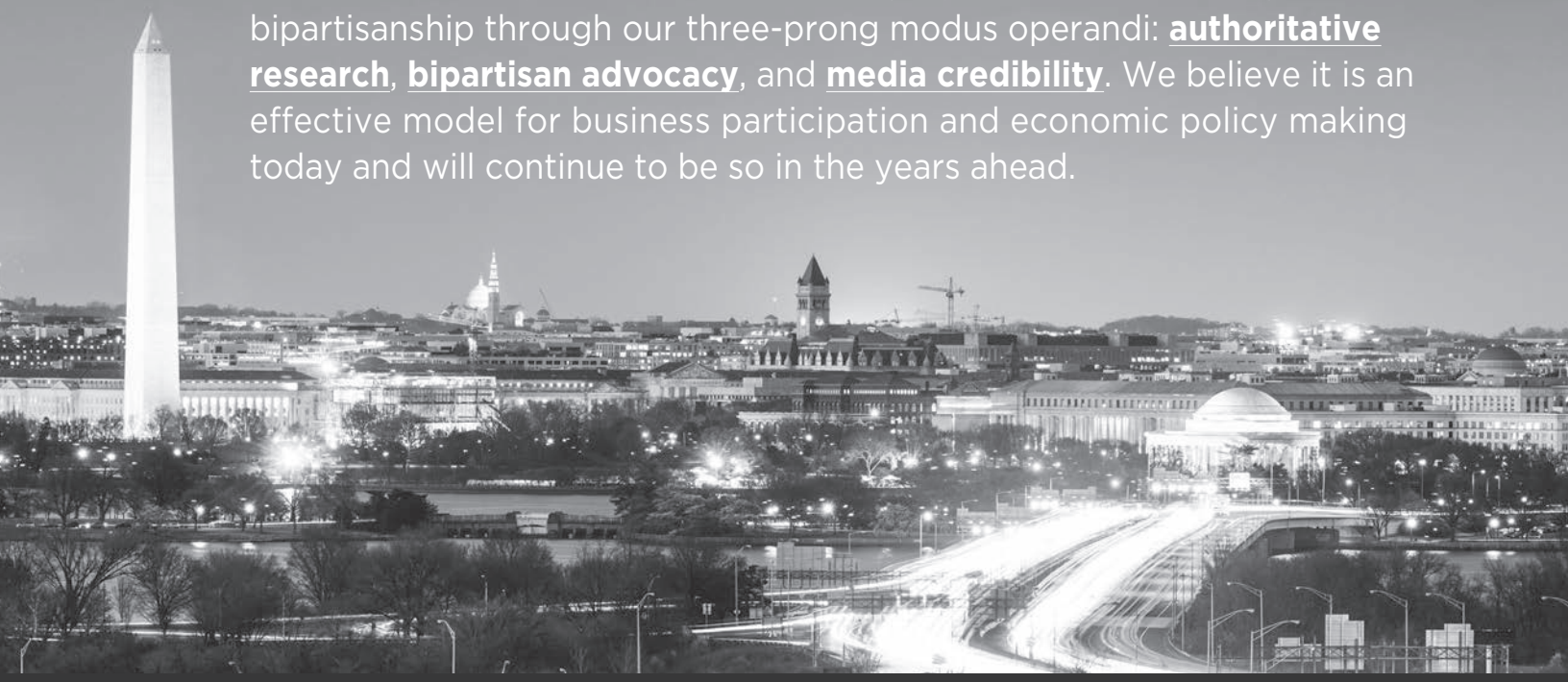
ANNUAL REPORT 2018

ACCF

AMERICAN COUNCIL FOR CAPITAL FORMATION

THE ACCF MISSION

To pursue a pro-growth economic policy agenda with credibility and bipartisanship through our three-prong modus operandi: **authoritative research**, **bipartisan advocacy**, and **media credibility**. We believe it is an effective model for business participation and economic policy making today and will continue to be so in the years ahead.



"I've always enjoyed ACCF events and appreciate your dedication to pro-growth economics. Thanks for all you do!

—FORMER SPEAKER OF THE HOUSE PAUL RYAN (R-WI)

"I remember coming to the first ACCF session in 1982 and have benefited from coming back periodically since. I am committed to 'principled bipartisanship.' The ACCF understands that key to enacting good public policy."

—SENATOR RON WYDEN (D-OR)
Ranking Democratic Member,
Senate Finance Committee

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AMERICAN COUNCIL FOR CAPITAL FORMATION

ANNUAL REPORT 2018

POLITICAL AND MARKET VOLATILITY IN 2018: CREDIBILITY AND BIPARTISANSHIP KEYS TO SUCCESSFUL ECONOMIC POLICYMAKING

From beginning to end, 2018 was a tumultuous year politically, finishing with a volatile stock market ride, electoral upheaval in Congress, and a government shutdown.

Credibility and bipartisanship, both in politics and public policy, are the most important assets in today's highly partisan and polarized climate. They are what make the American Council for Capital Formation an effective third party in policymaking, which we are proud to highlight in our 2018 Annual Report.

We hosted four of our renowned bipartisan Economic Policy Evenings, also known as "Washington's Last Salon." White House Regulatory Czar Neomi Rao was the special guest at a Salon on "Deregulation under President Trump" and Deputy Secretary of Energy Dan Brouillette led a conversation about "Modernizing our Energy Innovation Infrastructure." "The Challenges of Retirement Policy" was attended by retirement policy leaders on Capitol Hill, including Senators Sherrod Brown (D-OH), Ron Johnson (R-WI) and David Perdue (R-GA) and Representatives Josh Gottheimer (D-NJ), Darin LaHood (R-IL), Richard Neal (D-MA) Tom Reed (R-NY), and Phil Roe (R-TN).

True to our bipartisan mission, we hosted Senator Ron Wyden (D-OR), ranking member on Committee on Finance and the 11th most senior member in the U.S. Senate, for a March forum on "Principled Bipartisanship." We also proudly welcomed three new members to the ACCF Board of Advisors—former Senators Max Baucus (D-MT) and Joe Lieberman (I-CT), and former Representative Jim Matheson (D-UT).

We published five new reports on the emerging issues on corporate governance and submitted comments to the SEC as it reviewed the proxy process. ACCF research was cited by former SEC officials during a corporate governance hearing by the Senate Banking Committee.

In recognition of the growing importance of climate change policy, we launched the ACCF Center for Energy Security and Climate Economics. Trade policy was a top issue in 2018. The ACCF published more than 15 op-eds on issues ranging from the impact of the administration's tariff policies to NAFTA 2.0. The ACCF also ran a national television ad urging President Trump to defend American energy dominance by upholding the Investor State Dispute Settlement (ISDS) in the renegotiated trade agreement.

The ACCF also published a paper analyzing the array of financing options that could be on the table for infrastructure modernization.

Looking ahead, our reputation for authoritative research, bipartisan advocacy and media credibility built over the last four decades strongly positions us for the challenges facing the administration and the new divided Congress. Our experienced policy experts are both well-connected to the decision makers and armed with innovative solutions to the broad array of issues facing our country today—climate change policy, trade policy, tax reform, retirement policy, corporate governance, energy innovation, regulatory improvement, and infrastructure modernization.

We rise to the challenge.

