PREFACE

From the inception of the DeVoe Moore Center back in 1999, we have produced an annual report that detailed every aspect of the Center’s activities over the previous academic year. Because these activities are substantial and have grown over time, the report started out long and got even longer (last year’s report was 35 pages). In the interest of providing a more concise and readable report, this year we focus only on the Center’s major accomplishments. In addition, the emphasis is placed on the impact that these accomplishments have had on students, because the primary mission of the Center is to enhance undergraduate and graduate students’ understanding of the role of government in a market economy. A detailed account of the Center’s mission and activities remains available at our website: http://www.coss.fsu.edu/dmc/.

CENTER SPONSORED COURSES

Two years ago the Center began offering two undergraduate courses on land use regulation. One course is offered in the Fall and the other is offered in the Spring. The Fall course introduces students to real estate markets, covering such topics as the developer’s decision, capital markets, housing finance, property taxation, and land use regulation. The second course is focused on having the students do a term paper project.
A regulatory issue currently confronting the community is chosen by the student. After stakeholders (e.g., planners, developers, and homeowners) are interviewed and the relevant legal documents and literature are read, the student determines whether the regulation is working as intended and whether there are unintended consequences associated with the regulation. This past year the Center’s course offerings were especially popular with the students, with a total of 100 students signing up for the classes.

In addition to the Center’s undergraduate course offerings, every fall semester the Center holds a workshop on state and local regulations for graduate students throughout the College of Social Science and Public Policy who are working on research projects relevant to the Center’s mission. The workshop provides each student the opportunity to present their current research and obtain feedback from Center faculty and other graduate students. Comments are provided on both the research and the student’s presentation style. The latter is important in order to prepare students for the job market, since academic jobs and some non-academic jobs require, as part of the on-site visit, that the job candidate give a seminar. This past fall 15 students presented before the workshop.
CRITICAL ISSUES SYMPOSIA

The Center hosted two symposia this past academic year. The first was co-sponsored with the Collins Institute and was titled “States as Facilitators or Obstructionists of Local Governments.” The second was co-sponsored with the Florida State University Business School and was titled “The Economics of Information in Real Estate Markets.” These conferences brought to campus some of the top nationally known experts on state and local government policies and regulations. Graduate students benefited from these conferences both directly and indirectly. Direct benefits included attending the presentations of these experts, serving as discussants of the experts’ papers, and having the students themselves present their own work (joint with their faculty advisor). These experiences, especially the last two, serve the students well as they prepare to enter the job market. Indirect benefits accrue not only to graduate students, but also to undergraduate students in that the conferences produced important new research papers on the intended and unintended impacts of government intervention into markets that can serve as reading material for courses throughout the U.S. on state and local regulations (like those offered by the DeVoe Moore Center) and more general courses that deal with the role of government in a market economy, which are taught by both economics and political science departments. The papers from the conferences are to be published in three leading academic journals, which will make them widely available throughout the
world. The papers from the first conference are to fill special issues of *Public Finance Review* and *Publicus*. The latter journal is edited here at FSU by Carol Weissert, who is a Professor in the Political Science Department and Director of the Collins Institute. The papers from the second conference will appear in a special issue of the *Journal of Real Estate Finance and Economics*, which is also edited by an FSU professor, namely C.F. Sirmans in the Business School.

The above symposia and the many others that the DeVoe Moore Center has hosted over the years since the Center’s inception have focused on state and local government policies, rules, and regulations on which not much has been known regarding their total impacts—intended but especially unintended. Hence, the conferences have been consistent with the Center’s motto that you cannot teach students about the role of government in a market economy until you have done the research establishing how, for example, the regulations have actually worked and what unintended consequences the regulations have had.
DEVOE MOORE DISSERTATION FELLOWSHIPS

The Center awarded three students DeVoe Moore Dissertation Fellowships for the past academic year. These fellowships are reserved for only the best students who choose to pursue dissertation research that lies within the mission of the Center. These fellowships are not only of great benefit to the students who receive them, but like the Center’s Symposia, provide important new research that contributes to the body of knowledge on state and local government regulations that is drawn upon worldwide to teach students about regulations. This year’s dissertation fellowship recipients were Anthony Kassekert (Public Administration), Bradley O’Connor (Economics), and Daniel Scheller (Political Science). Anthony is studying the role that local government policies and regulations play in affecting local economic development. Bradley is investigating a topic on which we currently know almost nothing; namely, what factors explain the particular set of land use regulations that individual cities and counties adopt. Hence, unlike the lion’s share of the Center’s work that looks at the consequences, both intended and unintended, of state and local regulations, Bradley is studying the causes of these regulations (i.e., why did a particular regulation get adopted by a city in the first place). Daniel is also exploring an important topic that has been overlooked in the literature; namely, the political economy of neighborhood governance. Like local governments, many homeowner associations have their own set of rules and regulations. There has been a great deal of controversy
surrounding these regulations, with some people arguing they are too restrictive and rob the homeowner of his property rights, while other people have argued that these regulations are necessary because local governments have failed in their attempts to protect homeowners from neighboring land uses that are incompatible with property value maximization. Daniel’s research is directed at shining some light on this important issue.

