheet2.pdf

http://www.nwf.org/nwfwebadmin/binaryVault/Campus_Report_Card_Fact_Sheet.pdf

Economic and education experts join National Wildlife Federation to push for green stimulus investments that would re-power America with green education, green jobs and green schools. Investments in education generate 23.1 jobs per \$1 million in spending, nearly five times more jobs created than oil and natural gas sector spending, according to Robert Pollin, Department of Economics and Political Economy Research Institute, University of Massachusetts-Amherst.

Green Stimulus Proposals

Senate – Committee on Energy and Natural Resources – Source Book – January 2009

http://energy.senate.gov/public/index.cfm?FuseAction=IssueItems.View&IssueItem_ID=ce27babd-d579-40ce-91e9-7b41510d97d3

“The purpose of this Green Book is to make available the principal ideas and proposals for the upcoming economic stimulus package that relate to “green” Federal programs or technologies in the jurisdiction of the Committee on Energy and Natural Resources of the United States Senate. The Committee has primary jurisdiction over a wide range of energy and public lands programs and policies that relate to the concept of a “green” economic stimulus. I have directed the Committee’s Majority Staff to assemble these ideas and proposals, and to make them available in a single compilation.”

A Proposal to Rebuild America by Investing in Transportation and Environmental Infrastructure

House – Transportation and Infrastructure Committee - December 12, 2008 – 41 pages

[http://transportation.house.gov/Media/File/Full%20Committee/20090107/Rebuild%20America%20\(updated%2012-12-08%20proposal\).pdf](http://transportation.house.gov/Media/File/Full%20Committee/20090107/Rebuild%20America%20(updated%2012-12-08%20proposal).pdf)

“The Rebuild America proposal provides \$85 billion of infrastructure investment to enhance the safety, security, and efficiency of our highway, transit, rail, aviation, environmental, inland waterways, public buildings, and maritime transportation infrastructure.”

Infrastructure Investment: Ensuring an Effective Economic Recovery Package

House – Transportation and Infrastructure Committee – Hearing - January 22, 2009

<http://transportation.house.gov/hearings/hearingDetail.aspx?NewsID=798>

The Committee on Transportation and Infrastructure held a hearing to examine how infrastructure investment contributes to job creation and economic recovery. The hearing addressed infrastructure across the Committee's jurisdiction, including highways, bridges, public transportation, rail, aviation, ports, waterways, wastewater treatment facilities, and Federal buildings. It includes 18 written statements.

Jessica Milano

Building America's 21st Century Infrastructure

Progressive Policy Institute - Memo to the Next President – January 15, 2008

http://www.ppionline.org/ppi_ci.cfm?knlgAreaID=450020&subsecID=900200&contentID=254788

“America spends only about 2 percent of GDP per year on infrastructure investment (this includes federal, state, local, and private-sector spending). By contrast, that number is about 5 percent in Europe and between 9 percent and 12 percent in China... With the economy slumping, fuel costs rising over time, and private capital

looking for new investment opportunities, infrastructure projects can boost our global competitiveness and create jobs at the same time. Many studies have pointed to a positive correlation between such investment and economic growth.”

Memo to the President: Invest in Infrastructure for Long-Term Prosperity

The Brookings Institution – Memo + event – January 12, 2009

http://www.brookings.edu/papers/2009/0112_prosperity_memo.aspx

http://www.brookings.edu/~media/Files/events/2009/0112_infrastructure/20090112_infrastructure.pdf

“President-elect Obama is preparing plans for an immediate economic stimulus package. At the same time, his new administration must consider how to make investments that will stabilize and strengthen our economy over the long term. Smart investments in infrastructure, innovation and life-long learning can enhance national prosperity—especially in metropolitan areas, where the bulk of our population lives and jobs are located.”

Robert Atkinson, Daniel Castro and Stephen Ezell

The Digital Road to Recovery: A Stimulus Plan to Create Jobs, Boost Productivity and Revitalize America

The Information Technology and Innovation Foundation – Report - January 07, 2009 – 22 pages

<HTTP://WWW.ITIF.ORG/FILES/ROADTORECOVERY.PDF>

This report provides a detailed analysis and estimate of the short-term jobs impacts of using the stimulus package to spur investment in three critical digital networks: broadband, the smart grid and health IT.

Arts & the Economy: Using Arts and Culture to Stimulate State Economic Development

National Governors Association - Web posted January 15, 2009 – 44 pages

<http://www.nga.org/Files/pdf/0901ARTSANDECONOMY.PDF>

Fostering the arts and culture sector has played a vital role in state economic development, according to the report. Arts and culture-related industries, collectively known as “creative industries,” provide direct economic benefits to states and communities by creating jobs, attracting new investments, generating tax revenues and stimulating tourism and consumer purchases.

FISCAL AND TAX POLICIES

Jacob Funk Kirkegaard

Did Reagan Rule In Vain? A Closer Look at True Expenditure Levels in the United States and Europe

Peterson Institute – Policy brief – January 2009 - 14 pages

<http://www.petersoninstitute.org/publications/pb/pb09-01.pdf>

“Conventional wisdom holds that the United States is a country of low taxes and small government, while the European countries have much larger governments with a higher tax burden. Fully measuring the role of government in a society, however, requires more than a comparison of tax burdens or the gross size of government spending in GDP terms. A proper accounting of the total share of national economic output allocated to governmental tasks and social expenditures in the United States and Europe calls this supposed transatlantic difference into question. “

The Budget and Economic Outlook: Fiscal Years 2009 to 2019

Congressional Budget Office – January 2009 – 58 pages

<http://www.cbo.gov/doc.cfm?index=9957>

“The sharp downturn in housing markets across the country, which undermined the solvency of major financial institutions and severely disrupted the functioning of financial markets, has led the United States into a recession that will probably be the longest and the deepest since World War II. The Congressional Budget Office (CBO) anticipates that the recession—which began about a year ago—will last well into 2009.”

