I. Introduction

During the 2010—2011 academic year the DeVoe Moore Center (DMC) made great strides in continuing to advance its teaching and research missions. These missions are to 1) educate Florida State University students about the effects, both positive and negative, that government regulations have on a market economy and on individual participants within the economy, and 2) increase our knowledge of the latter effects by conducting research and disseminating our findings in journal articles, books and policy briefs. In the rest of this report I highlight the major accomplishments of the DMC over the past year and identify the DMC’s teaching and research agenda for the next academic year (2011—2012).

II. Accomplishments Over the Past Year

The DMC’s past year accomplishments are broken down below into those related to our teaching and research missions.

A. Teaching Accomplishments

- William Doerner, a graduate student in economics being supervised by DMC Director Keith Ihlanfeldt, continued to teach the DMC’s two course sequence “Land Use, Housing, and Government Regulation.” Part 1 is taught in the fall and part 2 in the spring. This is the second year that Will has taught these courses. In recognition of the excellent job Will has done in teaching these classes, it was announced in April that he had won one of the University’s six “Outstanding Teaching Assistant Awards.”
• The DMC continued its support of the Economics Club, which provides all students, regardless of their major, the opportunity to learn more about our free enterprise system outside of the classroom. One of the Club’s special events this past year was a panel discussion in October that attracted a standing room only crowd entitled “The Great Recession: Has Macroeconomic Policy Promoted Recovery or Made Matters Worse?” The panel was moderated by Dr. Joe Calhoun of the FSU Economics Department. Discussants were FSU economics professors Dr. James Gwartney, Dr. Milt Marquis, Dr. Don Schlagenhauf and Dr. Randall Holcombe. Holcombe and Gwartney are DMC faculty members. This event was just one of a wide range of unique educational experiences that the DMC sponsored through the Club the past year, which included, for example, bringing to campus professors from other universities who are well known for their research on free enterprise economics and entertaining movies enjoyed by Club members that illustrate the comparative advantage of free enterprise as an economic system. For a complete list of Club events go to: http://www.coss.fsu.edu/econclub/events/archive.

• Every fall semester the DMC teaches a “Workshop on State and Local Government Regulation.” This interdisciplinary workshop is attended by DMC faculty members and by graduate students throughout the College of Social Sciences and Public Policy who have an interest in government regulation. The course is taught by DMC Director Keith Ihlanfeldt. The workshop gives students and faculty who are working on regulatory issues the opportunity to present, and thereby improve upon, their current research projects. The workshop is especially useful to graduate students who are entering the job market, because the DMC workshop provides them a practice run of their job
market seminar, one of the most important seminars they will ever give. The DMC workshop is unique in that it is one of the few forums on campus where both students and faculty from different departments come together to critique an individual’s research and the quality of his/her presentation.

- Another important teaching function of the DMC is to give graduate students the opportunity to work with Director Keith Ihlanfeldt, who in 2009 was named a Regional Science International Fellow, a distinction at the time held by only 50 professors worldwide. Students who did dissertation research this past year on regulatory issues and who were directed by Dr. Ihlanfeldt are Pamela Dowd, Brad O’Connor, Austin Boyle, Tom Mayock, and Will Doerner. These students have all had remarkable achievements over the past year and without exception they have acknowledged the guidance and assistance provided by the DMC. Dowd and O’Connor are both working for the Disney Corporation in Orlando as economic analysts and are putting the finishing touches on their dissertations. O’Connor will soon be moving to his new position as Research Economist with the Florida Association of Realtors. Boyle was awarded a DeVoe Moore Dissertation Fellowship. His research focuses on the local fiscal impacts of Florida’s new property tax portability provision, which allows homeowners who move within Florida to apply their Save Our Homes property tax savings on their prior home to their new home. There has been much controversy surrounding this policy change but to date no study has been done. Tom Mayock is now Dr. Tom Mayock and he will start his new job with the U.S. Treasury Department in August. Tom’s new position is a highly coveted position, which his involvement with the DMC over the years helped him to obtain.

Finally, Will Doerner was recently named a Lincoln Land Institute Dissertation Fellow,
which is the most prestigious award available internationally for students working on land use regulatory issues. Will’s dissertation focuses on regulations surrounding eminent domain and property taxation.

- The DMC stresses the importance of having real estate development professionals come to campus to share with FSU students their real world experiences dealing with government regulations. This past year the DMC promoted, jointly with the Business School’s Center for Real Estate Education and Research, the following speakers:

  1. Paul Ellis, President
     CNL Commercial Real Estate, Orlando, Florida

  2. Edward O. Word, Jr., President
     Concord Management LTD, Maitland, Florida

  3. Gregory R. Michand, Senior Vice President
     ING Investment Management, Atlanta, Georgia

Informal receptions held after each talk allowed the students to personally interact with each speaker.

