



Center for the Study  
of Free Enterprise

# 2016-2017 ANNUAL REPORT

Director: Edward J. Lopez  
June 19, 2017

# CONTENTS:

## I. **Organizational Background**

- A. Center Mission
- B. Center Activities & Deliverables
- C. Center Reporting and Organizational Structure:
- D. Center Organizational Timeline

## II. **Approved Projects Receiving Center Support (AY 2016-17, and Summer 2017)**

### A. Student Engagement Activities

- 1. EPIC Initiative (Elevating Potential, Imagination & Collaboration)
- 2. Global Asset Management Education VII Forum

### B. Student-Faculty Research Projects

- 1. Barbara Jo White, Professor, CIS with undergraduate CIS major
- 2. Marco Lam, Assistant Professor, Accounting with undergrad ACCT major

### C. Faculty Summer Research Projects

- 1. Thomas D'Angelo, Assistant Professor, Accounting
- 2. Nathan Johnson, Assistant Professor, Management
- 3. Todd Creasy, Associate Professor, Project Management
- 4. Steve Ha, Professor, Economics
- 5. Ed Wright, Professor, Management
- 6. Angela Dills, Distinguished Professor, Economics

D. Faculty Conference Travel

1. Bob Lahm, Appalachian Business Research Symposium
2. Steve Ha, Appalachian Business Research Symposium
3. Audrey Redford, Association of Private Enterprise Education

III. **Center Events/Activities**

1. Global Spotlight Series: Panel Discussion on the Global Drug Trade, February 20, 2017
2. Free Enterprise Speaker Series, February 16, 2017, Michelle Vachris, Professor of Economics, Christopher Newport University, "Pride & Profit: The Intersection of Jane Austen and Adam Smith"
3. Free Enterprise Speaker Series, March 13, 2017, Donald Boudreaux, Professor of Economics, George Mason University, "The Elemental Case for Free Trade"
4. Weekend Student Seminar, March 31-April 1, The Law and Economics of Vice, Crime, and Policing", WCU Biltmore Park

IV. **Economic Education**

V. **Building the Organization**

1. Advisory Board
2. Center Director
3. Administrative Personnel
4. Public Face: email, web, social media, branding
5. Scholarships

VI. **Budget**

VII. **Looking Ahead**

# I. ORGANIZATIONAL BACKGROUND

The Center for the Study of Free Enterprise at Western Carolina University (CSFE) was established on December 4, 2015 by a unanimous vote of WCU's Board of Trustees (BOT). The BOT approved a mission statement and a list of activities & deliverables that together serve as the Center's guide to operations.

## A. Center Mission:

### **As a university Center housed in the College of Business, the mission of the CSFE is:**

To provide economics research and thought leadership on issues pertaining to economic development in North Carolina, the region, and beyond, by conducting scholarly inquiry, policy analysis, educational activities, and community outreach on the role of free enterprise in a flourishing society.