The Economic Outlook and Budget Challenges

House – Committee on the Budget – Hearing - January 27, 2009

<http://budget.house.gov/hearings.aspx#090127>

Witnesses:

Douglas Elmendorf, Director, Congressional Budget Office

Alice Rivlin, Senior Fellow, Brookings Institution

Mark Zandi, Chief Economist and Cofounder, Moody's Economy.com

Laurence Meyer, Vice Chairman, Macroeconomic Advisers, LLC

Kevin Hassett, Senior Fellow and Director of Economic Policy Studies, American Enterprise Institute

Robert Bixby, William Galston, Ron Haskins, Julia Isaacs, Maya MacGuineas, Will Marshall, Pietro Nivola, Rudolph Penner, Robert Reischauer, Alice Rivlin, Isabel Sawhill, Eugene Steuerle

A Budget We Can Believe In

The Brookings Institution – Memo to the President – January 27, 2009

http://www.brookings.edu/papers/2009/0127_budget_memo_sawhill.aspx

“Your first budget will be a defining document. It will cast the basic mold of your administration, highlight your key priorities, and specify how you are going to deliver on your most important campaign promises or modify them in light of new developments. The decisions you make in shaping this budget will be among the most consequential of your tenure. “

Addressing Short- and Long-Term Fiscal Challenges

Senate Budget Committee – Hearing – January 21, 2008

- [Hon. Alice M. Rivlin](#) -- Director, Greater Washington Research, The Brookings Institution
- [Dr. Robert D. Reischauer](#) -- President, Urban Institute
- [Dr. Rudolph G. Penner](#) -- Senior Fellow, Urban Institute

The Debt Outlook and its Implications for Policy

Senate Budget Committee – Hearing – January 15, 2008

- [Dr. Richard Berner](#) -- Managing Director and Chief US Economist, Morgan Stanley
- [Dr. Allen Sinai](#) -- President and Chief Global Economist/Strategist, Decision Economics, Inc.
- [Dr. Douglas Holtz-Eakin](#) -- President, DHE Consulting, LLC

J.D. Foster

The Global Government Debt Bubble Threatens the Economy

Heritage Foundation - WebMemo - January 30, 2009 – 3 pages

http://www.heritage.org/Research/Economy/upload/wm_2257.pdf

President Barack Obama and top Congressional Democrats are leading the world toward a new global government debt bubble. The United States appears headed toward a multi-trillion-dollar increase in publicly traded federal debt in just the next two years, with much more to come. Other nations appear to be following suit.

David Y. Albouy

The Unequal Geographic Burden of Federal Taxation

NBER - Working Paper - May 2008 – 70 pages

<http://papers.nber.org/papers/w13995>

“In the United States, workers in cities offering above-average nominal wages -- cities with high productivity, low quality-of-life, or inefficient housing sectors -- pay 30 percent more in federal taxes than otherwise identical workers in cities offering below-average wages. According to simulation results, federal taxes lower long-run employment levels in high-wage areas by 15 percent and land and housing prices by 25 and 4 percent, leading to locational inefficiencies costing 0.28 percent of income, or \$34 billion in 2005. Indexing taxes to local wage-levels eliminates these locational inefficiencies. Tax deductions index taxes partially to local cost-of-living and improve locational efficiency.”

MONETARY POLICY

FINANCIAL CRISIS

Roots of the Financial Crisis: The Role of Government Policy

U.S. House of Representatives, Budget Committee, Republicans - Web posted January 10, 2009 – 13 pages

http://www.house.gov/budget_republicans/press/2007/pr20090108rootcauses.pdf

Although failures among private-sector actors and institutions were significant, the roots of the financial crisis can be traced to flawed government policies. The housing sector, where most of the difficulties started, has substantial government components, including the financial and regulatory roles of large government agencies. In short, the current crisis reflects not a failure of the capitalist system, but the ways in which government distorted the functioning of private markets.

Federal Response to the Housing and Financial Crisis

Senate Budget Committee – Hearing – January 28, 2008 – 38 pages

http://budget.senate.gov/democratic/testimony/2009/01-28-FinancialMarkets_Testimony.pdf

Dr. Douglas W. Elmendorf -- Director, Congressional Budget Office : “I welcome the opportunity to discuss the turmoil in our nation’s housing and financial markets and some options for additional action by policymakers.”

The Worst Is Yet to Come

Foreign Policy – Article - January/February 2009

http://www.foreignpolicy.com/story/cms.php?story_id=4590

Five economists whose prophetic warnings went unheeded preview the next stage of the global financial crisis.

- Warning: More Doom Ahead By Nouriel Roubini
- A Lethal Shakeout By Stephen Roach
- Good Luck, Barack By David M. Smick
- Are We There Yet? By Robert Shiller
- Watch the Dollar By Dean Baker

Roland Meeks

Financial Crisis Casts Shadow over Commercial Real Estate

Federal Reserve Bank of Dallas - Economic Letter - December 2008

<http://dallasfed.org/research/ecllett/2008/el0812.html>

“The troubled housing industry has grabbed most of the headlines because of its role in touching off the current financial crisis and economic slowdown. Until recently, however, the commercial real estate sector had managed to ride out the storm without serious consequences. Now, increasingly ominous parallels with the residential market are surfacing.”

Behavior of Libor in the Current Financial Crisis

FRB San Francisco - Economic Letter - January 23, 2009 – 4 pages

<http://www.frbsf.org/publications/economics/letter/2009/el2009-04.pdf>

“One of the key features of the financial turmoil of the past year has been the credit crunch. For borrowing of many kinds, terms are tougher and interest rates are higher, reflecting skyrocketing risk premiums. Of particular importance are the elevated risk premiums on interbank loans—loans that banks make to each other. The higher rates at which banks fund themselves can raise the interest rates borne not just by bank borrowers, but also by nonbank borrowers whose loan rates are tied to some of these interbank funding costs. One consequence of these higher rates is that they partially offset the effects of the monetary easing that the Federal Reserve has implemented since the fall of 2007.”