ECONOMICS CLUB

The DeVoe Moore Center recognizes that students learn not only in the classroom but also from their extracurricular activities. This explains the financial support that the Center provides to the Florida State University Economics Club. The Club met semi-biweekly during the Fall and Spring semesters. The meetings are open to all undergraduate students, regardless of their major. The focus of the Club is on helping students better understand the “big” economic issues currently confronting our country. One approach taken by the Club to both enlighten and entertain its members is to have panel discussions among FSU faculty that are focused on “hot” topics. Panel discussions generally do not occur as part of a regular class and therefore they represent a unique learning experience for the students that they seem to thoroughly enjoy. Not surprisingly, during this past academic year the Club held panels on health care reform and
government bailouts. The Club also invites noted scholars from throughout the nation to come and speak. This past year Russ Sobel of West Virginia University spoke to the Club on the strong relationship that research shows exists between economic freedom and economic prosperity.

SPEAKER SERIES JOINT WITH
CENTER FOR REAL ESTATE EDUCATION AND RESEARCH

The DeVoe Moore Center and the Center for Real Estate Education and Research, which is housed in the FSU Business School, jointly organize the Evan D. Jennings Executive Speaker Series in Real Estate. This series gives students, at both the undergraduate and graduate levels, the opportunity to hear developers talk about their own “real world” experiences in developing properties, including how they personally deal with government rules and regulations. A reception held after each lecture allows students to personally interact with the speakers. During the past academic year lectures were given by Allen C. de Olazarra and Kyle Riva. Mr. de Olazarra is Chairman and Chief Executive Officer of America’s Capital Partners, which is located in Miami, Florida. Mr. de Olazarra spoke on “Conditions in the Commercial Real Estate Market—What Happened? What Next?” Mr. Riva is President of Epoch Properties, Inc., which is located in Orlando, Florida. He spoke on “Developing an Apartment Community in Today’s
Financial Climate.” Both lectures were given to “packed houses” over at the Business School.

THE GREAT DEBATE

The past year continued the Center’s tradition of having two Center faculty—Randy Holcombe of the Economics Department and Tim Chapin of the Urban and Regional Planning Department—debate the issue of growth management within the state of Florida. This year Randy and Tim again mesmerized undergraduate students with their debating skills, with Randy taking the con and Tim the pro side of Florida’s Growth Management Act. The debate is open to all students but is organized as part of the Center’s curriculum on land use regulations.

This debate and the panel discussions and symposia and speaker series and term paper projects mentioned above are all examples of the emphasis that the Center has placed on providing students with nontraditional learning experiences. While the Center through its own courses provides the traditional classroom education, the students and the faculty enjoy occasionally departing from the ordinary ways of dispensing and receiving knowledge which the Center provides.
RECOGNITIONS

While there are ample rankings of academic departments, there is no national ranking of university centers that might reveal how the DeVoe Moore Center is viewed outside of the University. However, there is relevance in a ranking of fields published this past year in the *Southern Economic Journal*. The two economic fields that the Center most strongly supports are 1) Law and Economics, and 2) Urban and Regional Economics. These two fields at FSU were ranked ninth and seventh best in the nation, respectively. No other fields offered by FSU made the top twenty.

Another noteworthy event that occurred over the past year that is related to the Center’s success is that the Center Director was chosen a Fellow of the International Regional Science Association. This award was given in recognition of his contributions to the field of regional science, which includes his work over the past decade on land use regulations. There are only 50 Fellows world wide and they include such notable economists as Walter Isard (University of Pennsylvania and Cornell University) and Martin Beckmann (Brown University). Professor Isard is widely recognized as the “Father of Regional Science,” while Professor Beckmann is held in high esteem as the greatest location theorist of our generation.
FUTURE DIRECTIONS

As noted in the Preface to this Annual Report, the primary goal of the DeVoe Moore Center is to instruct students on the role of government in a market economy. The Center has taken two paths toward accomplishing this objective. First, research is undertaken in order to reveal the effects that government rules and regulations have on individuals and the economy. These effects have been understudied and the Center has taken the lead nationwide in filling the information vacuum. This year, as in previous years, Center sponsored research has resulted in books, journal articles, dissertations, and policy briefs. College teachers throughout Florida and the rest of the nation can access these writings to better prepare their students in the area of state and local government regulations.

Second, the Center teaches undergraduate and graduate students at FSU about regulations using a variety of methods, including offering Center sponsored courses; organizing debates, lectures, and panel discussions; and hosting conferences.

The Center’s commitment to its instructional goals will be even stronger in the years to come. The Center’s course offerings will be expanded to include a course on local public choice. This course will teach students how and why locally elected government representatives reach their policy positions. Government rules and regulations cannot be
fully understood without analyzing the utility-maximizing behaviors of public officials. The Center’s new course on local public choice, like the Center’s two existing courses on land use regulations, cannot be taught without the appropriate teaching materials (i.e., books and articles) that come from academic research. Like state and local government rules and regulations, local public choice is an understudied area in economics that merits far more research than it has received. In this light, the Center will be sponsoring in February, 2011, the first national conference on local public choice. Center faculty member Randy Holcombe has already organized the conference and he has reached an agreement with the prestigious journal *Public Choice* to publish the conference proceedings. Randy has invited top scholars from throughout the nation to prepare research papers on topics of interest in the area of local public choice. This will serve as an excellent beginning to the Center’s expanded curriculum.