## B. Center Activities & Deliverables:

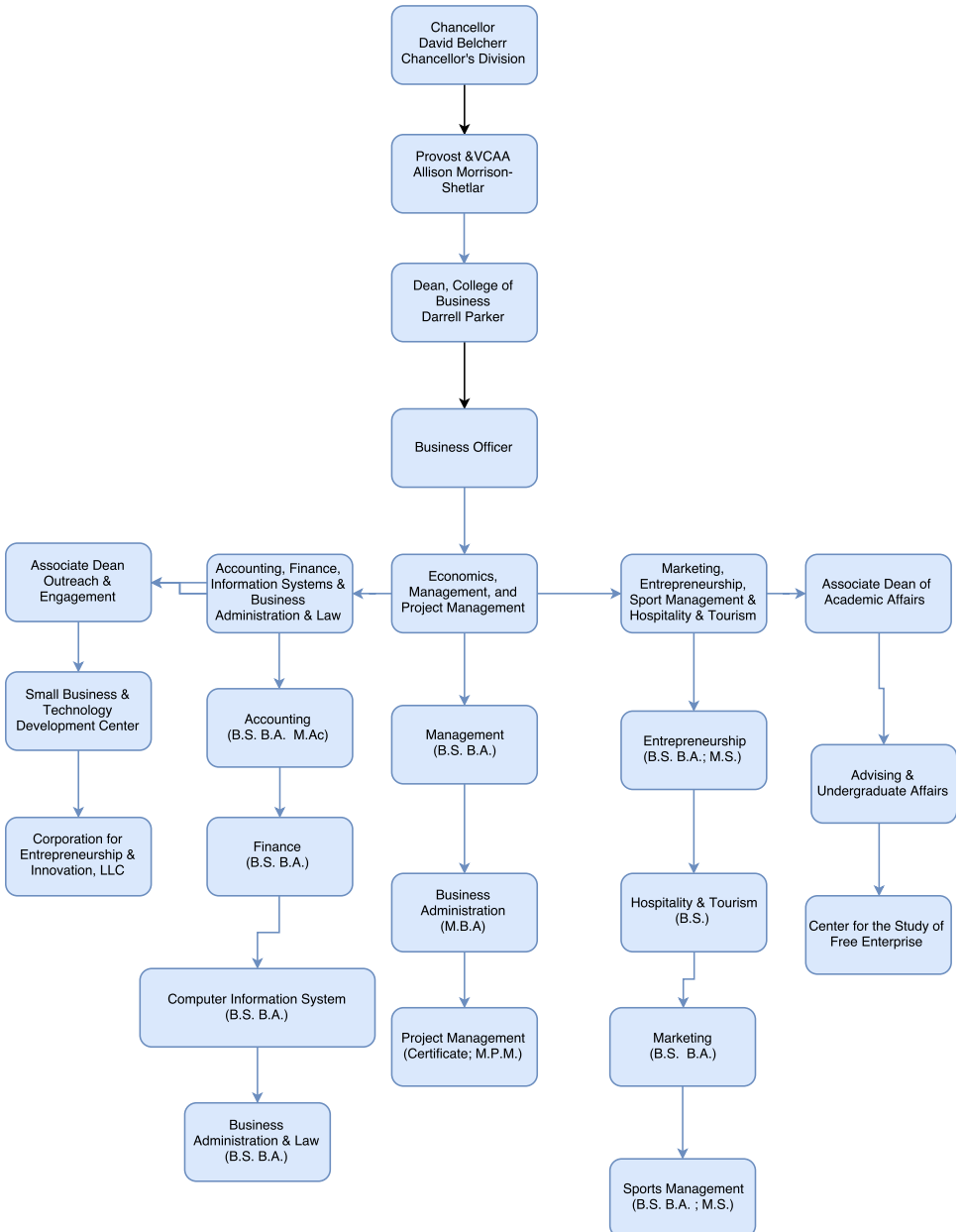
The scope of CSFE is anchored to the activities and deliverables as approved by the BOT. During its first year, the Center has either initiated future projects or supported completed projects within all eight categories, as detailed in Part II below.

1. Host a guest speaker series on campus, open to the campus and community, to pursue the Center's mission as a forum for exchanging ideas related to free enterprise.
2. Produce and distribute a number of externally peer-reviewed research reports on timely and important topics related to economic development.
3. Host research seminars, workshops, and other events to support the development of sound research reports.
4. Host conferences and other public events to discuss and disseminate Center research findings.
5. Fund faculty travel to present at professional conferences, on college campuses, and before business & community groups.
6. Sponsor student scholarships for research assistance and faculty-student research projects. Fund student travel to present at student-research conferences and jointly with faculty at professional conferences.
7. Provide content and host training programs for K-12 teacher education in the area of free enterprise.
8. Produce an annual report on the management of the Center.

## C. Center Reporting and Organizational Structure:

The BOT established the CSFE as a university-wide Center housed in the College of Business. The Center Director reports to the Dean of the College of Business, through the Associate Dean for Academic Affairs.

## I. Organizational Background



## D. Center Organizational Timeline

Fall 2015	Center proposal is brought forward by Professor Edward Lopez and Dean Darrell Parker. Proposal vetted and discussed by faculty and administration. BOT approves Center and appoints Edward Lopez Director, December 4, 2015.
Spring 2016	Provost Alison Morrison-Shetlar and Faculty Chair David McCord convene Implementation Advisory Board to recommend organizational structure and charge for CSFE's ongoing Advisory Board.
Fall 2016	Provost appoints internal members of ongoing Advisory Board. Gift agreement is signed between WCU and Charles Koch Foundation. First installment of funding received October, 2016.
Spring 2017	External members of ongoing Advisory Board are recruited. Center begins operations, funding student-faculty projects and other activities detailed below.
Summer 2017	Student-faculty projects under way, some projects and activities completed, Center annual report is written.
Fall 2017	First organizational meeting of the complete Advisory Board is scheduled. Approval of Center bylaws, budget.

## II. APPROVED PROJECTS RECEIVING CENTER SUPPORT (AY 2016-17, and Summer 2017)

With funding in hand in the Fall 2016, the Center began supporting student-faculty projects in the areas of Student Engagement Activities, Student-Faculty Joint Research Projects, Faculty Summer Research Support, and Conference Travel. These are conveyed with more detail in paragraphs A through D as follows.