Adam S. Posen and David Smick

Disenfranchise the Ratings Agencies

The Peterson Institute – The International Economy – Fall 2008 - Article – 2 pages

<http://www.petersoninstitute.org/publications/papers/20081223posen.pdf>

“While recent examples of fraud and error by credit ratings agencies are easy to find, the real issue is that reliance on those agencies is harmful to the stability of the financial system. Not only are the agencies' ratings of securities always behind events, they are often wrong or useless. But investors are not allowed to ignore the ratings because they are entrenched in the regulatory framework. Disenfranchising the rating agencies from this role would lead to more realism about risks in fixed income securities and to fewer forced selloffs of assets by good companies. Disenfranchisement would also lead to the creation of smaller, more agile ratings firms whose success would depend solely on the accuracy of their predictions—surely a win for investors and efficient markets alike.”

Priorities for the Next Administration: Use of TARP (Troubled Asset Relief Program) Funds under EESA

House, Financial Services Committee – Hearing - January 13, 2009

http://www.house.gov/apps/list/hearing/financialsvcs_dem/hr011309.shtml

Hearing to review some of the activities to date of the Treasury's Troubled Asset Relief Program, or TARP, and to discuss how additional funding could be used to strengthen our financial system and promote economic recovery.

Troubled Asset Relief Program: Status of Efforts to Address Transparency and Accountability Issues

GAO – Report - January 30, 2009 – 112 pages

<http://www.gao.gov/cgi-bin/getrpt?GAO-09-296>

“As of January 23, 2009, Treasury had disbursed about \$293.7 billion of the \$700 billion in program funds. Most of the funds (about \$194.2 billion) went to purchase preferred shares of 317 financial institutions under the Capital Purchase Program (CPP)—Treasury's primary vehicle under TARP for stabilizing financial markets.”

Douglas Elliott

Measuring the Cost of the TARP

The Brookings Institution – Paper – January 27, 2009 – 15 pages

http://www.brookings.edu/~media/Files/rc/papers/2009/0123_tarp_elliott/0123_tarp_elliott.pdf

The Treasury’s Troubled Asset Relief Program has been widely described as a "\$700 billion bailout," but the author notes that it will cost a lot less in reality. Focusing on the wrong number, he says, is "dangerous" and "insidious." He concludes “It will be critical to economic recovery and the long-term health of our financial system that we allocate money to the different rescue programs in a way that maximizes the “bang for the buck”. As the rest of this paper will show, this allocation is best done by comparing the expected costs of various programs, rather than focusing on their maximum possible losses.”

RESTORING FINANCIAL STABILITY

Janet L. Yellen

U.S. Monetary Policy Objectives in the Short and Long Run

FRB San Francisco - Economic Letter – January 9, 2009 – 4 pages

<http://www.frbfsf.org/publications/economics/letter/2009/el2009-01-02.html>

“I will argue that the suite of programs that the Fed has already announced or put in place are an appropriate and creative response to alleviate strains from the ongoing credit crunch. The evidence suggests to me that they have improved liquidity in the money markets and lowered the cost of private credit. Going forward, asset purchases and lending programs could be expanded and extended to additional sectors impacted by the credit crunch.”

Ronald A. Wirtz

Raising the Credit Bar, or Getting Clubbed by It?

FRB Minneapolis – Fed Gazette - January 2009 – 6 pages

<http://www.minneapolisfed.org/pubs/fedgaz/09-01/cover.pdf>

“Never mind that there wasn’t a lot of evidence that a credit crunch was actually taking place through the first nine months of the year. If the notion of a credit crunch is any time borrowing is not exceedingly easy and cheap, then, yes, there was a credit crunch. But poor lending standards—including credit that was priced too cheaply for the underlying risk—are what led to much of today’s financial and economic troubles. So it’s useful to think of a credit crunch in stricter terms: Whether banks and other firms have the capacity and willingness to extend credit to customers who are both seeking it and capable of paying it back at rates that accurately reflect borrower risk.”

Eswar Prasad

Restore Global Financial Stability

The Brookings Institution - Memo to President-elect Obama + event - January 9, 2009

http://www.brookings.edu/~media/Files/rc/papers/2009/0109_global_stability_memo/0109_global_stability_memo.pdf

http://www.brookings.edu/events/2009/0112_prosperity_transition.aspx?emc=lm&m=220983&l=20&v=252043

“The process by which you generate and implement ideas and policies to deal with the unprecedented economic challenges of our times will determine not just America’s economic future, but also the future of the global economic, trading and financial systems. On all these fronts, America is capable of regaining its moral authority and the goodwill of the international community—if its president acts as a statesman for the world.”

The Future of the Global Financial System: A Near-Term Outlook and Long-Term Scenarios

World Economic Forum – Report - January 2009 – 88 pages

<http://www.weforum.org/pdf/scenarios/TheFutureoftheGlobalFinancialSystem.pdf>

The report explores a near-term industry outlook characterized by an expanded scope for regulatory oversight, back to basics in the banking sector, some restructuring by alternative investment firms and the emergence of a new set of winners and losers. Over the long-term, the report finds that a range of external forces and critical uncertainties have the power to significantly shape the industry.

FINANCIAL REGULATION

Financial Regulation: A Framework for Crafting and Assessing Proposals to Modernize the Outdated U.S. Financial Regulatory System

U.S. Government Accountability Office - January 2009 – 107 pages

<http://www.gao.gov/new.items/d09216.pdf>

The United States and other countries are in the midst of the worst financial crisis in more than 75 years. While much of the attention of policymakers understandably has been focused on taking short-term steps to address the immediate nature of the crisis, these events have served to demonstrate that the current U.S. financial regulatory system is in need of significant reform.

Chidem Kurdas

Does Regulation Prevent Fraud? The Case of Manhattan Hedge Fund

The Independent Review – Winter 2009 – 19 pages

http://www.independent.org/pdf/tir/tir_13_03_1_Kurdas.pdf

“As the failure of the hedge-fund firm Manhattan Capital demonstrates, both government regulators and market players can make mistakes resulting from cognitive biases. Responding to such mistakes by strengthening government watchdogs, although often recommended, reduces both the watchdogs’ and the public’s incentive to learn, thereby creating a vicious spiral of regulation, regulatory failure, and even more regulation.”