Sincerely,

Mark Bloomfield
President & CEO
American Council for Capital Formation

2018 HIGHLIGHTS

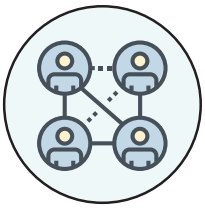
4 ACCF Economic Policy Evenings, also known as "Washington's Last Salon," brought together policymakers, the media and the business community to promote constructive dialogue on leading policy issues from diverse perspectives.

4 Members of President Trump's cabinet and senior policymakers headlined ACCF events, including the Deputy Secretary of Energy, the White House "Regulatory Czar," the Under Secretary of Commerce for Standards and Technology and a Department of Energy Assistant Secretary

15 Members of Congress participated in "Washington's Last Salon" events, including four U.S. Senators.

14 Journalists, editorial writers, and TV personalities from the national media, including *The Washington Post*, *Wall Street Journal*, *Politico*, *The Hill*, CNBC and BBC News attended "Washington's Last Salon" events.

30 National and regional news outlets published opinion editorials by ACCF principals.



2 Special events served as forums with leading policymakers and prominent economists on timely issues including tax reform and energy innovation.

6 Reports published by experts at the ACCF and ACCF Center for Policy Research, our public policy research think tank.

L to R: Rep. Richard Neal (D-MA), Sen. Ron Johnson (R-WI), Rep. Tom Reed (R-NY), Rep. Josh Gottheimer (D-NJ), and ACCF President and CEO Mark Bloomfield

CLIMATE CHANGE POLICY

TRADE POLICY

TAX REFORM

RETIREMENT POLICY

CORPORATE GOVERNANCE

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AMERICAN COUNCIL FOR CAPITAL FORMATION

CLIMATE CHANGE POLICY

The ACCF Center for Energy Security and Climate Economics was launched in 2018. Its mission is to develop energy, manufacturing and climate policy initiatives that can help form the basis of a national consensus on climate change. Fundamentally, the Center believes that innovation should be the foundation of an effective, market-based approach that addresses this challenge. The Center's major projects will focus primarily on accelerating innovation and merging trade and climate policy.

The New York Times

Former Trump Aide Calls Paris Climate Accord 'a Good Republican Agreement' | *February 22, 2018*

George David Banks insisted that Mr. Trump remains open to returning to the Paris agreement. He argues that it would be in the interest of the United States, and even of fossil fuel industries, for America to rejoin the international discussion about curbing greenhouse gases. "The climate agenda is not going to go away any time soon, and if you're not engaged aggressively, actively, there are going to be policies that are detrimental to the United States," he said.

AXIOS

Trump's missed opportunity on coal and climate change

December 10, 2018

"I have long believed that the GOP position on the science undermines its ability to put forward a real climate policy," said George David Banks, a former top adviser to Trump on these issues. While at the White House, Banks hosted a similar event last year at the same conference, which drew hundreds of protesters who said fossil fuels have no role at a climate summit. Expect the same this year.

E&E NEWS

Former Trump adviser opens GOP climate shop

July 23, 2018

"George David Banks, who was President Trump's international energy adviser and an aide to Sen. Jim Inhofe (R-Okla.), is teaming up with a handful of other Republicans to advance climate policies aimed at securing conservative support. They think their party has faltered by ceding the climate policy space to the left, and they want to get back in the game. 'We want to position the GOP in a way that the Republican Party is negotiating from a position of strength, because right now the Republican Party doesn't have a real climate policy,' Banks said."

THE HILL

Poorer and richer states shouldn't be held to the same greenhouse gas standards

By George David Banks - July 22, 2018

"Environmentalists have long recognized the economic disparities between developed and developed economies in the context of climate action and have argued persuasively the moral obligation for richer countries to do more. They should support the same approach when it comes to forging a U.S. consensus on climate policy. After all, Mississippi's citizens should have the right to enjoy the same quality of life found in Connecticut."

On April 19th, ACCF Executive Vice President George David Banks participated in a panel discussion at the 2018 Columbia University Global Energy Summit with Cameron Hepburn, Professor of Environmental Economics, University of Oxford

"To make the Paris agreement more effective, we need to have a real discussion on pathways for technology development, deployment and commercialization. If we don't solve the technology piece of this, then we aren't going to mitigate the impact of climate change effectively."

"Fossil fuels are going to continue to play a major role in powering the global economy. We need to face that reality and make sure that the fossil fuels that are being deployed are used as cleanly and efficiently as possible. That's a rational approach."

COP24·KATOWICE 2018
UNITED NATIONS CLIMATE CHANGE CONFERENCE

Forbes

Trump Administration To Double Down On Coal In Katowice, Says Energy Access Requires Fossil Fuels

December 3, 2018

Banks and others have said it's always important to keep a seat and a practical voice at the table during global climate change discussions.

"Environmentalists don't understand energy markets and they want to believe that we can simply replace fossil fuels with renewables," Banks said.

Most international leaders do seem to understand, as evidenced by their actions, not necessarily by their rhetoric.

The Washington Post

The Energy 202: U.S. plans to 'showcase ways to use fossil fuels' at a U.N. climate conference

December 5, 2018

Numerous analyses suggest capturing carbon for coal-fired power will be necessary to simultaneously meet energy needs and climate goals since renewable sources such as wind and solar power cannot ramp up fast enough.

"This is obviously not a popular message" at a climate conference, former Trump White House energy policy advisor George David Banks said in an interview. Banks made the administration's presentation in Germany last year.

"If the United States is not there at the COP making these points," he added, "nobody else is going to do it."

TIME

December 11, 2018

"Indeed, pushing for strong measures to hold other countries accountable is a logical step for a president who has claimed that the Paris Agreement serves as a scheme for other countries to harm the U.S. economy. And other Republican administrations have supported such rules for decades. "This has its roots in the Bush Administration," says George David Banks, a former White House energy advisor in the Trump Administration..."

TRADE POLICY

For four decades, the ACCF has affirmed that international trade is critical to U.S. economic growth. Most economists agree that the benefits from free trade outweigh any resulting job loss and that appropriate domestic policies such as trade adjustment assistance can help shore up any domestic labor impact. Most trade agreements have resulted in overall job growth in the U.S. and increased manufacturing output. The right trade policies can provide a boost to U.S. productivity and our international competitiveness.

On *TRT World* "Bigger than Five," ACCF Chief Economist and Senior Vice President Dr. Pinar Çebi Wilber discusses the latest developments and impacts of President Trump's tariffs and U.S. trade policy.

THE WALL STREET JOURNAL.

Letter: Lighthizer Should Take a Longer-Term View

April 30, 2018

U.S. Trade Representative Robert Lighthizer's all-or-nothing approach to overseas investment is very short-sighted ("Nafta Proposal Jolts Energy Sector," U.S. News, April 25). A U.S. firm might choose to invest in another country for multiple reasons. In the energy sector, location of natural resources plays a key role in that decision. For other sectors, it could be the trade-off between the costs associated with exporting a product overseas compared to the benefit of being closer to your customer base through foreign direct investment. Furthermore, overseas investment typically is associated with complementary job increases at home. According to one study, a 10% increase in employment at a Mexican affiliate of a U.S. multinational leads to a 1.3% increase in U.S. parent-company employment.

ACCF TV ADVERTISEMENT

In May 2018, the ACCF launched a national television ad calling on President Trump to defend America's energy dominance by upholding the Investor State Dispute Settlement (ISDS) mechanism in a renegotiated North American Free Trade Agreement (NAFTA).