### A. Student Engagement Activities

1. EPIC Initiative (Elevating Potential, Imagination & Collaboration)
  - Student group of startup entrepreneurs
  - Led by Entrepreneurship faculty Wendy Cagle, Yue Cai-Hillon
  - Holds pitch party in Fall, trade show in spring
  - Feature story forthcoming in *Capital at Play*
  - Pitch party winner auditioning for *Shark Tank*



Student Startup Entrepreneurs at EPIC Spring Trade Show, March 31, 2017

## EPIC students, faculty present trade show on Central Plaza

WCU ADMINISTRATOR > APRIL 19, 2017



Entrepreneurs participating in the Student Start-Ups Trade Show are (front, from left) Brittany Job, Hank Henderson, Alexandra Barnett, Mary Santa, Trinity Wiles, (back, from left) Jason Chubbuck, Todd Charles, Boone Hollar, Alex Walsler and Aaron Hicks. Not pictured is participant Cameron Bates.

### LATEST NEWS



WCU football tickets in national season ticket design contest

MAY 12, 2017



CAPS internship program gains highest accreditation available

MAY 11, 2017



WCU sets June 5 information session about new Catamount School

MAY 10, 2017



It's not just Brown; other changes coming for Campus Dining

MAY 10, 2017

Reporter news story about EPIC trade show, April 19, 2017

<http://news-prod.wcu.edu/2017/04/epic-students-faculty-present-trade-show-central-plaza/>

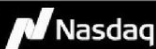
2. Student-faculty group travel to Quinnipiac Global Asset Management Education (G.A.M.E.) VII Forum, Quinnipiac University, New York, March 2017
  - o Group of three top Finance & Accounting majors
  - o Led by finance faculty Grace Allen and Ken Flynt
  - o Attended major investment conference including breakout sessions
  - o Met individually with experienced traders & investors



# Quinnipiac G.A.M.E. VII FORUM

Global Asset Management Education

Cosponsored by



**March 30-April 1, 2017**

New York Hilton Midtown Hotel (1335  
Avenue of the Americas).

## Background

G.A.M.E. will provide an international group of college students and faculty with a unique opportunity to interact with industry leaders and learn best practices in investment management.

## Program Leadership

- Professor David Sauer, Program Chair - Quinnipiac U.
- Dr. Bob Froehlich, Independent Director
- David Kudla, Mainstay Capital Management LLC
- Jeff Rombach, Program Co-chair, Wells Fargo Bank

### *Excerpt of personal reflection of senior Finance and Accounting major William Wong*

The forum opened my eyes to the competitive nature of the industry I want to go into. It has helped me decide what I want to do as a career and what steps and what sacrifices I need to make to achieve my goals realistically. I plan to get my C.F.A. in the near future, go to graduate school and pursue a career in Investment Banking. This forum was very rewarding in not only information but in connections and motivation. The main determinate in seeking the right job is to create connections and be in the right place at the right time. I also gained motivation to become what I want and to know what I need to do to achieve my goals. Being surrounded by successful bankers and students helped me understand the level of performance that I need to strive for.

### *Excerpt of Personal reflection of senior Finance and Accounting major Matthew Choi*

I have attended several finance conferences as a finance student but rarely have I felt that I truly learned as much as I did at this conference. I was able to learn a lot about the investment banking field which I am currently planning to go into upon graduation. At the Quinnipiac G.A.M.E. VII Forum, I was able to sit in and listen to some very important career panels on topics like career options, Hedge Funds, Professional designations, Careers in Investment banking, and recruiting in investment banking.

### *Excerpt of personal reflection of senior Finance and Accounting major Derrick Davis*

Besides the conference, I was also given the opportunity to meet with Dan Killian at Harvard Investors, Andy Kzyk at the OTC Markets, and Leo Hinkley at BBX Capital. Meeting these accomplished experts has given me an even better perspective on the financial industry and has also provided me valuable contacts.

## B. Student-Faculty Research Projects.

The Center is so far sponsoring two joint student-faculty research projects.



