



## **Studies in the News**

California Research Bureau, California State Library

November 16, 2016

*Studies in the News* will not be published next week in observance of Thanksgiving. Publication will resume on Wednesday, November 30, 2016.

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## CULTURE & DEMOGRAPHY

***Who Killed the Inner Circle? The Decline of the American Corporate Interlock Network.*** By Johan S.G. Chu, et al. University of Michigan. 62 p.

[http://webuser.bus.umich.edu/gfdavis/Papers/Chu\\_Davis\\_2016.pdf](http://webuser.bus.umich.edu/gfdavis/Papers/Chu_Davis_2016.pdf)

This report explores the changing makeup of nonprofit and other corporate boards. “When a single network connected corporate America, executives were forced to listen to opinions from a range of peers.... The dense web of connections allowed the inner circle to police the corporate ranks and present a unified, middle-of-the-road message to policymakers. Our own research ... finds that board ties are now too sparse to provide a means for business executives to forge common ground.... To hold together, American society may require new institutions that connect a broad and diverse spectrum of business and nonprofit leaders to each other, forcing individuals to consider the views of their peers.” (*The Conversation*, Oct. 20, 2016).

## ECONOMY

***Corporate Tax Chartbook: How Corporations Rig the Rules to Dodge the Taxes They Owe.***

By Frank Clemente, et al. Economic Policy Institute. Sep. 19, 2016. 32 p.

<http://www.epi.org/files/pdf/107544.pdf>

This chartbook reviews recent literature on corporate income tax avoidance during a time of record corporate profits. Corporations actually pay only half the statutory tax rate of 35%, and only 3.0% to 6.6% of profits booked in tax havens. Multinational corporations use a combination of offshore profit shifting and tax deferral loophole to keep \$2.4 trillion of untaxed profits offshore and avoid paying \$700 billion in taxes. Almost half of offshore profits are held by pharmaceutical companies and high tech firms, including Apple, Pfizer, Microsoft, and General Electric. This decrease in tax revenues from multinational corporations shifts the tax burden onto domestic firms and labor, who now contribute \$8 out of every \$9 in federal revenue.

## EDUCATION

***The Promise and Perils of Predictive Analytics in Higher Education: A Landscape Analysis.***

By Manuela Ekowo. New America. Oct. 2016. 36 p.

[https://na-production.s3.amazonaws.com/documents/Promise-and-Peril\\_4.pdf](https://na-production.s3.amazonaws.com/documents/Promise-and-Peril_4.pdf)

This report discusses some of the uses of predictive analytics for higher education—targeting student advising, developing adaptive learning technologies, and managing enrollment. However, the authors caution against uses that might not be ethical. “Low-income, first-generation, and students of color tend to graduate with college degrees at much lower rates than affluent white students. When institutions use race, ethnicity, age, gender, or socioeconomic status to target students for enrollment or intervention, they can intentionally, or not, reinforce that inequality. For colleges that are just learning to use analytics to make decisions, guarding against these possibilities can be a struggle. But the stakes are too high to postpone asking these hard questions.”

## EMPLOYMENT

***The State of American Jobs.* Pew Research Center. Oct. 6, 2016. 95 p.**

<http://www.pewsocialtrends.org/2016/10/06/the-state-of-american-jobs/>

The number of workers in jobs requiring higher levels of education rose from 49 million in 1980 to 83 million in 2015, a 68% increase. This report, based on a recent survey, finds the majority of U.S. workers feel new skills and job training may hold the key to future job successes. “Tectonic changes are reshaping U.S. workplaces as the economy moves deeper into the knowledge-focused age. These changes are affecting the very nature of jobs by rewarding social, communications and analytical skills. They are prodding many workers to think about lifetime commitments to retraining and upgrading their skills. And they may be prompting a society-wide reckoning about where those constantly evolving skills should be learned—and what the role of colleges should be.”

***Does “Ban the Box” Help or Hurt Low-Skilled Workers?* By Jennifer Doleac, et al. University of Chicago. Oct. 2016. 52 p.**

[http://harris.uchicago.edu/sites/default/files/Revised%20Doleac\\_Hansen\\_BanTheBox.pdf](http://harris.uchicago.edu/sites/default/files/Revised%20Doleac_Hansen_BanTheBox.pdf)

“[B]an-the-box policies—which prevent employers from asking about a candidate’s criminal history until later on in the hiring process ... may actually be hurting some of the exact groups of people it was designed to help.... [B]an-the-box policies decreased the probability of being employed by 5.1% for young, low-skilled black men, and 2.9% for young, low-skilled Hispanic men.... [W]hen employers cannot access an applicant’s criminal history, they instead discriminate more broadly against demographic groups that are more likely to have a criminal record.... [T]his type of discrimination is especially prevalent in the Northeast, Midwest, and West, where there is a larger pool of non-black applicants to choose from.” (*The Atlantic*, Aug. 4, 2016).