Financial Regulation: A Framework for Crafting and Assessing Proposals to Modernize the Outdated U.S. Financial Regulatory System

GAO – Report - January 8, 2009 - 107 pages

<http://www.gao.gov/cgi-bin/getrpt?GAO-09-216>

“To help policymakers better understand existing problems with the financial regulatory system and craft and evaluate reform proposals, this report (1) describes the origins of the current financial regulatory system, (2) describes various market developments and changes that have created challenges for the current system, and (3) presents an evaluation framework that can be used by Congress and others to shape potential regulatory reform efforts.”

Madoff Investment Securities Fraud: Regulatory and Oversight Concerns and the Need for Reform

Senate – Committee on Banking, Housing, and Urban Affairs – Hearing – January 27, 2009

<http://banking.senate.gov/public/index.cfm?Fuseaction=Hearings.Detail&HearingID=5aafcc47-bd19-442b-8470-ad5ef160d348>

“How could regulators have missed so many warning signs? Did the examination staffs lack adequate expertise or numbers? Were they intimidated by Mr. Madoff’s influence in the securities industry? Did they lack legal authority? Or, as I suspect, are there deeper problems?”

OTHER FINANCIAL ISSUES

A New Breed: Opportunities for Wealth Managers to Connect with Gen X and Y.

Deloitte LLP - Web posted December 30, 2008 – 12 pages

http://www.deloitte.com/dtt/cda/doc/content/us_fsi_banking_WealthMgmtReachingGenXYDec08.pdf

Wealth managers have focused their energy and resources predominantly on the accumulation and growth of retirement assets, targeting prospects in their peak earning years with messages about the need to save and invest for the “golden years.” As the oldest baby boomers are now beginning to retire, however, the end to this marketing lifecycle is in sight. Nevertheless, most wealth managers continue to place bets that their current business model will be sufficient to fuel growth, even as new competitors appear to be entering the wealth space, players such as Internet-based firms that are savvy with respect to the next target markets on the horizon: Generation X and their younger siblings, Gen Y. Together, these 105 million consumers offer a market potential even greater than that of the baby boomer generation.

Stuart E. Weiner

The Federal Reserve's Role in Retail Payments: Adapting to a New Environment

FRB Kansas City – Economic Review - Fourth Quarter 2008 – 30 pages

<http://www.kansascityfed.org/PUBLICAT/ECONREV/PDF/4q08weiner.pdf>

The author reexamines the Federal Reserve's role in retail payments in light of the evolving payments system.

Lee Hudson Teslik

Sovereign Wealth Funds

Council on Foreign Relations - Backgrounder – Updated January 29, 2008

http://www.cfr.org/publication/15251/sovereign_wealth_funds.html?breadcrumb=%2Fpublication%2Fby_type%2Fbackgrounder

“Creating funds to manage government wealth is not a new phenomenon. But over the past five years, wealth accumulated in existing funds has fluctuated significantly and the number of new funds has spiked.”

Raising Capital: The role of Sovereign Wealth Funds

FRB Chicago - Chicago Fed Letter - January 2009 – 4 pages

http://www.chicagofed.org/publications/fedletter/cfljanuary2009_258.pdf

This article describes what sovereign wealth funds do, where their funding comes from, and what drives their investment strategies. It also highlights some of the policy issues that their activities raise.

LOCAL ECONOMIC DEVELOPMENT

Joel Kotkin

Sundown for California

The American – Article - November/December 2008.

<http://www.american.com/archive/2008/november-december-magazine/sundown-for-california>

“Much has changed in recent years. And today our Golden State appears headed, if not for imminent disaster, then toward an unanticipated, maddening, and largely unnecessary mediocrity. Since 2000, California’s job growth rate— which in the late 1970s surged at many times the national average—has lagged behind the national average by almost 20 percent. Rapid population growth, once synonymous with the state, has slowed dramatically. Most troubling of all, domestic out-migration, about even in 2001, swelled to over 260,000 in 2007 and now surpasses international immigration. Texas has replaced California as the leading growth center for Hispanics.”

Deborah Reed

California's Future Workforce: Will There Be Enough College Graduates?

Public Policy Institute of California – Report - December 2008 - 20 pages

http://www.ppica.org/content/pubs/report/R_1208DRR.pdf

“Over the past several decades, the demand in California for college-educated workers has grown. But the supply of college graduates has not kept pace with demand, and it appears that this “workforce skills gap” will not only continue but widen. This study examines the causes, magnitude, and likely consequences of the potential mismatch between the level of education the future population is likely to possess and the level of education demanded by the future economy. The author concludes that if current trends continue, California will experience a serious shortfall of college graduates by 2025, unable to meet its needs even through the migration of college graduates from other states.”

REGULATION

N. Mike Helvacian

Regulating Work in Confined Spaces

National Center for Policy Analysis - Brief Analysis, January 19, 2009 – 2 pages

<http://www.ncpa.org/pub/ba/ba639/ba639.pdf>

“Since the early 20th century, employers have had incentives to increase workplace safety. In fact, the financial liability of employers for workplace accidents — as reflected in their worker’s compensation premiums — is the greatest incentive for employers to improve safety. Furthermore, increased workplace safety reduces employers’ costs due to injuries and lost productivity. OSHA regulations, on the other hand, increase regulatory compliance costs, but don’t necessarily improve safety.”