### **1. Barbara Jo White, Professor, CIS, “Conducting User Experience (UX) Research to Improve Websites Using Real-World Examples” (joint project with undergraduate CIS major)**

Abstract: The User Interface and User Experience Designer/Developer skill was chosen as the #1 hot IT skill for 2016 (Florentine, 2015). This is a reasonably new area that allows teams with designers and developers to work together to ultimately create a workable design, from the users' perspective, before passing the design specification on to developers to put into production. This is not a new problem. In fact, in a classic study

(Furnas, et al, 1987), researchers at Bellcore demonstrated just how infrequently developer programmers and users agree on what to call computer actions that might be found in a computer system menu, for example. Furnas and colleagues (1987) describe this “vocabulary problem” and why it is so detrimental to the effectiveness of systems when programmers participate in armchair naming whereby they name menu items what they think they should be called instead of what users might call them. This research will explore how class activities involving rapid prototyping and user experience testing can be used to improve website design for users.



### **2. Marco Lam, Assistant Professor, Accounting, “Budget Variances and Priority Revision in County Government Budgets” (joint project with WCU assistant professor in CAS and WCU undergraduate ACCT major)**

Abstract: The objective of this study is to gain insights into the spending behavior of local governments. A requirement of GASB 34 is the reporting of a schedule with the original budget amounts and a comparison of

budgeted and actual amounts (GASB, 1999). While the original budget discloses elected officials' expectations at the beginning of the year, the final budget incorporates changes based on external environmental factors (Callahan & Waymire, 2015). We anticipate that governmental officials are less likely to approve discretionary expenditures in the original budget than they are in the final budget when they have a clearer picture of the level of anticipated revenue collection. This is formally stated in our research question...: Are elected officials more likely to increase expenditures in response to an increase in revenue than they are to decrease expenditures when revenues decrease from originally budgeted amounts? We add to the literature in several ways. First, we add to the budgeting literature by explicitly considering government officials' expectations and priority revisions. Second, we consider how changes in the economic environment affect public policy. Specifically, we consider the impact of variances in the original budget on allocational, developmental, educational, and distributive expenditures.

## C. Faculty Summer Research Projects

The Center is sponsoring six summer research projects to support faculty in their research and publication endeavors.



### **1. Thomas D'Angelo, Assistant Professor, Accounting, "The Impact of Gender, Age, and Ethnicity on Influence Tactics Related to Unethical Behavior"**

**Abstract:** Investigating the likelihood that an individual will engage in unethical behavior when subjected to influence tactics brought by a third party. This behavioral study in accounting uses an experimental design to explore the impact of gender, age and ethnicity on the effectiveness of influence tactics....

The proposed study will use an experimental approach to examine the probability that executives, managers and employees may violate corporate policy and engage in unethical behavior related to the use of influence tactics on the part of another party. More specifically, participants will be provided with a scenario in which they are placed in the position of a corporate executive (perhaps a divisional president) of a corporation. Their role requires providing a recommended budget amount for a particularly important budgeted line item for the year.... To estimate the impact of influence tactics, participants will be approached by an external party and receive a particular influence tactic, either obedience pressure or rational persuasion, aimed at getting them to add a cushion to their budget. Adding a cushion to the budget clearly violates company policy as well as the spirit of the budgeting exercise as expressly communicated by the company CEO.



### **2. Nathan Johnson, Assistant Professor, Management, "Are Students Engaging in Unethical Behavior via Mobile Technology?"**

**Abstract:** Literature suggests business schools have developed reputation for harboring and facilitating a culture of cheating (Baird 1980; Bowers 1964; Caldwell 2009; Crittenden et al. 2009; McCabe and Trevino 1995), and both graduate and undergraduate programs are susceptible (Finder 2007; Balona 2010). One of the problems facing scholars attempting to investigate unethical behavior such as cheating is the sensitivity and complex nature of its measurement (Nowell and Laufer 1997). Self-report surveys are a favored

method of assessing cheating (Crown and Spiller 1998); however, social desirability bias significantly deflates the magnitude of detected cheating behaviors (Fox and Meijer 2008). To mitigate this effect, the randomized response technique can be used to more accurately measure socially sensitive behaviors (Warner 1965). This study will explore the use of the randomized-response technique, a method for collecting anonymous data on socially undesirable behaviors, to see if business students are using mobile technologies to cheat on course work and exams. This research will detail the randomized response technique's history, its use, and analyze response data to ascertain a percentage estimate of the population engaging in unethical behavior (cheating).