ACCF ON THE RADIO

ACCF Chief Economist and Senior Vice President Dr. Pinar Çebi Wilber has done numerous radio interviews on the latest developments surrounding NAFTA renegotiations and trade policy.

November 13 | Steve Gruber ShowSyndicated in Michigan

August 16 | WPTF Raleigh, NC

August 16 | Lars Larson National Radio Broadcast

August 14 | "The Morning Briefing" Sirius XM

WASHINGTON Examiner

Kigali: An 'America First' trade initiative disguised as a climate deal

George David Banks July 3, 2018

The Kigali Amendment to the Montreal Protocol, which is currently being considered by the Trump White House, represents a golden opportunity to further this strategy. It sets the pathway for international adoption of next generation American technologies to replace ozone depleting chemicals still in use by two-thirds of the developing world, creating a cumulative $1-trillion market.

The Washington Times

Op-Ed: Why the Investor State Dispute Settlement is critical to NAFTA

July 10, 2018

Risk tolerance for a state-owned enterprise is quite different than for private companies. This is apparent through the increased investment of China in developing countries, especially for large projects. The Investor State Dispute Settlement helps alleviate some of that discrepancy. According to many experts, the procedure also helps to resolve investment conflicts without creating state-to-state conflict.

USA TODAY

Letter: Trade Wars Have No Winners

June 6, 2018

The Administration has policies that could help the economy over the long run, such as tax and regulatory reform or simple workforce development, but when it comes to trade policy, ideology trumps good economic arguments. Despite the belief in the White House, trade wars have no winners.

West Wing Reads

November 9, 2018

"American Council for Capital Formation Chief Economist Pinar Cebi Wilber writes in The Hill: 'Keeping energy markets fully integrated not only helps attract investors, lowers capital costs and keeps prices lower for U.S. consumers and businesses, but it also bolsters America's energy and national security by strengthening export markets with two of our largest trading partners. There's no reason to drag this out any further — Congress should approve the USMCA without delay.'"

TAX REFORM

The ACCF has become the leading voice for policymakers for shifting the current taxation on saving and investment to consumption. This dates back to 1978 when the ACCF was credited with being instrumental in turning Jimmy Carter's populist tax agenda into a capital gains tax cut.

On March 20th, the Ranking Member of the Senate Committee on Finance Ron Wyden (D-OR) joined ACCF members and representatives from the business community for a conversation on "Principled Bipartisanship Today." Among the many topics addressed was his take on the recently enacted tax reform law.

On Fox Business FBNam, Mark Bloomfield discusses the state of the markets in early 2018 and the early impacts of tax reform.

Penn Law
UNIVERSITY of PENNSYLVANIA LAW SCHOOL

In the Wake of Tax Reform, Is a Consumption Tax Down the Road?

By Mark Bloomfield – January 25, 2018

"Bloomfield said lower corporate rates will spur new investment, make America more competitive in the global economy, and encourage foreign-owned businesses to relocate to the United States. In addition, Bloomfield said there are pro-growth temporary provisions that will allow companies to immediately deduct investment expenses. American businesses will be permitted to bring home current overseas profits with a minimal one-time tax and in the future without taxation, joining the rest of the world in territorial taxation…"

RETIREMENT POLICY

As U.S. savings rates continue to lag, retirement policy remains a major challenge for lawmakers. The ACCF has advocated for policies that are designed to maintain growth in savings, expand coverage, and prevent savings loss during job changes.

ON JULY 17TH, the ACCF hosted an Economic Policy Evening on "The Challenges of Retirement Policy." Congressional attendees included Senators Sherrod Brown (D-OH), Ron Johnson (R-WI) and David Perdue (R-GA), and Representatives Josh Gottheimer (D-NJ), Darin LaHood (R-IL), Richard Neal (D-MA) Tom Reed (R-NY) and Phil Roe (R-TN). Media attendees included Kate Bachelder, Editorial Writer, *The Wall Street Journal*; Juliegrace Brufke, *The Hill*; John Harwood, CNBC and *New York Times* Columnist; Yuka Hayashi, *The Wall Street Journal*; Charles Lane, Editorial Writer and Columnist, *The Washington Post*; Christopher Rowland, Washington Bureau Chief, *The Boston Globe*.

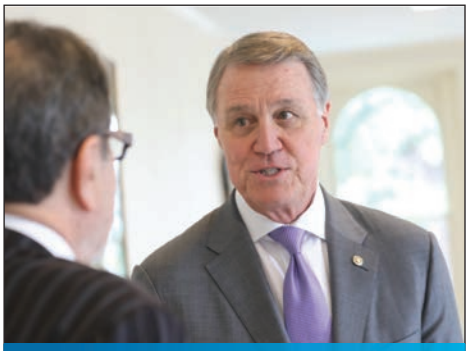
THE WALL STREET JOURNAL.

Trump Retirement Accounts Face Obstacles

By Pinar Çebi Wilber – November 7, 2018

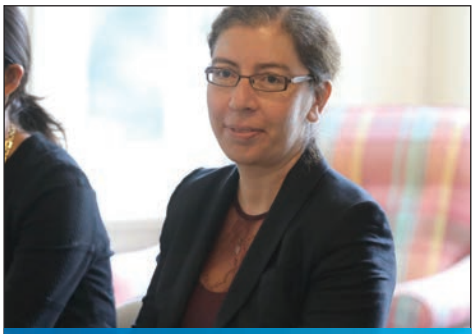
"While Tom Giovanetti's description of the current state of Social Security is correct, his solution might not address the problem he is trying to solve ("Why Not 'Trump Retirement Accounts?,'" op-ed, Nov. 1). It is true the Social Security trust fund will be depleted in 2034, according to current estimates. However, there are multiple policy levers that could be used together to address the problem and that may also satisfy both sides of the political aisle. These include, but aren't limited to, increasing the retirement age, increasing the payroll tax cap and reducing benefits for higher earners..."

Charles Lane, Editorial Writer and Columnist, *The Washington Post*



Sen. David Perdue (R-GA)

Sen. Sherrod Brown (D-OH)

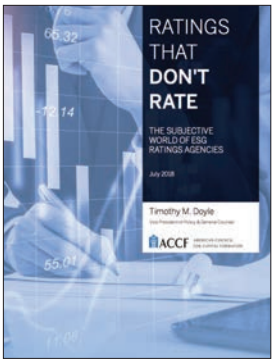


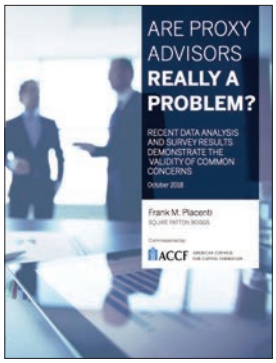
ACCF Chief Economist and Senior Vice President Dr. Pinar Çebi Wilber

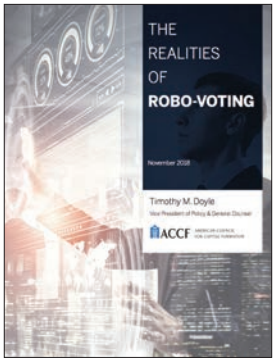
CORPORATE GOVERNANCE

Corporate governance has become increasingly politicized. The nation's public pension system faces a funding crisis. Quasi-regulators have emerged with unchecked powers and limited scrutiny. There has been increased focus on politically-motivated investments, often at the expense of traditional fiduciary responsibility aimed at maximizing returns. While a divided Congress makes legislative options more difficult, the SEC has indicated that it plans to address some of these issues with input for all stakeholders. The ACCF has launched a joint initiative with the Bipartisan Policy Center to have meaningful dialogue and explore policy solutions with all key stakeholders.