Recommendations for Consideration by the Incoming Administration Regarding the U.S. Patent and Trademark Office

U.S. Chamber of Commerce - December 22, 2008 – 34 pages

<http://www.theglobalipcenter.com/NR/rdonlyres/e5txnmjhsn5mjbvtazna33y3dimpz5cuxtgeix4wix3dqpiy5domrryniqsbo6rr7xbe64tcijitq6hxnlt57u3xb/USPTOPatentProjectFINAL.pdf>

The U.S. Chamber of Commerce’s Global Intellectual Property Center (GIPC) releases its U.S. Patent and Trademark Office (USPTO) recommendations to President-elect Barack Obama, highlighting needed reforms to modernize the federal agency’s patent arm. It offers a blueprint for modernizing and fostering a more efficient patent office. Addressing 11 key areas, it features suggestions to improve the quality of patents, patent examiner retention, the current fee structure, and the office’s relationship with the user community, among other reforms.

Dan Guttman

The State of the Contracting Estate - Time for a 21st-Century Re-envisioning of 20th-Century Government Contracting Rules Designed to Boost Scientific Innovation

Science Progress - Article – Fall • winter 2008/2009 – pp 47-58

<http://www.scienceprogress.org/2009/01/issue-2-sciences-troubled-legacy/>

“Government contracting grew out of scientific inquiry in the interests of national security in the mid-20th-century and represents a government reform that yielded great successes but has since lost its moorings. It's time to re-envision the role of private contractors in the public service.”

Tackling the Challenge of Patent Reform

Science Progress - Article – Fall • winter 2008/2009 – pp 59-98

<http://www.scienceprogress.org/2009/01/issue-2-sciences-troubled-legacy/>

Four articles:

Rick Weiss - Tackling the Challenge of Patent Reform (Recommendations for the Obama administration and Congress)

Daniel P. McCurdy - Patent Trolls Erode the Foundations of the U.S. Patent System

Gerald J. Mossinghoff and Stephen G. Kunin - Improving the Effectiveness of the U.S. Patent and Trademark Office

Bruce A. Lehman - Global Patent Protection (The International Patent System and the New Administration)

The Limits of Abstract Patents in an Intangible Economy

The Brookings Institution – Conference – January 14, 2009 – 270 pages

http://www.brookings.edu/events/2009/0114_patents.aspx?emc=lm&m=220983&l=21&v=252043

“Abstract ideas are not patentable, but what are abstract ideas – and how can judges draw a line around them? This conference, co-sponsored by the Brookings Institution, the Computer & Communications Industry Association and Duke University School of Law, looked at the problem of abstract patents from both economic and legal perspectives. How well do abstract patents work? What problems do they create? Can we do better than the standard in *Bilski*?”

RESEARCH

University-Private Sector Research Partnerships in the Innovation Ecosystem

President's Council of Advisors on Science and Technology - Web posted January 1, 2009 – 92 pages

http://www.ostp.gov/galleries/PCAST/past_research_partnership_report_BOOK.pdf

In order to recognize fully the importance of university-private sector partnerships and their role in the rapidly globalizing innovation ecosystem, President's Council of Advisors on Science and Technology reviews the current state and historical trends of the U.S. R&D enterprise. The study involves examining inputs to the ecosystem, including funding sources and mechanisms, and outputs of the ecosystem in order to evaluate the effectiveness and productivity of the research enterprise.

Innovation

Science Progress - Articles –Fall • winter 2008/2009 – pp 6-46

<http://www.scienceprogress.org/2009/01/issue-2-sciences-troubled-legacy/>

“The five essays attempt to tease out examples of how policymakers in statehouses and different federal agencies can work together with universities to replicate the success of Silicon Valley and the Route 128 Corridor in Massachusetts in other university cities and towns—in the process detailing how place and history set the stage for specific innovations that policymakers can help commercialize.”

Jennifer Hunt and Mariolaine Gauthier-Loiselle

How Much Does Immigration Boost Innovation

National Bureau of Economic Research - Working Paper - September 2008.

<http://www.nber.org/papers/w14312>

In 2003, immigrants patented at double the rate of natives, implying that immigrant inventors were crowding out native inventors. However, the difference is fully explained by the greater share of immigrants with science and engineering degrees. In fact, skilled immigrants have had a substantial positive effect on the number of patents per capita in the United States

Beyond “Fortress America” National Security Controls on Science and Technology

National Research Council - Web posted January 9, 2009

http://www.nap.edu/catalog.php?record_id=12567#toc

Many U.S. export and visa controls, developed during the Cold War era to prevent the transfer of technological and scientific advances to our enemies, now harm U.S. national security and economic prosperity, says the report from the National Research Council. The current regulations were designed for a world that no longer exists and are unsuitable for today’s adversaries.

Michael Rugnetta, Michael Peroski

Stem Cell Research and Innovation Done Responsibly and Ethically

Center for American Progress – Report - January 16, 2009 – 40 pages

http://www.americanprogress.org/issues/2009/01/pdf/stem_cells.pdf

“It is time for the United States to stake its claim as the world leader in regenerative medicine, which promises to become a vital component of the cutting edge of life sciences research and innovation in the 21st century. To ensure research in this newly emerging field of life sciences is conducted responsibly and ethically, the federal government must reform its stem cell research policy in order to fund embryonic stem cell research that is robust and comprehensive as well as cautious and principled.”

Ronald Sandler

Nanotechnology: The Social and Ethical Issues

Woodrow Wilson International Center for Scholars and Pew Charitable Trusts - Web posted January 27, 2009 – 63 pages

http://www.pewtrusts.org/uploadedFiles/wwwpewtrustsorg/Reports/Nanotechnologies/Nano_PEN16_FINAL.pdf

The report emphasizes ways in which developments in nanotechnology intersect with governmental functions and responsibilities, including science and technology policy, as well as research funding, regulation and work on public engagement.

TRANSPORTATION

Jan Mazurek

Making America the World's Clean-Car Leader

Progressive Policy Institute - Memo to the Next President – January 15, 2008

http://www.ppionline.org/ppi_ci.cfm?knlgAreaID=450020&subsecID=900202&contentID=254868

Passenger cars, light trucks, and SUVs account for nearly one-half of the 20 million barrels of oil consumed in the U.S. each day. If we are to sustain a car-centered national lifestyle, we must usher in a new era of clean, energy-efficient cars and trucks... You should therefore phase out CAFE and replace it with a new policy that focuses on cutting carbon emissions from cars and trucks.