### **3. Todd Creasy, Associate Professor, Project Management: “Effects of Workplace Bullying on Team Learning, Innovation and Project Success as Mediated through Virtual and Traditional Team Dynamics”**

Abstract: Workplace bullying has become a substantive impediment to organizational functioning that leads to both individual, group, and legal outcomes. Likewise, given the prevalence of virtual collaboration, the study of virtual team dynamics has become crucial for increasing the effectiveness of key project teams. As a result, this study aims to address the effect of project manager bullying tactics on behavior and perceptions of team-level and team member dynamics in virtual versus traditional project teams. By examining team outcomes, such as perceptions of politics and helping behavior, as well as individual outcomes, such as affective commitment, organizational citizenship behavior, and work-family conflict, we hope to shed light on the negative impact of workplace bullying on project team functioning as well as critical non-work, stress-related outcomes. In addition, we plan to further study the differential effects of bullying in both virtual and traditional project teams. In turn, we expect these individual and team outcomes to impact critical organizational outcomes including project success, team learning and innovation.



### **4. Steve Ha, Professor, Economics, “Racial Health Disparities in the United States: A Nonparametric Decomposition Approach”**

Abstract: “In this study, I will examine the health disparities among different racial groups in the United States using a nonparametric approach. I will also discuss public policy implications with regard to the impact of healthcare reform on racial health disparities. For the empirical analysis, the National Health Interview Survey (NHIS) from the Centers for Disease Control and Prevention data will be a major data source. NHIS is the Nation’s largest in-person household health survey, collected by US Census since 1957.”



### **5. Ed Wright, Professor, Management, “Innovation in Hospitals: Developing Retail Sales Channels”**

Abstract: The study examines the serious problem of hospital acquired infections (HAIs), which affect one in every twenty patients while under hospital care. Such infections cause an average 16.1-day increase in length of stay and are related to a mortality rate of 12.9% (compared to 2.3% for patients without HAIs). The benefits of proper hand-washing has received substantial attention and is well understood. But better handling of contaminated medical equipment, while potentially important to improved HAIs, has received less research attention and remains less documented. Previous survey results suffer from low sample size. This study would increase sample size to support statistically sound inference while focusing on handling of medical equipment so as to contribute to the literature.



## **6. Angela Dills, Distinguished Professor, Economics: “The Interstate Highway System and Educational Attainment”**

Abstract: The impact of access to transportation networks on educational attainment is theoretically unclear. Better transportation lowers the cost of schooling, by making it easier to travel, while potentially increasing the return to schooling by improving access to a larger employment market. On the other hand, the access to that labor market may raise wages, raising the opportunity cost of schooling. We use the establishment of US interstate highways in the 1950s and 1960s to compare how educational attainment changed in the rural areas that gained access to the infrastructure with those which did not. To avoid the bias due to the highways' location being affected by expected economic growth, we instrument using the 1944 highway plan. In both OLS and IV results, preliminary results suggest that educational attainment increased in the rural counties crossed by the highways, relative to those that were not. The improvement was larger in those counties that had higher high-school completion rates prior to the interstate construction.

## **C. Faculty Conference Travel**

**The Center sponsored faculty travel to professional conferences to present their academic work.**

1. Bob Lahm presented his paper “A Guide to Online Tools for Entrepreneurs” at the 2017 Appalachian Business Research Symposium conference
2. Steve Ha presented his paper, “Racial Health Disparities in the United States: A Nonparametric Decomposition Approach” at the 2017 Appalachian Business Research Symposium conference
3. Audrey Redford presented her paper “The Impact of Institutions on Illicit Drug Reform” at the 2017 Association of Private Enterprise Education conference

### **III. CENTER EVENTS/ACTIVITIES**

#### **A. Global Spotlight Series: Panel Discussion on the Global Drug Trade, February 20, 2017**

- Co-panelists Angela K. Dills, Professor of Economics, Albert Kopak, Associate Professor of Criminal Justice, Kimberly Hall, Assistant Professor Environmental Health
- Forsyth 101, 50 attendees
- co-sponsored with International Studies & Political Science / Public Affairs

#### **B. Free Enterprise Speaker Series, February 16, 2017**

- Michelle Vachris, Professor of Economics, Christopher Newport University
- Talk title: “Pride & Profit: The Intersection of Jane Austen and Adam Smith”
- Blue Ridge Conference Room, 90 attendees

#### **C. Free Enterprise Speaker Series, March 13, 2017.**

- Donald Boudreaux, Professor of Economics, George Mason University
- Talk title: “The Elemental Case for Free Trade”
- Blue Ridge Conference Room, 110 attendees

#### **D. Weekend Student Seminar, March 31-April 1**

- The Law and Economics of Vice, Crime, and Policing
- Speakers: Professor Roger Koppl (Syracuse University), Professor Daniel J. D’Amico (Brown University), Professor Abigail Hall (University of Tampa)
- Biltmore Park 344, 35 attendees