In 2018, the ACCF published five new reports on the growing issues surrounding corporate governance. In October, a Southern California Police Officer unseated the sitting President of the California Public Employees' Retirement System (CalPERS). The development followed on the heels of a December 2017 report by the ACCF, "CalPERS and the Point of No Returns.







In May, ACCF Vice President of Policy and General Counsel Timothy Doyle participated in a Capitol Hill panel discussion with SEC Commissioner Mike Piwowar on "The Impact of ESG Investments on Retirement Wealth."

ACCF Executive Vice President George David Banks recently sat down with Bloomberg's @markets to discuss proxy advisory firms and the disconnect between big money managers and retail investors.

FINANCIAL TIMES

Rating agencies using green criteria suffer from 'inherent biases'

July 20, 2018

Agencies that judge companies according to their environmental, social and governance metrics suffer from wildly diverging standards and "inherent biases", according to a report by the American Council for Capital Formation.

INVESTOR'S BUSINESS DAILY

The Big Problem With 'Environmental, Social And Governance' Investment Ratings? They're Subjective

By Tim Doyle - August 12, 2018

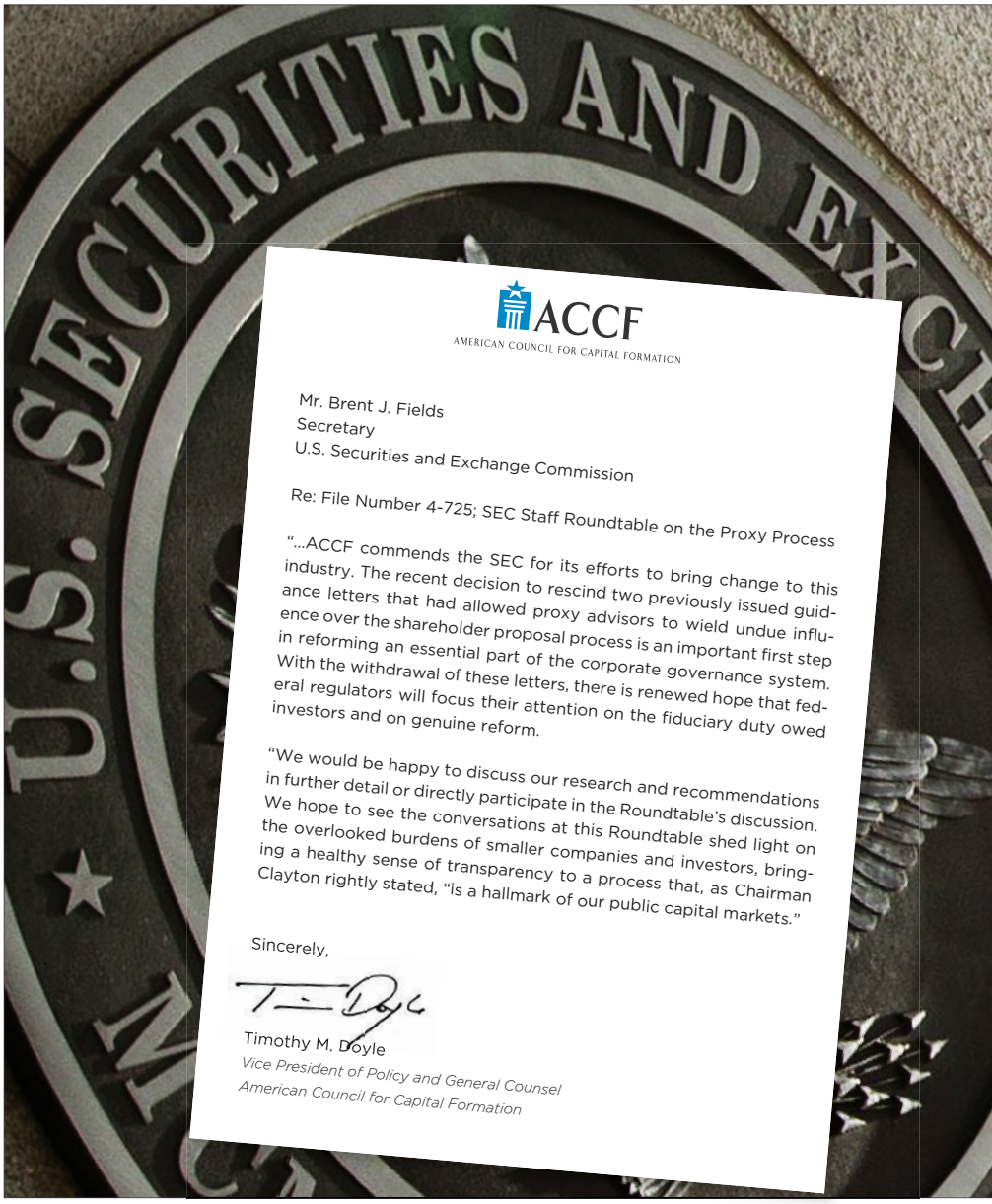
Greater oversight and reform of the ratings system must be seriously considered. Universal standards for ratings should be required in order to provide a level and transparent playing field for companies and investors alike. And agencies need to disclose how they reach their decisions, and their success rate in actually protecting investors from large-scale risks. All investors need consistent and reliable guidance. A meaningful reform of the ESG rating agencies system would provide an important step toward ensuring they receive it.

Pensions&Investments

Washington Down on Proxy Advisors

November 26, 2018

In research released before the SEC roundtable, the American Council for Capital Formation, a corporate governance advocate in Washington, concluded many asset managers "automatically rely on proxy firms' recommendations," in what's known as robo-voting. The ACCF research concluded robo-voting enhances the influence of proxy advisory firms and "undermines the fiduciary duty owed to investors."



ENERGY INNOVATION

The ACCF Center for Energy Security and Climate Economics believes that the path to a cleaner energy future should center on a comprehensive national innovation strategy that prioritizes investing in energy research and technology development, reduces environmental and business regulations that restrain the growth of American-made low-carbon energy, and expands free-market competition and consumer choice.

THE HILL

Energy isn't a horse race, and the government doesn't pick winners

By Drew Bond - February 8, 2018

"Opponents of federal support for energy innovation technologies often characterize it as the government "picking winners," but federal efforts to develop such a critical resource is far more complex than betting on a horse race. By supporting energy development programs, the government isn't backing a single company or technology, it's developing new technologies to ensure we all win."

Washington Examiner

US must regain ground in nuclear energy

By Drew Bond - March 17, 2018

This is a critical time for the Trump administration, Energy Secretary Rick Perry and our domestic nuclear infrastructure. Our 30-year hiatus in building new reactors coupled with the rise of state-owned competitors abroad has taken a significant toll on the U.S. nuclear industry and has seriously undermined America's global influence over nonproliferation and other matters."