## ENERGY & ENVIRONMENT

**“Potentially Induced Earthquakes during the Early Twentieth Century in the Los Angeles Basin.” By Susan E. Hough, et al. *Bulletin of the Seismological Society of America*, vol. 106, no. 6. (Dec. 2016) 17 p.**

<http://www.bssaonline.org/content/early/2016/10/27/0120160157.full.pdf+html>

This study looks at the historical impact of oil drilling in the Los Angeles Basin and suggests a potential tie to earthquakes that happened at that time. “Our results suggest that significant earthquakes in southern California during the early twentieth century might have been associated with industry practices that are no longer employed (i.e., production without water reinjection), and do not necessarily imply a high likelihood of induced earthquakes at the present time.”

## GENERAL GOVERNMENT

***Overseas Voting: Strategies for Engaging Every Voter.* By Kim Wyman, et al. The Council of State Governments. Oct. 2016. 16 p.**

<http://www.csg.org/ovi/SpecialReport2016.aspx>

The Overseas Voting Initiative Policy Working Group reviewed successful programs and practices nationwide and considered recommendations from the Presidential Commission on Election Administration related to military and overseas voting. The working group recommends using plain language, leveraging online resources like social media, improving communication regarding ballot content and returns, connecting state and local election officials with local military installations, and various policies regarding the Federal Post Card Application to reach out to eligible voters who live outside the state.

## HEALTH

**“Beverage Purchases from Stores in Mexico Under the Excise Tax on Sugar Sweetened Beverages: Observational Study.”** By M. Arantxa Colchero, et al. *BMJ* 352 (Jan. 6, 2016) 9 p.  
<http://www.bmj.com/content/352/bmj.h6704>

“What has been the effect on purchases of beverages from stores in Mexico one year after implementation of the excise tax on sugar sweetened beverages? In this observational study the authors used data on the purchase of beverages in Mexico from January 2012 to December 2014 from an unbalanced panel of 6253 households providing 205,112 observations in 53 cities with more than 50,000 inhabitants.... The tax on sugar sweetened beverages was associated with reductions in purchases of taxed beverages and increases in purchases of untaxed beverages.” The report found a decrease in overall purchases of taxed beverages in 2014.

**“Projected Impact of Mexico’s Sugar-Sweetened Beverage Tax Policy on Diabetes and Cardiovascular Disease: A Modeling Study.”** By Luz Maria Sanchez-Romero, et al. *PLoS Medicine*, vol. 13 no. 11 (Nov. 1, 2016) 17 p.  
<http://journals.plos.org/plosmedicine/article?id=10.1371/journal.pmed.1002158>

“The new projections released this week reveal how soda taxes might benefit public health not only in Mexico but in other countries with high rates of soda consumption and diabetes, including the United States.... The study researchers used the Cardiovascular Disease Policy Model, which has been involved in estimating health benefits in the United States since the 1980s, to simulate how Mexico's sugar-sweetened beverage tax would affect adults ages 35 to 94.... [B]ased on the new model, the researchers projected that a 10% reduction in sugary beverage consumption among Mexican adults could result in about 189,300 fewer cases of type 2 diabetes.” The report estimates a savings of almost \$1 billion in health care expenditures. (*CNN*, Nov. 1, 2016).

## HUMAN SERVICES

***Job Search or Basic Education Participation First: Which Improves the Earnings of Welfare Recipients More in the Long Term?*** By Gayle Hamilton, et al. MDRC. Oct. 2016. 11 p.  
<http://www.mdrc.org/sites/default/files/NEWWWS-final-Web.pdf>

“There is a longstanding debate about whether the economic well-being of welfare recipients is improved more by helping them quickly find work or helping them to first obtain some basic education and training.... In general, the findings provide compelling evidence that both types of welfare-to-work programs can increase welfare recipients’ earnings, compared with not offering such services. While the approach stressing initial job search led to greater earnings in the short term than did the approach stressing initial education and training, neither approach produced substantial effects past the five-year follow-up period.” While these programs are arguably better for families than no program at all, the results suggest “a need to implement and test new initiatives that might increase low-income individuals’ earnings and improve their and their families’ well-being.”

### ***About the California Research Bureau***

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