## A. Global Spotlight Series

**Monday February 20, 2017, 4:00-5:30 p.m. Co-hosted with Department of Political Science / Public Affairs and the International Studies Program, "Global Spotlight: The Global Elicit Drug Trade"**

*Global Spotlight Series*

# Illicit Global Drug Trade



More  
Info



**Angela Dills** Gimelstob-Landry  
Distinguished Professor, Economics



**Kimberlee Hall** Assistant Professor,  
Environmental Health Program



**Al Kopak** Assistant Professor,  
Criminology and Criminal Justice

**Mon Feb 20 4pm Forsyth 101**

Co-Sponsors: Political Science & Public Affairs, International Studies, Center for the Study of Free Enterprise

About the Talk: (from The WCU Reporter): "The international trafficking of heroin, methamphetamine, cocaine, marijuana and other drugs, with the U.S. being a major distribution destination, is a highly lucrative criminal activity and focus of intense law enforcement intervention. The Drug Enforcement Administration cites recent investigations conducted with local, state, federal and international partners that have led to arrests of major international criminals, while the National Institute on Drug Abuse reports increasing health-related problems, including addiction, drugged driving and infectious disease. The forum will grapple with these issues and provide viewpoints on possible solutions. The scheduled presentations:

- Angela Dills, Gimelstob-Landry Distinguished Professor of Regional Economic Development, on "The Economics of Drug Prohibition."
- Kimberlee Hall, assistant professor in the Environmental Health Program, on "Drug Abuse and the Public Health Response."
- Al Kopak, assistant professor of criminology and criminal justice, on "The Limitations of Law Enforcement."

## B. About the Free Enterprise Speaker Series:

Held three times per semester, WCU's Free Enterprise Speaker Series offers a forum for the campus and community to explore all points of view on important issues of the day, hear from renowned experts from a variety of fields, and understand multiple perspectives through civil, informed, and fruitful discourse. The Series gives WCU students direct access to leading thinkers on the importance of liberty and entrepreneurship to human flourishing. The Series is free and open to the public, and is publicized through WCU and regional media.

**Thursday February 16, 6:30-8:00 p.m., Blue Ridge Conference Center. Author Talk: "Pride and Profit: The Intersection of Jane Austen and Adam Smith" with Michelle Albert Vachris**



**Pride & Profit**

The Intersection of Jane Austen & Adam Smith

**Michelle Vachris**  
Professor of Economics: Christopher Newport University; formerly of Bureau of Labor Statistics & International Monetary Fund

**Thu, Feb 16 4pm**  
Blue Ridge Conference Center

Book Talk: Free Enterprise Speaker Series

About the Talk: Michelle Albert Vachris, professor of economics at Christopher Newport University, will present a talk based on her recent co-authored book *Pride and Profit: The Intersection of Jane Austen and Adam Smith*. Adam Smith was a mid-18th century philosopher who is best known as the founder of modern economics. His work on economics and trade policy was built on his earlier work on moral philosophy, namely his first book, *The Theory of Moral Sentiments*. This book constructs a system for understanding how humans acquire and apply moral reasoning to daily life, in pursuit of a good life. A good life depends on developing habits of virtue and propriety that direct and control one's ambition, both in commercial and in ethical life. Writing a half-century after Smith, Jane Austen's novels similarly provide timeless insight into the practice of virtues and vices. Austen presents themes of self-command, of being other directed, and of cultivating prudence, benevolence, and justice against vanity, pride, and greed. Vachris has written about Austen's novels as reflecting Smith's ideas on self-command, prudence, benevolence, justice, impartiality, vanity, pride, and greed. Importantly, by channeling Adam Smith, Austen's colorful stories and characters advance new insights into Smith, as they embellish, refine, and further explain his ideas.





About the Speaker: Michelle Albert Vachris is Professor of Economics at Christopher Newport University. She earned a B.A. in Economics from the College of William and Mary and an M.A. and Ph.D. in Economics from George Mason University. Before arriving at CNU, she was an economist with the U.S. Bureau of Labor Statistics in the International Price Program where she worked on export and import price indexes and purchasing power parities. She has since served as a consultant on international statistics for the BLS and the International Monetary Fund. Dr. Vachris is a past-president and Distinguished Fellow of the Virginia Association of Economists and co-editor of the Virginia Economic Journal. Her publications include articles and book chapters on public choice economics, teaching pedagogy and economics in literature. Her latest publication is *Pride and Profit: the Intersection of Jane Austen and Adam Smith* co-authored with Cecil E. Bohanon.