THE DAILY CALLER

Don't Let The 'All Of The Above' Energy Policy Become A 'Do Nothing' Policy

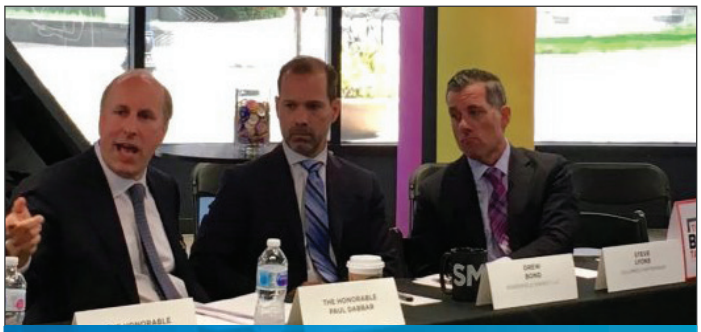
By Drew Bond - May 16, 2018

Today, we have no shortage of promising technologies that could similarly transform energy development and strengthen our position as a world leader, not to mention our energy security. But piecemeal investments aren't enough. We need bold, strategic investments in technologies of the future if we want to be leading in the future. We need "All-of-the-Above" Energy Policy Priorities.

ON FEBRUARY 6TH, the ACCF hosted the Honorable Dan Brouillette, Deputy Secretary of Energy for the U.S. Department of Energy for an ACCF Economic Policy Salon on "Modernizing our Energy Innovation Infrastructure". Members of Congress included Representatives Bill Flores (R-TX), Paul Tonko (D-NY), Marcy Kaptur (D-OH), David McKinley (R-WV), and Scott Peters (D-CA). Also in attendance was Hector Castro Vizcarra, Energy Attaché, Embassy of Mexico.

Deputy Energy Secretary Dan Brouillette

IN AUGUST, The American Council for Capital Formation (ACCF) and the Columbus Partnership hosted a conversation with Department of Energy Under Secretary Paul Dabbar at the Smart Columbus Experience Center, where business leaders called for continued investment in the city's thriving energy sector and underscored the progress Columbus has made in energy innovation through the private and public collaboration.



Department of Energy Under Secretary Paul Dabbar and ACCF Senior Fellow and Director of Energy Innovation Programs Drew Bond

ON SEPTEMBER 27TH, the ACCF hosted an Economic Policy Salon, "The Need for a National Energy Innovation Strategy." Headlining the event were administration officials Walter G. Copan, Under Secretary of Commerce for Standards and Technology and, Melissa F. Burnison, Assistant Secretary for Congressional & Intergovernmental Affairs for U.S. Department of Energy. Representative Marc Veasey (D-TX) also attended to share his perspective.

ACCF Senior Fellow Drew Bond, Rep. Marc Veasey (D-TX) and Under Secretary of Commerce Walter Copan.

ON OCTOBER 10TH, ACCF Director of Energy Innovation Programs Drew Bond moderated the panel: "Commercialization and Bringing Technology to Market at Speed and Scale," which weighed both the challenges of commercialization and best practices for success. The panel was part of a conference hosted by the ACCF, the Energy Policy Institute at the University of Chicago, ClearPath, and Oxford University.

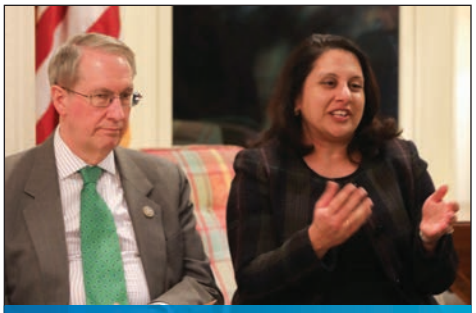
Varun Rai, Associate Professor, LBJ School of Public Affairs, University of Texas; Johanna Wolfson, Principal, PRIME Coalition; Ellen Williams, Distinguished University Professor, University of Maryland, College Park; ACCF Senior Fellow and Director of Energy Innovation Programs Drew Bond

REGULATORY IMPROVEMENT

Improving the federal regulatory process is critical to the continued growth and competitiveness of the U.S. economy. The Trump administration continues to rollback the burdensome rules that have created business uncertainty and inertia. The ACCF aims to find commonsense and bipartisan ways to improve the rulemaking process to ensure a fair and level process for American businesses. We are proud to have former OIRA Director John Graham on our ACCF CPR Board of Scholars, who is playing a critical role in ACCF's regulatory improvement research efforts.

ACCF Vice President of Policy and General Counsel Tim Doyle, OIRA Administrator Neomi Rao, and Senator Ron Johnson (R-WI)

Jay Faison, CEO of ClearPath and ACCF CPR Scholar John Graham



Rep. Bob Goodlatte (R-VA) and OIRA Administrator Neomi Rao

ON MAY 6TH, The ACCF hosted The Honorable Neomi Rao, Administrator of the Office of Information and Regulatory Affairs (OIRA) for an ACCF Economic Policy Salon on "Deregulation under President Trump." Senator Ron Johnson (R-WI) and Representative Robert W. Goodlatte (R-VA) joined the discussion along with ACCF CPR Scholar John D. Graham, Ph.D., former OIRA Administrator and current Dean of the School of Public and Environmental Affairs at Indiana University. Members of the media included Lydia Wheeler, Staff Writer, *The Hill*; Kate Bachelder, Editorial Writer, *The Wall Street Journal*; and Greg Ip, Chief Economics Correspondent for *The Wall Street Journal*.

THE HILL

One forgotten agency can curb alarming growth of regulation

By Timothy M. Doyle - March 25, 2018

"With currently just over 45 people working for OIRA, the size of the regulatory state is surpassing its ability to efficaciously review all significant regulations. Ironically, as the volume of regulations has exponentially grown since President Reagan first proposed expanding centralized review, the size of OIRA has been cut in half.

"Whether an administration is promulgating more regulations or focusing on deregulation, both require a consistent application of the guidelines set out in the Administrative Procedure Act (APA)..."

REAL CLEAR POLICY

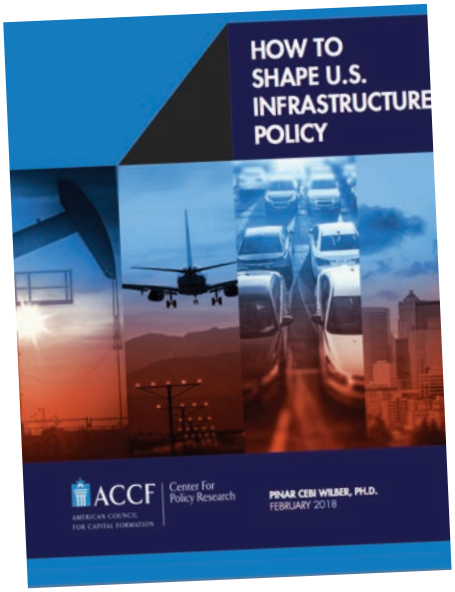
EPA Leads the Way on Permitting Reform

By Timothy Doyle - April 6, 2018

We must strike a balance between protecting the environment and economic growth. The mere act of reevaluating a permitting process intended to protect the environment is not, in itself, pretext for allowing manufactures to pollute more. Environmental regulations, like all regulations, need to be evaluated with respect to their mandated purpose. And they should be modified if and when they undermine their intended goals. The EPA has offered a common sense solution to just such a problem; it is deserving of bipartisan praise.

INFRASTRUCTURE MODERNIZATION

The nation's deteriorating infrastructure remains a major priority for policymakers. How to prioritize and finance infrastructure projects is the leading challenge. The ACCF offers its policy insights and recommendations on infrastructure investment that will help balance spending with continued economic growth.