Cash for Clunkers

Center for American Progress and Smart Transportation.org – November 2008 – 5 pages

http://www.americanprogressaction.org/issues/2008/pdf/cash_for_clunkers.pdf

“Cars which are 13 years or older account for only 25 percent of total miles driven in the US, but they produce 75 percent of all pollution from automobiles. ..An effective “Cash for Clunkers” program would target Americans who own older, inefficient vehicles, often those of more limited means who would benefit most from upgrading to a more economical model. The program would offer a premium rate for these vehicles, which would be subsequently scrapped, with the owner agreeing to acquire a more efficient vehicle or use the voucher for mass transit.”

Paul Weinstein Jr.

Putting America's Transportation System on Track

Progressive Policy Institute - Memo to the Next President – January 15, 2008

http://www.ppionline.org/ppi_ci.cfm?knlgAreaID=450020&subsecID=900200&contentID=254865

“If we choose to live in the past, America's transportation system will just keep creaking along. But if we take a regional approach, high-speed trains and traditional rail can serve an important transportation role in the 21st century. Such a breakthrough will not come cheap, and choosing five corridors to start the process will take political courage. However, the economic, environmental, and transportation benefits of high-speed rail are clearly worth the expense and the effort.”

Freight and Passenger Rail: Present and Future Roles, Performance, Benefits, and Needs

House – Transportation and Infrastructure Committee – January 28, 2009

<http://transportation.house.gov/hearings/hearingDetail.aspx?NewsID=800>

Background on the roles of freight and passenger railroads in the U.S. economy; the impact of the current economic crisis on the railroad industry, its suppliers, and employees; the benefits of freight and passenger rail; and freight and passenger rail investment needs.

AGRICULTURE - FOOD

Robert A. Hoppe et al.

Million-Dollar Farms in the New Century

U.S. Department of Agriculture - Web posted January 1, 2009 – 47 pages

<http://www.ers.usda.gov/publications/eib42/eib42.pdf>

Million-dollar farms, those with annual sales of at least \$1 million, accounted for about half of U.S. farm sales in 2002, up from a fourth in 1982, with sales measured in constant 2002 dollars. By 2006, million-dollar farms, accounting for 2 percent of all U.S. farms, dominated U.S. production of high-value crops, milk, hogs, poultry, and beef. The shift to million-dollar farms is likely to continue because they tend to be more profitable than smaller farms, giving them a competitive advantage. Most million-dollar farms, 84 percent, are family farms, that is, the farm operator and relatives of the operator own the business.

Renée Johnson

Organic Agriculture in the United States: Program and Policy Issues

Congressional Research Service (CRS) - November 25, 2008 - 13 pages

<http://fpc.state.gov/documents/organization/113547.pdf>

Congress passed the Organic Foods Production Act (OFPA) in 1990 as part of a larger law governing U.S. Department of Agriculture (USDA) programs from 1990 through 1996 (P.L. 101-624, the Food, Agriculture, Conservation, and Trade Act of 1990). The act authorized the creation of a National Organic Program (NOP) within USDA to establish standards for producers and processors of organic foods, and permit such operations to label their products with a “USDA Organic” seal after being officially certified by USDA-accredited agents. The new omnibus law that will govern USDA programs and policies through FY2012 (P.L. 110-246; the Food, Conservation, and Energy Act of 2008) contains several provisions affecting organic agriculture and the NOP.

Rita Curtis et al.

Fisheries Economics of the United States 2006

National Oceanic and Atmospheric Administration and National Marine Fisheries Service – Report - January 6, 2009 – 166 pages

http://www.st.nmfs.noaa.gov/st5/publication/econ/EconomicsReport_ALL.pdf

The United States commercial and recreational fishing generated more than \$185 billion in sales and supported more than two million jobs in 2006, according to the study.

Report to Congress Pursuant to Section 403(A) of the Magnuson-Stevens Fishery Conservation and Management Reauthorization Act of 2006

National Oceanic and Atmospheric Administration - January 2009 – 146 pages

http://www.nmfs.noaa.gov/msa2007/docs/biennial_report011309.pdf

The National Oceanic and Atmospheric Administration (NOAA) has produced the first ever report to Congress identifying six nations, France, Italy, Libya, Panama, People's Republic of China, Tunisia, whose fishing vessels were engaged in illegal, unreported, and unregulated (IUU) fishing in 2007 or 2008. Annual global economic losses due to IUU fishing are estimated to be about \$9 billion, according to an international task force on IUU fishing.

Mark Nord and Heather Hopwood

A Comparison of Household Food Security in Canada and the United States

Economic Research Service, U.S. Department of Agriculture - Web posted January 9, 2009 – 50 pages

<http://www.ers.usda.gov/Publications/ERR67/ERR67.pdf>

Food security, consistent access to enough food for an active, healthy life, is essential for health and good nutrition. The extent to which a nation’s population achieves food security is an indication of its material and social well-being. Differences in the prevalence of household-level food insecurity between Canada and the United States are described at the national level and for selected economic and demographic subpopulations.

Agricultural Markets and Food Price Inflation — A conference summary

FRB Chicago - Chicago Fed Letter - January 2009 – 4 pages

http://www.chicagofed.org/publications/fedletter/cfljanuary2009_258a.pdf

On October 2, 2008, the Federal Reserve Bank of Chicago held a conference that focused on the economic impacts of volatile agricultural prices and food policy, especially their intersection with the macroeconomy through food price inflation.

EMPLOYMENT

Robert Michaels and Robert P. Murphy

Green Jobs: Fact or Fiction? An Assessment of the Literature

Institute for Energy Research – Study - January 2009 – 21 pages

<http://www.instituteforenergyresearch.org/wp-content/uploads/2009/01/IER%20Study%20-%20Green%20Jobs.pdf>

“It is highly questionable whether a government campaign to spur “green jobs” would have net economic benefits. Indeed, the distortionary impacts of government intrusion into energy markets could prematurely force business to abandon current production technologies for more expensive ones. Furthermore, there would likely be negative economic consequences from forcing higher-cost alternative energy sources upon the economy. These factors would likely increase consumer energy costs and the costs of a wide array of energy-intensive goods, slow GDP growth and ironically may yield no net job gains. More likely, they would result in net job losses.”