*Professor Michelle Vachris of Christopher Newport University presents her new book "Pride and Profit: The Intersection of Jane Austen and Adam Smith" to a WCU audience of 90 in the Blue Ridge Conference Center, February 12, 2017*

**C. Monday March 13, 2017. The Case International Trade:**

**A Conversation with Donald J. Boudreaux, Professor of Economics at George Mason University and Blogger at Cafe Hayek**

# The Case for Free Trade

Economist Donald J. Boudreaux



**Mon Mar 13 4pm Blue Ridge A**

*WCU Free Enterprise Speaker Series*

Donald J. Boudreaux is a Senior Fellow with the F. A. Hayek Program for Advanced Study in Philosophy, Politics, and Economics at the Mercatus Center at George Mason University, a Mercatus Center Board Member, and a professor of economics and former economics-department chair at George Mason University. He holds the Martha and Nelson Getchell Chair for the Study of Free Market Capitalism at the Mercatus Center. He specializes in globalization and trade, law and economics, and antitrust economics.

Boudreaux is committed to making economics more accessible to a wider audience, and he has lectured across the United States, Canada, Latin America, and Europe on a wide variety of topics, including antitrust law and international trade. He is the author of the books *Hypocrites* and *Half-Wits: A Daily Dose of Sanity* from Cafe Hayek and *Globalization*. His articles appear in such publications as the *Wall Street Journal* and *US News & World Report* as well as numerous scholarly journals. He writes a blog (with Russell Roberts) called *Cafe Hayek* and a regular column on economics for the *Pittsburgh Tribune-Review*.



*A WCU audience of 110 hears Don Boudreaux's talk, "The Elemental Case for Free Trade" in the Blue Ridge Conference Center, March 13, 2017*

WEEKEND EXPLORING LIBERTY SEMINAR

# THE LAW & ECONOMICS OF VICE, CRIME, AND POLICING

5:30 PM - 8:30 PM • Friday, March 31  
9:00 AM - 9:00 PM • Saturday, April 1

Western Carolina University, Biltmore Park Campus, Room 346  
28 Schenck Parkway, Asheville NC 28803

Registration is free and all meals are included. Register now at [www.TheIHS.org/WesternCarolina](http://www.TheIHS.org/WesternCarolina)

*The U.S. locks up more people, per capita, than any other nation.*

*Over 2.3 million Americans are currently incarcerated.*

*Police shot & killed 963 people in 2016.*

Has America become a prison state? What incentives drive false convictions? How did policing shift from 'protect and serve' to 'comply or die'? Join us to discuss these questions with leading experts on police militarization and criminal justice reform.

## FEATURING



**Roger Koppl**  
Professor of Finance,  
Syracuse University



**Daniel J. D'Amico**  
Lecturer in Economics,  
Brown University



**Abby Blanco**  
Assistant Professor of Economics,  
University of Tampa

*\*Additional appearances by  
WCU Professors Audrey Redford,  
Sean Mulholland, & Angela Dills.*

Questions? Please contact [OnCampusEd@TheIHS.org](mailto:OnCampusEd@TheIHS.org)

sponsored by



## Students, Faculty from a dozen campuses attend criminal justice seminar at WCU Biltmore Park

For the seminar's third talk, Dr. Roger Koppl, Professor of Finance in the Whitman School of Management at Syracuse University, presented "How the Criminal Justice System Creates Incentives for False Convictions". Koppl focused on the dominant organizational structure that situates police, prosecutors, and forensics labs on the 'same side'. Because of this organizational structure, "they have incentives to obtain convictions, not to use evidence to discriminate properly between guilt and innocence," said Koppl.

## D. The Law and Economics of Crime, Vice, and Policing”

### Friday March 31 & Saturday April 1, WCU at Biltmore Park. “Weekend Exploring Liberty:

Students and faculty from across the southeast United States attended a day-long seminar on “The law and economics of vice, crime, and policing,” hosted by WCU’s Center for the Study of Free Enterprise with co-sponsor, the Institute for Humane Studies at George Mason University.

The seminar’s topic is motivated by ongoing problems in criminal justice. For example, with 2.3 million Americans behind bars, the United States imprisons more people per capita than any other nation. Meanwhile, in 2016 a record 166 wrongfully-convicted felons were exonerated.

Dr. Daniel J. D’Amico, Lecturer in Economics at Brown University, led off the conference with a talk titled “Why Nations Jail”. Drawing on recent lines of research in the *Journal of Comparative Economics* and elsewhere, D’Amico argued that U.S. incarceration rates are not driven primarily by race or the drug war, but instead are due to loosely constrained democratic institutions.