A February 20th report, "How to Shape U.S. Infrastructure Policy", looked at the reasons for infrastructure investment and set the stage for steps that are crucial for successful infrastructure projects. Particular attention was paid to ways to use existing funds more effectively and to increase participation by the private sector. The paper concluded with alternative methods for financing and funding the country's much needed infrastructure.

THE HILL

Prioritize trade, infrastructure to bolster tax reform gains

By Dr. Pinar Çebi Wilber – January 18, 2018

"It is painfully obvious that the U.S. has subpar investment, and we need to address the issue as economically and efficiently as possible by taking a long-term view. This includes reforms to the whole system, from better outlining the goals of overall infrastructure investment to picking the best projects based on long-term goals and outcomes rather than short-term political gains.

"Given the current financial realities, this will require a careful use of public funding as well as attracting as much private financing as possible. But successful infrastructure investment can provide a big boost for the U.S. economy both in the short and long run..."

ACCF CPR Scholar Ken Medlock Testifies On Energy Infrastructure

On February 8, ACCF CPR Scholar Ken Medlock testified before the Senate Committee on Energy and Natural Resources on "The Evolution of Energy Infrastructure in the United States and How Lessons Learned from the Past Can Inform Future Opportunities.":

Medlock: "Infrastructure is vital for well-functioning markets. It plays a critical role in connecting supplies with demands, and is the architecture through which price carries signals to producers and consumers. Indeed, if deep, well-functioning markets are desired, then sufficient infrastructure is critical. For investments to occur in developing new supplies, access to infrastructure to connect producers to consumers is vital. In fact, this establishes the physical connection that leads to greater market depth and liquidity, which is important for energy security. The absence of sufficient infrastructure can disrupt investment and have bearing on whether there is adequate and reliable supply available to end-users..."

BOARDS & FINANCIALS

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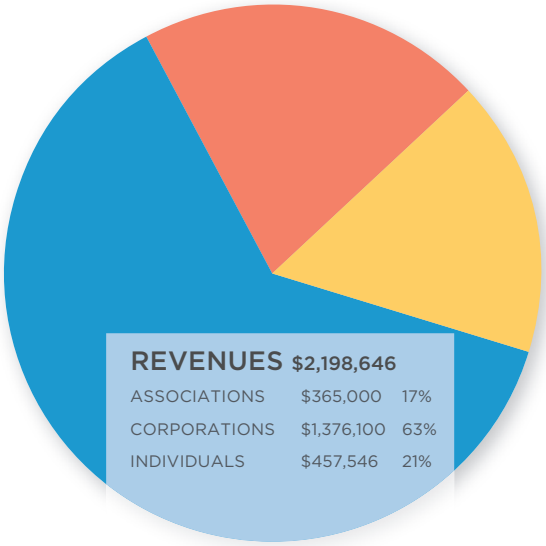

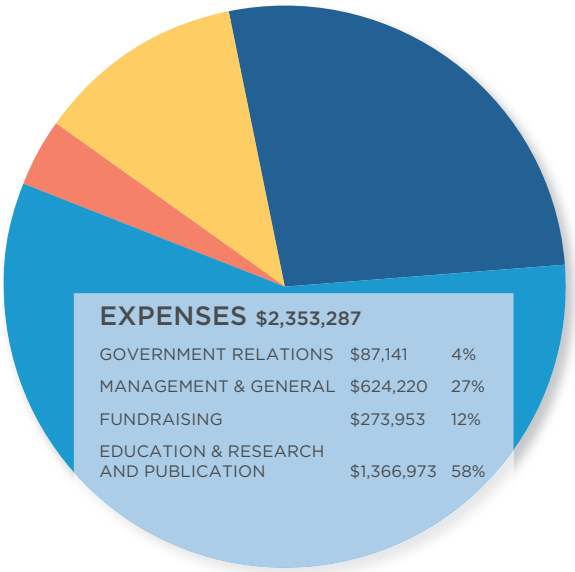

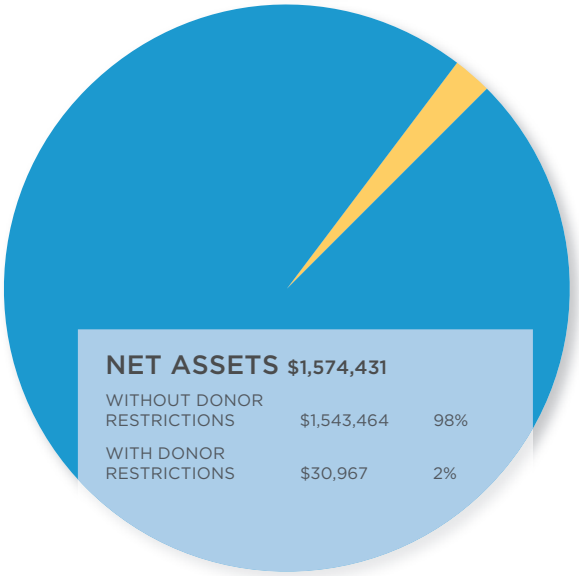

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The American Council for Capital Formation and The American Council for Capital Formation Center for Policy Research are grateful for the generous financial support of the corporations and associations that helped underwrite its 2018 programs. The ACCF is a 501(c)(6) organization. While contributions or gifts to it are not deductible as charitable contributions for federal income tax purposes, they may be deductible as an ordinary and necessary business expense or an expense incurred in the production of income. The ACCF CPR is a 501(c)(3) organization that accepts deductible charitable contributions. Combined audited financial statements are available upon request.

MEDIA

FORTUNE

Tough Russia Sanctions Could Backfire on the U.S.

By Mark Bloomfield - October 1, 2018

The Defending American Security From Kremlin Aggression Act (DASKAA), while intended to deter future Russian meddling, would actually cause international oil and gas supply chains to be disrupted. This could mean increased oil prices, possible oil shortages, and supply chain issues that trickle down to higher costs for American consumers. These new sanctions would also force American companies to exit joint projects within Russia, resulting in negative impacts on both U.S. energy firms and domestic employment. By sanctioning Russian energy and financial entities, there would also be adverse impacts on worldwide financial markets, as converting the U.S. dollar to other currencies would become more difficult, causing severe ramifications throughout the international financial community.

INVESTOR'S BUSINESS DAILY®

Navigating Economic Waters in the New Political Climate

By. Dr. Pinar Çebi Wilber - December 31, 2018

Is it possible to turn the ship around? Yes. The U.S. could decrease its attack on free trade and concentrate on things that will improve the bottom-line for the U.S. economy in the long run. These issues could be few, given the divided government, but no less impactful. For example, one policy both sides of the aisle could agree on and work together on is a much-needed infrastructure bill. We could also see some movement on the retirement policy front, which could not be timelier. Let's just hope there is enough political will to bring both sides to the negotiation table to design policies that will benefit the U.S. economy.

WASHINGTON Examiner

Influential advisers blindsiding corporate America on shareholder votes

October 29, 2018

"Proxy-advisory firms, under scrutiny in Washington over the weight given to their corporate-policy guidance, aren't giving companies enough time to respond to voting recommendations that oppose management's plans, a report released Monday contends. And investors that typically follow the firms' suggestions on matters from executive pay to environmental issues aren't always analyzing them closely before before voting, according to the study, which was commissioned by the non-profit American Council for Capital Formation..."

