



Request for Applications

Counterfactual Economic Analysis of Jones Act Repeal

Balsa Research is seeking proposals from qualified individual economists or teams to conduct a counterfactual analysis assessing the potential economic impact of a modern-day repeal of the Jones Act (Section 27 of the Merchant Marine Act of 1920).

The Jones Act requires ships carrying cargo between two American ports to be American built, American owned (75% of stock owned by Americans), American manned and American flagged. This is analogous to preventing domestic airlines from using Airbuses, or trucking companies from using Toyotas.

While protectionist laws around shipping are common, the Jones Act is uniquely restrictive - perhaps the most restrictive among all OECD countries. Given its longstanding enforcement for over a century, there is little to no useful data on what the present-day costs would be for a foreign vessel to legally operate between U.S. ports.

We're looking to work with economists to better understand the potential cost implications of the Jones Act on domestic shipping and its broader implications for the US economy.

Primary Research Objective: This project seeks to create a robust economic model that will provide clear estimates of the economic impact of the Jones Act. We're particularly interested in the key indicators of GDP, CPI, and CBO projections, and on net employment and union employment.

Stretch Goals: In addition to the primary research objective, we're also interested in exploring the following extended areas of impact: changes in emissions and other ecological impacts; the geographical distribution of the effects of repeal; impact on shipping, shipyard, and dockyard employment; amount of trade between American ports; size of the American merchant marine.

Scope of Work:

1. Preliminary analysis of the current impact of the Jones Act on domestic shipping costs and the US economy.
2. Development of a robust economic model to estimate the economic impact of the Jones Act, to be also used for counterfactual analysis.
3. Estimation of the impact on the American economy if the Jones Act was repealed in whole or in part (for example, removing just the American-built requirement), using the

developed model. The model should include one or more of these, in rough order of importance:

- a. Impact on the costs of goods and services
 - b. Impact on the energy market
 - c. Impact on the American labor force
 - d. Environmental impact
4. Delivery of a paper or series of papers detailing methodologies, findings, and economic implications, intended for publication in a reputable journal.

Throughout this project, Balsa Research will provide ongoing support and guidance as needed.

Funding: We're looking for proposals costing between \$35,000-\$45,000 for work that meets the research objective, plus the costs of any required data sets. However, we recognize the potential for exceptionally promising and comprehensive proposals that may require additional resources. For such cases, we are prepared to consider significantly more funding.

Additionally, we are open to funding piecemeal work that focuses on specific areas of the study. If you believe you can deliver outsized value in a particular aspect of the project (e.g., developing an economic model, conducting a specific segment of the analysis, etc.), please indicate this in your proposal. We welcome proposals that may only cover a portion of the overall scope but promise significant insights or advancements in the understanding of the impact of the Jones Act.

We suggest applying for a range of amounts, from the minimal amount necessary to successfully meet a research objective, to the largest amount such that no extra money would buy any additional productivity. If the most promising application exceeds our current funding levels, we will fundraise for the remainder rather than reject the application.

Eligibility and Expertise: To be eligible for consideration, a project must have at least one investigator who is a faculty member or a graduate student at a U.S. college or university.

The ideal researcher(s) will have:

- A strong background in economic modeling and analysis, particularly in industrial organization, trade, transport economics, or related fields.
- Experience in policy analysis and counterfactual scenario building.

Timeline: Proposals should be submitted by June 1st, 2024; we aim to get back to everyone by June 30th. The project is expected to commence by September 2024. We anticipate that the primary research objective can be accomplished in 8-12 months, but we're flexible on timing.

Proposal Requirements:

1. Description of the proposed methodology, and the data and methods used.
2. Estimated timeline and major project milestones.
3. Budget proposal, including a breakdown of costs.

4. Information on the researcher or research team, including a summary of qualifications and relevant prior work in addition to CVs.
5. A conflict of interest statement describing any financial or other interests of the research team that might bear on the proposed work, especially any financial or other ties to the transportation industry.
6. If focusing on only a part of the scope, an outline of how this work will fit into the larger project objective.

Please limit the application to no more than ten pages exclusive of CVs and appendices, and use PDF format.

Submission Process: Proposals should be submitted to <https://forms.gle/bYL1sRooDEye9aEU9> .

All proposals that meet the requirements will be considered by our review committee of subject matter experts, including economists and policy analysts familiar with the Jones Act. Proposals will be evaluated based on the robustness of the proposed methodology, the relevance and expertise of the team, feasibility of the timeline, and overall cost-effectiveness.

Inquiries: For further information or questions regarding this RFA, please contact Jennifer Chen (jenn@balsaresearch.com).

Appendix

About Balsa Research: Balsa Research is an experimental research 501(c)(3) nonprofit run by Zvi Mowshowitz. Our goal is to lay the groundwork necessary to help make impactful policy changes for human flourishing. We are practical and interested in doing what works, in the most straightforward and direct way possible. This RFP helps us verify the effectiveness of our current advocacy goals, and strategically focus our efforts on what is most high-impact.

Intellectual Property Ownership: Balsa Research recognizes the importance of protecting the intellectual property rights of researchers. Applicants retain full ownership and intellectual property rights over the research methodologies, models, analyses, and written products developed as part of this project. Balsa Research does not claim any ownership or rights over the intellectual property created by the researchers.

Academic Freedom and Research Integrity: Balsa Research recognizes the importance of independent, objective research conducted without any predetermined outcomes. Our interest lies in obtaining results driven by robust methodology and empirical evidence, not in seeking any specific numerical outcome. We encourage proposers to develop and utilize methodologies that are logically sound and transparent, ensuring the credibility and reliability of the research findings.