Mary Daly, Bart Hobijn, and Joyce Kwok

Labor Supply Responses to Changes in Wealth and Credit

Federal Reserve Bank of San Francisco - Economic Letter – January 2009 – 4 pages

<http://www.frbsf.org/publications/economics/letter/2009/el2009-05.html>

“Using monthly data from the Household Survey of the Current Employment Situation Report, we find evidence suggestive that sharply reduced wealth and liquidity are prompting certain demographic groups to enter the labor force in greater numbers.”

Mary Gershwin et al.

Building Tomorrow’s Workforce: Promoting the Education and Advancement of Hispanic Immigrant Workers in America

Excelencia in Education - January 21, 2009 – 51 pages

<http://www.edexcelencia.org/pdf/Building%20Tomorrow's%20Workforce%20full%20report.pdf>

Strategic partnerships between industry and community colleges that engage younger Hispanic immigrants can boost the economy by training an important proportion of U.S. workers for future jobs. The report looks at six innovative partnerships throughout the country.

Alicia H. Munnell et al.

Recessions and Older Workers

Center for Retirement Research, Boston College - January 2009 – 11 pages

http://crr.bc.edu/images/stories/Briefs/ib_9-2.pdf

With the economy in recession, questions arise about how older workers are faring and how their fate relative to younger workers compares to the past. On the one hand, labor force participation among older workers has been rising since the early 1990s, a reversal of the long-standing trend toward ever-earlier retirement. On the other hand, the edge that older workers used to have relative to younger workers when it comes to layoffs seems to have disappeared, so the rise in the unemployment rate for older workers in recessions now looks similar to that for younger workers.

Wendell Cox

Improving Quality of Life through Telecommuting

Information Technology & Innovation Foundation - January 20, 2009 – 24 pages

<http://www.itif.org/files/Telecommuting.pdf>

The report shows that the number of jobs filled by telecommuters could grow nearly four-fold to 19 million and deliver substantial economic, environmental and quality of life benefits for the United States over the next 12 years. Spurred by advances in IT, especially the spread of broadband, telecommuting is already the fastest

growing mode of getting from home to work. The report calls for government to pursue policies to accelerate and maximize telecommuting, including spurring the deployment and adoption of broadband, which is an essential facilitator of telecommuting.

PENSIONS

Martin Neil Baily and Jacob Funk Kirkegaard

US Pension Reform: Lessons from Other Countries

Peterson Institute – Book – February 2009

<http://bookstore.petersoninstitute.org/book-store/4259.html>

“It is generally accepted that Social Security must be reformed, but there is little agreement on what should be done to reform the program. US Pension Reform: Lessons from Other Countries looks at the social pension reforms of twelve other countries, assesses the current US Social Security program, and evaluates how these twelve models inform opportunities for adaptation of the current system. The authors consider governments' current fiscal balances in order to contextualize countries' initial financial liabilities and pension program infrastructure. The book concludes with an integrated reform proposal for Social Security.”

HEALTH ISSUES

Enabling Healthcare Reform Using Information Technology: Recommendations for the Obama Administration and 111th Congress

Healthcare Information and Management Systems Society - December 17, 2008 – 45 pages

<http://www.himss.org/2009calltoaction/HIMSSCallToActionDec2008.pdf>

The Healthcare Information and Management Systems Society (HIMSS) shows a detailed report outlining specific priorities and recommendations for the Obama Administration and 111th Congress to harness Information Technology's power to reform healthcare and stimulate the U.S. economy.

Robert Book

The Fallacy of Health Care Reform as Economic Stimulus

Heritage Foundation – WebMemo - January 16, 2009

<http://www.heritage.org/Research/HealthCare/wm2231.cfm>

“After spending decades trying to reduce health care costs, some commentators and policymakers now argue that health care costs should be increased to stimulate the economy. At the crux of the argument are the notions that increasing spending on health care will create jobs that can be filled by those losing jobs in other areas of the economy--and that implementing long-proposed reforms (such as an increased emphasis on primary care and large-scale deployment of health IT) will reduce health care costs. These two arguments are fundamentally at odds with each other.”

Lee Hudson Teslik and Toni Johnson

Healthcare Costs and U.S. Competitiveness

Council on Foreign Relations - Backgrounder – December 30, 2008

http://www.cfr.org/publication/13325/healthcare_costs_and_us_competitiveness.html?breadcrumb=%2Fpublication%2Fby_type%2Fbackgrounder

“Factoring in costs borne by government, the private sector, and individuals, the United States spends over \$1.9 trillion annually on healthcare expenses, more than any other industrialized country... These costs prompt fears that an increasing number of U.S. businesses will outsource jobs overseas or offshore business operations completely. U.S. economic woes have heightened the burden of healthcare costs both on

individuals and businesses, and the incoming Obama administration says it plans to provide funding for healthcare as part of a fiscal stimulus package aimed at boosting the U.S. economy. Yet despite the economic downturn, experts see a consensus emerging that healthcare reform should move forward.”

Cost Sharing for Health Care: France, Germany, and Switzerland

Kaiser Family Foundation - January 12, 2009 – 25 pages

<http://kff.org/insurance/upload/7852.pdf>

As policymakers in the United States weigh options for reform to the nation’s health care system, the level of cost sharing that consumers face when they receive services covered by their health plans is a major consideration, especially for those with serious health conditions. The brief examines how three European countries, France, Germany, and Switzerland, have dealt with cost sharing in their health systems. It provides an overview of each country’s health care system, its cost-sharing policies, and the cost-sharing exemptions and limits that help protect people with low incomes, certain medical conditions or high medical costs, and other characteristics from burdensome, excessive costs.