The Washington Times

As Donald Trump faces down Xi Jinping on trade, a vehicle emissions rule could get in the way

By George David Banks - October 31, 2018

We should restore the "mobile air conditioning" (MAC) credits and seek policy solutions that are consistent with an America First trade agenda. This would incent the use of innovative U.S. technology in a strategic industry for years to come.

Approving new NAFTA a no-brainer for new Congress

By Dr. Pinar Çebi Wilber - November 9, 2018

Keeping energy markets fully integrated not only helps attract investors, lowers capital costs and keeps prices lower for U.S. consumers and businesses, but it also bolsters America's energy and national security by strengthening export markets with two of our largest trading partners.

Time to Regulate Proxy Advisory Firms

By Tim Doyle - May 16, 2018

The current lack of regulation and oversight on proxy advisory firms is concerning to say the least. All too often, every day retail investors who know nothing about the complex web of interdependent relationships that underpin our financial system are the ones who wind up getting penalized. Proxy advisory firms must be held to the same standards of conflict disclosure and transparency as the publicly held companies they monitor.

Bolstering U.S. Corporate Governance Would Help Check China's Dominance Agenda

By George David Banks - October 31, 2018

"Building upon Trump's successes with tax reform and rolling back burdensome regulations, there remains an urgent need to repair corporate governance to check China's escalating economic aggression. The window of opportunity to defend the foundation of America's power, however, is quickly narrowing. Without swift action, activist shareholders could undermine the better world they wish to create by weakening U.S. competitiveness and helping China gain greater control of the global economy."

Look beyond the threat of steel tariffs to the 1.8 million jobs that could vanish if Nafta goes

By Pinar Çebi Wilber - March 5, 2018

"There is one important point to remember: increasing protection through tariffs works like a tax on traded products, increasing the cost for businesses and, ultimately, for consumers. This decreases employment and economic activity. That would definitely be bad news for President Trump's economic agenda and score keeping."

Activist Investing Today Podcast

Tim Doyle - November 9, 2018

"The general counsel of the American Council for Capital Formation, spoke to the Activist Investing Today podcast about two new studies the group has produced targeting influential proxy advisory firms and 'robo-voting' by some institutional investors. Doyle contends that the number of issues ACCF has identified are "just the tip of the iceberg." He insists that companies either can't challenge proxy advisory firms before their reports are issued, or don't have enough time to respond."

SCHOLARS IN THE NEWS

Since 1977, the ACCF Center for Policy Research, our afliated think tank, has welcomed leading economic experts as members of its Board of Scholars. This includes former CEA chairmen for Presidents George H.W. Bush, George W. Bush and Barack Obama; two Nobel Prize winners; two former Directors of the Congressional Budget Office; a former Department of Treasury Under Secretary for International Affairs; several Federal Reserve Board members; and other distinguished economists and former economic policymakers. The following is a sampling of their media coverage in 2018.

THE WALL STREET JOURNAL.

The Economy Is Growing Faster Than the Government Says

By ACCF CPR Scholar Jason Furman - July 9, 2018

"If you're looking for the most accurate view of economic growth, you won't find it in the government's top-line statistics. Last month the Bureau of Economic Analysis revised its estimate for the first quarter of 2018; the BEA now says gross domestic product grew 2%, annualized, down from the previous figure of 2.2%. This dramatically understates the economy's actual performance. A better measure, factoring in statistics on incomes, shows growth steaming along at a much stronger 2.8%..."

CNBC

Malkiel: Don't worry about the yield-curve recession indicator

August 1, 2018

Investing pioneer Burton Malkiel believes investors shouldn't worry too much about a key recession indicator — the so-called the flattening yield curve. "Recently, the curve has become noticeably flatter, with short-term rates rising and longer yields remaining stagnant. This has led many analysts to think that the curve will soon invert. But that does not mean a recession is imminent," Malkiel said in a Wall Street Journal op-ed Monday. "There appear to be few speculative excesses in the economy. Moreover, even if the Fed pushed short-term rates another percentage point higher, monetary policy would remain broadly accommodative."

The Washington Post

The 5 surprising things about the new USMCA trade agreement

By ACCF CPR Scholar Chad Bown - October 9, 2018

The wage rule disincentivizes investment and production in Mexico, where pay scales are lower and production is less likely to qualify. This, by itself, is likely to reduce U.S. auto imports from Mexico. But a second effect involves how these rules work to reduce auto exports to the rest of the world from Mexico, Canada and the United States. Constraining access to auto parts makes North American production costlier and the region's cars less competitive. In Asia or Europe, automakers are not subject to Trump's rules of origin.

npr

Is This What A Trade War Looks Like?

April 6, 2018

ACCF CPR Scholar Glenn Hubbard: "The problem is the president seems to speak from a view that thinks that China is responsible for the U.S. trade deficit. Of course that comes from the gap between investment and savings. If we weren't running it with China, we'd run it with somebody else. So I worry that while it's possible we'll find that off-ramp, I'm not sure the administration quite knows where it is."

WASHINGTON Examiner

Trump's tariff is the wrong way for trade enforcement — but there is a right way

By ACCF CPR Scholar Douglas J. Holtz-Eakin - March 20, 2018

"The Open Skies negotiations promise to enforce fair competition, to enhance the consumer benefits of a competitive air services market, and to improve the outlook for every U.S. worker. This effort is just one example of sensible trade enforcement policy. In contrast to sweeping tariff proposals, targeted and deliberate enforcement efforts are imperative both to maintain public trust in international trade and to ensure the

PC PCMAG.COM

ACCF CPR Scholar Robert Gordon: AI and Employment—Misplaced Fears

November 26, 2018

Gordon said that no invention in the 250 years since the first industrial revolution has caused mass unemployment, and that though jobs are constantly being destroyed, they are also being created in even larger numbers. He said there is enormous churn in the job market, and that at present there is actually a shortage of workers, not a shortage of jobs, which is true even in fields such as construction, skilled manufacturing, and long-distance truck driving.

POLICYMAKERS & SHAKERS

"The ACCF Salon allows the opportunity to discuss important policy issues the way it should be done: by bringing together diverse opinion leaders for sociable, face-to-face conversation. What a welcome respite from today's electronic banality."

—Dan Brouillette,
Deputy Secretary of Energy

ECONOMIC POLICY EVENINGS

Melissa F. Burnison, Assistant Secretary for Congressional & Intergovernmental Affairs, U.S. Department of Energy

ACCF Vice President of Policy & General Counsel Tim Doyle

ACCF CPR Scholar John Graham and ACCF Chief Economist Dr. Pinar Cebi Wilber

Rep. Tom Reed (R-NY)

Kate Bachelder, Editorial Writer, *The Wall Street Journal*

"An oasis from Washington's partisan bickering." —*The Hill*

"Mark Bloomfield's salon dinners are a delight. I've never been to one where I didn't learn a lot on economic policy — from people in business, members of Congress or even fellow journalists. I highly recommend." *—John Harwood, CNBC/New York Times*

Rep. Phil Roe (R-TN)

Mark Bloomfield and John Harwood, CNBC and New York Times Columnist

Miranda Green, Energy & Environment Reporter, *The Hill*

Susan Neely, incoming President & Chief Executive Officer, American Council of Life Insurers (ACLI) and ACCF Board Member