B. Research

- Every year the DMC sponsors Critical Issues Symposia that have both an instructional and research component. This past year there were two symposia:

  February, 2011 “Public Choice in a Local Government Setting”

  April, 2011 “Government Intervention into Real Estate Markets”

The first symposium was organized by DMC faculty member Randy Holcombe, who succeeded in bringing to the conference some of the top scholars from both the U.S. and abroad who are known for their work in public choice economics. The papers
presented at the conference are to be published in a Special Issue of the journal *Public Choice*, which is the premier journal in the area. The latter publication continues the DMC’s long tradition of having its symposia papers published as either a book or a special issue of a high quality academic journal. The second symposium was jointly sponsored by the DMC and the Business School’s Center for Real Estate Education and Research. The conference was organized by Dean Gatzlaff and C.F. Sirmans of the Real Estate Department. One of the papers presented was by Keith Ihlanfeldt, DMC Director, and Tom Mayock, past DMC Dissertation Fellow, and focused on the factors that limit the supply of land available for home construction. Where there is less land available, increases in housing demand may result in housing price booms like those that occurred in a number of South Florida counties during the first half of the last decade. The paper shows that an important factor limiting the supply of land and thereby contributing to the house price run–ups are the stringent government land use regulations that exist in many of these counties. The publication of the papers presented at the symposium has not yet been arranged.

- Another symposium related event that occurred during the past year was the publication of the book *Handbook on the Economics of Crime*, which includes the papers presented at a DMC symposium that occurred in March 2009. The book was edited by Bruce Benson, DMC faculty member, and was published by Edward Elgar. Keith Ihlanfeldt, DMC Director, contributed a paper to the volume that focuses on the impacts that different types of crime have on property values.

- The DMC faculty published its typical plethora of articles on government regulations this past academic year. The topics covered include the effect that swings in housing prices
The papers cited above and other recent research papers of the DMC can be found on our web site under the tab Research\Recent Papers.

III. Highlights of the Forthcoming Academic Year (2011—2012)

- The DMC will undergo an important transformation in the next academic year. Dr. Sam Staley has been hired as a teaching specialist to teach the DMC regulation courses, taking over for Will Doerner, and to serve as the Associate Director of the Center. In the latter capacity, he will focus on community outreach and external fund raising. Dr. Staley is coming to us from the University of Dayton and will continue to have an appointment with the Reason Foundation, a major think tank on issues surrounding free enterprise. He has previously been involved with the DMC, co-editing along with Randy Holcombe the first book that resulted from a DMC Critical Issues Symposium. The book is entitled *Smarter Growth* and was published in 2001.

- In February 2012 the DMC will host the Critical Issues Symposium: “The Local Benefits of Sustainability: Rhetoric or Reality?” This symposium is being organized by DMC faculty member Rick Feiock of the Askew School and Chris Coutts of the Department of Urban and Regional Planning. Keith Ihlanfeldt, DMC Director, has arranged for the papers presented at the conference to be published as a Special Issue of *Cityscape*, which is the
U.S. Department of Housing and Urban Development’s professional journal. The journal has a huge readership base, which will further enhance the DMC’s international reputation.

- In April 2012 the DMC will co-sponsor and co-organize a Critical Issues Symposium with the Bergstrom Center at the University of Florida. This is an exchange program where UF will host the conference in 2012 and the DMC will host the conference in 2013.

- Two major projects are on the DMC research agenda for 2011—2012. The first will deal with property tax appeals. Over the past five years, appeals have skyrocketed in number in Florida and in other states throughout the U.S. This has proved to be a big expense to local governments and thereby the individual taxpayer. The appeal process, however, has received virtually no scrutiny from academic scholars or policymakers. We intend to focus on the costs and benefits of appeals from society’s perspective and we have already collected over 100,000 Florida appeals cases for the purpose of our analysis. The second major research project of the DMC for the forthcoming academic year will be to explore how swings in real estate values, which have been shown to be largely the result of government land use controls, affect local government budgetary decisions. The DMC has been acquiring data from the Florida Department of Financial Services that provides detailed revenue and expenditure figures from every city and county in Florida going back 16 years. An initial look at these data by Keith Ihlanfeldt and Will Doerner will be published in a forthcoming issue of *Regional Science and Urban Economics*. 