INTERNATIONAL TRADE – FOREIGN INVESTMENT

Trade Policy Report to the President-Elect and the 111th Congress

The Peterson Institute – Special report – January 16 – 16 pages

<http://www.petersoninstitute.org/publications/papers/20081217presidentmemo.pdf>

“As President-elect Barack Obama and the 111th Congress take office, addressing US trade policy will have to be an important part of the agenda. Responding to the global economic downturn, restoring the global standing of the United States, implementing global-warming initiatives, and clarifying the United States' role in the world economy will all require a rethinking and reform of trade policy. The Trade Policy Study Group, comprising twenty-two former officials and close observers of US trade policy and chaired by Institute director C. Fred Bergsten, presents the President-elect with a four-part strategy for sustaining a constructive trade policy.”

Invest in America

Department of Commerce – International Trade Administration

<http://www.trade.gov/investamerica/>

Invest in America is the primary U.S. Government mechanism to manage foreign direct investment promotion. Efforts are focused on outreach to foreign governments and investors, support for state governments’ investment promotion efforts, and addressing business climate concerns by serving as ombudsman in Washington for the international investment community.

Daniel Griswold

Shipping Jobs Overseas or Reaching New Customers? Why Congress Should Not Tax Reinvested Earnings Abroad

Cato Institute - Center for Trade Policy Studies - Free Trade Bulletin - January 13, 2009.

<http://www.freetrade.org/pubs/FTBs/FTB-036.pdf>

“Investing abroad is not about “shipping jobs overseas.” There is no evidence that expanding employment at U.S.- owned affiliates comes at the expense of overall employment by parent companies back home in the United States. In fact, the evidence and experience of U.S. multinational companies points in the opposite direction: foreign and domestic operations tend to compliment each other and expand together.”

Closing Santa's Sweatshop: How to Deliver on Obama's and Congress' Toy-Safety and Fair-Trade Promises

Public Citizen - December 2008 – 27 pages

<http://www.citizen.org/documents/SantasSweatshop08.pdf>

As U.S. toy imports hit record levels, U.S. trade policy and outdated consumer safety protections expose America's children to a flood of unsafe toys, according to the study. It also documents campaign pledges on import safety made by President-elect Obama and new members of Congress. The United States is expected to import \$23 billion in toys in 2008, 90 percent of that from China. Imports this year represent 90 percent of U.S. toys, which is the highest toy import level and share on record. Many nations producing our children's toys have extremely lax safety standards and enforcement.

Rawles O. King

Ocean Piracy and its Impact on Insurance

Congressional Research Service - Library of Congress - Web posted January 4, 2009 – 10 pages

http://assets.openers.com/rpts/R40081_20081203.pdf

Many Members of Congress are concerned about the sharp rise in pirate attacks in the strategic waterways in the Gulf of Aden off the East coast of Africa. Given the sharp increase in the number of pirate attacks, the cost of transporting cargo in international waters could rise dramatically because of the sharp increase in ocean marine insurance rates for ships transiting the Gulf of Aden. Commercial insurers, for example, could require a special war risk insurance premium costing an additional ten of thousands of dollars a day. These additional costs could adversely impact international trade during the current global economic slowdown.

DEVELOPMENT

The Poor Man's Burden

Foreign Policy – Article - January/February 2009

http://www.foreignpolicy.com/story/cms.php?story_id=4597&page=0

“Eighty years ago, a depression changed the way we think about poverty. It took decades for the world to recover and to remember that if people are given freedom, they will prosper... William Easterly reflects on lasting consequences of the original approach of "development economics" and cautions against returning to misguided plans to fight poverty.”

Developing Countries: The United States Has Not Fully Funded Its Share of Debt Relief, and the Impact of Debt Relief on Countries' Poverty-Reducing Spending Is Unknown

GAO – Report - January 26, 2009 – 86 pages

<http://www.gao.gov/cgi-bin/getrpt?GAO-09-162>

“GAO (1) analyzed the U.S. financing approach for debt relief efforts; (2) reviewed the extent to which MDRI might affect resources available to countries for poverty-reducing activities; and (3) assessed revisions to the analyses conducted by the World Bank and IMF to review and promote future debt sustainability. GAO analyzed Treasury, IFI, and country documents and data, and interviewed officials at Treasury and the four IFIs.”

Ayhan Kose, Eswar Prasad and Marco E. Terrones

Does Openness to International Financial Flows Raise Productivity Growth?

The Brookings Institution – Paper – January 2009 – 46 pages

http://www.brookings.edu/~media/Files/rc/papers/2009/01_productivity_growth_prasad/01_productivity_growth_prasad.pdf

“This paper provides a comprehensive analysis of the relationship between financial openness and total factor productivity (TFP) growth using an extensive dataset that includes various measures of productivity and financial openness for a large sample of countries. We find that de jure capital account openness has a robust positive effect on TFP growth.”

MISCELLANEOUS

Shawn Fremstad

Measuring Poverty and Economic Inclusion: The Current Poverty Measure, the NAS Alternative, and the Case for a Truly New Approach

Center for Economic and Policy Research – Report - December 2008 – 47 pages

<http://www.cepr.net/documents/publications/2008-12-Measuring-Poverty-and-Economic-Inclusion.pdf>

In an effort to address the shortcomings of the current federal poverty measure and inform efforts to expand the middle class, the report evaluates current poverty metrics and suggests a new measure for a broader standard of basic income adequacy. It finds that both the current approach and the poverty measure designed by the National Academies of Science (NAS) do not provide adequate minimum standards for determining the income working families need to make ends meet in their local communities.

D. Sean Shurtleff

Reforming the U.S. Poverty Standard

National Center for Policy Analysis - Brief Analysis - January 20, 2009 – 2 pages

<http://www.ncpa.org/pub/ba/ba640/ba640.pdf>

“Policy experts expect the next administration to make major changes in the way the federal government measures poverty. The current poverty standard is an outmoded, 40-year-old measure that is adjusted each year for inflation. It does not account for all of a family's income or living expenses. Many poverty experts support changing the poverty standard. But how should that be done?”