Yuka Hayashi, *The Wall Street Journal*

Christopher Rowland, Washington Bureau Chief, *The Boston Globe*

"Citizens take heart, there is civil discourse, but behind the scenes." *—Barron's Magazine*

Dr. Pinar Cebi Wilber, ACCF Chief Economist

Rep. Scott Peters (D-CA) and ACCF Senior Fellow and Director of Energy Innovation Programs Drew Bond

Senator Ron Johnson (R-WI)

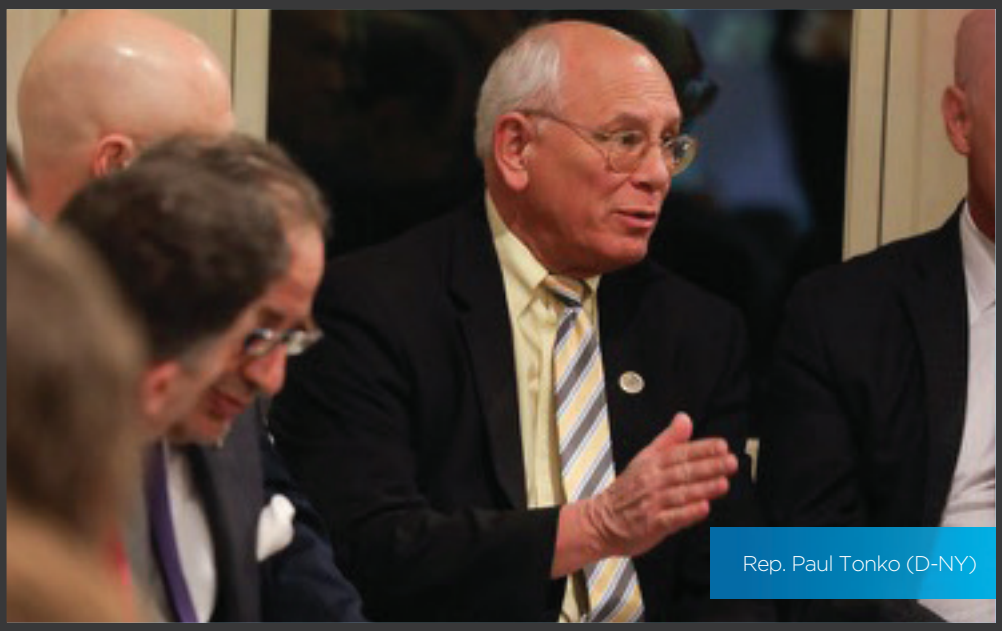
"I always enjoy participating in the ACCF Economic Evening. This event allows for lively and interesting discussion in a venue conducive to bipartisan and bicameral dialogue. We need more of that."

—Senator Ron Johnson (R-WI) Chairman, Senate Committee on Homeland Security and Governmental Affairs

Emily Holden, *Politico*

Rep. Richard Neal (D-MA)

Lisa Friedman, *New York Times*

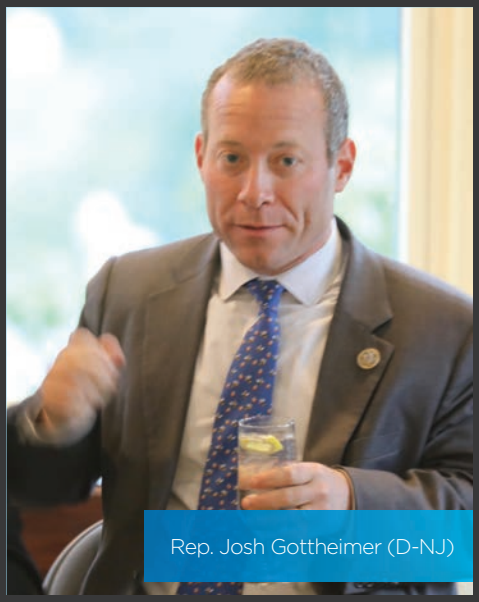


Rep. Paul Tonko (D-NY)

Rep. Bill Flores (R-TX)

Senator Sherrod Brown (D-OH)

Rep. Marcy Kaptur (D-OH)



Rep. Josh Gottheimer (D-NJ)

Away from the cameras and grandstanding to discuss the issues of the day and, on occasion, help steer economic policy."

—The Economist, March 3rd 2001

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Todd Johnston
Vice President, Government Relations, ACCF Center for Energy Security & Climate Economics

A History of ACCF with Policymakers & Opinion Shapers

Al Gore, **Dan Quayle** and **Dick Cheney** graduated from Washington's Last Salon hosted by the ACCF and became future Vice Presidents of the United States.

Senator **Amy Klobuchar**, a Democratic 2020 presidential candidate, and Senator **Sherrod Brown**, an almost presidential candidate, are both veterans of Washington's Last Salon.

Senate Democratic Leader **Chuck Schumer**, House Assistant Democratic Leader J**ames Clyburn**, Senate President Pro Tempore **Charles Grassley** and Senate Republican Whip **John Thune** have all participated in Washington's Last Salon.

House Chairmen **Richard Neal**, Ways and Means Committee; **Adam Schiff**, Select Committee on Intelligence; **Collin Peterson**, Agriculture Committee; **Jim McGover**n, Rules Committee; **Adam Smith**, Armed Services Committee and **Carolyn Maloney**, Joint Economic Committee have all spent time at Washington's Last Salon.

Forty members of **today's United States Senate [27 Republicans and 13 Democrats]** participate in Washington's last salon.

Senate Chairmen **Charles Grassley**, Finance Committee; **Michael Crapo**, Banking Committee; **Michael Enz**i, Budget Committee; **Lisa Murkowski**, Energy and Natural Resources Committee; **John Hoven**, Indian Affairs Committee; **Susan Collins**, Special Committee on Aging; **Ron Johnson**, Homeland Security and Government Affairs Committee; **Richard Burr**, Special Committee on Intelligence; and **James Risch**, Foreign Relations Committee are all veterans of Washington's Last Salon

Almost **400** members of Congress have shared their thoughts on economic policy at Washington's Last Salon including **117 senators [75 Republicans and 42 Democrats] and 279 congressmen [118 Democrats and 161 Republicans].**

Two Secretaries of State, **John Kerry** and **Mike Pompeo**; two Secretaries of Defense, **Leon Panetta** and **Chuck Hagel**; the first Secretary of Homeland Security, **Tom Ridge**; one Secretary of Interior **Frank Keating**; one Secretary of Agriculture **Dan Glickman**; and two OMB Directors, **Leon Panetta** and **Alice Rivlin**, at one time in their career have shared their thoughts on economic policy at Washington's Last Salon.

Five former Chairmen of the President's Council of Economic Advisers—**Martin Feldstein**, **R. Glenn Hubbard**, **Harvey Rosen** and **Greg Mankiw** have been to Washington's Last Salon

One Federal Reserve Chairman, **Ben Bernanke**, and one Federal Reserve Vice-Chair, **Alice Rivlin**, have also participated in Washington's Last Salon.

The Editorial Page Editors of *The Washington Post* and the *Wall Street Journal*, **Fred Hiatt** and **Paul Gigot**, among numerous editorialists, beat reporters and well-known faces from CNN, Fox News, CNBC and more have joined us at Washington's Last Salon.

Ambassadors from **Austria**, **Brazil**, **Denmark**, the **European Union**, **Lithuania**, and **Mexico** have given their international perspectives at Washington's Last Salon.

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