This focus on policy was also reflected in Dr. Abigail Hall’s talk on the rise of police militarization. Hall, Assistant Professor of Economics at the University of Tampa, showed how federal laws that were designed to separate military from domestic police have been effectively abandoned. Instead, federal law encourages local law enforcement agencies to stockpile surplus military equipment. So even small towns and the Department of Education have their own SWAT teams.



*Attendees watched the documentary ‘Peace Officer’ about a former sheriff who investigates a botched police shooting. Attendees had the opportunity for breakout sessions, and the seminar was capped with a panel discussion featuring the visiting faculty in addition to four of WCU’s economics faculty.*



*WCU economics faculty Sean Mulholland, Audrey Redford, Angela Dills, and Edward Lopez with guest faculty co-panelists at the seminar Law & Economics of Vice, Crime, and Policing, at the WCU Biltmore Park Instructional Site, April 1, 2017*

One student attendees summed up their experience, “This seminar gave me an opportunity to meet the authors of papers I have spent the last couple of months reading and studying. It fueled my fire to pursue this field and to stand up for what I believe in (and what data tells us).”

## IV. ECONOMIC EDUCATION

The Center has established affiliations with the national and state Councils on Economic Education. The North Carolina Council on Economic Education was established in 1970 with the mission “to enhance and advance economic and financial education for K-12 educators and students of North Carolina” (<http://www.nccee.org/about>). The NC Council hosts workshops for teachers, academic competitions for students, guest lectures, and related activities. To assist its efforts, the NC Council partners with university-based centers for economic education. The CSFE is establishing such an affiliation in order to partner with the NC Council on economic education programs in the state.

## V. BUILDING THE ORGANIZATION

### 1. Scholarships

The Center’s student scholarships are now available through the University’s scholarship portal. This means that students from any department or discipline on campus can become aware of the Center’s resources and opportunities to further student development. In addition, Center scholarships will be included in total scholarship sums awarded each semester and academic year.

## 2. Advisory Board

During the spring 2017, the Center's Advisory Board was established. The Board consists of six current WCU faculty members, five distinguished members of the community from the private and public sectors, and the Director as a non-voting ex officio member. The Board's charges are to:

- Advocate for the Center and the University;
- Advise the Director on the Center's strategic plan, budget, and activities;
- Deliver advice on potential future Center initiatives;
- Remain active in Center events, meetings and discussions;
- Provide suggestions as to additional resources that may be able to add value to the Center; and
- Provide input and recommendations on how to keep the Center's programs relevant and innovative.

The Provost appointed the six internal members in the Spring 2017. The internal members of the CSFE Advisory Board are:

- Dale Carpenter, Dean College of Education & Allied Professions;
- Heidi Buchanan, Research and Instruction Librarian/Professor;
- Bill Yang, Associate Professor of Electrical Engineering and Chair of the Faculty Senate;
- James Deconinck, Director, School of Mktg, Ent, SM, H&T, College of Business;
- Billy Ogletree, Department Head Comm. Sciences & Disorders;
- Niall Michelson, Professor of Political Science.

These internal members are in the process of selecting and inviting the five external members. The inaugural meeting of the Advisory Board is currently scheduled for the start of Fall 2017.

### 3. Center Director

The Center Director is Edward J. Lopez, Professor of Economics and BB&T Distinguished Professor of Capitalism.



Edward joined the WCU faculty in 2012 and teaches classes in public finance, ethics of capitalism, applied business economics, and principles of macroeconomics. Edward's research focuses on the economics of ideas, entrepreneurship, and politics. On campus Edward has served as the convener of the Council of Distinguished Professors (2013-2015), chair of the search committee for Gimmelstob-Landry Distinguished Professor in Economic Development (2015, 2016), and member of: Dean's Advisory Council (2017-19), Vice Chancellor of Development & Alumni Affairs search (2016), Vice Chancellor for Administration & Finance search (2014), University Collegial Review (2014-15), Economics Faculty search (2015-16), School of Economics, Management and Project Management Collegial Review (2015-16, 16-17), Chancellor's Honorary Doctorate selection (2013), and College of Business Curriculum (2012-14). More information is available at [faculty.wcu.edu/ejlopez/](http://faculty.wcu.edu/ejlopez/).

### 4. Administrative Personnel

In the Spring 2017, the Center was authorized to search for an Administrative Support Professional. We were very fortunate to hire Polly Smith Benzant, who joined the Center as of May 1, 2017.



Center for the Study  
of Free Enterprise

In addition, students, faculty, administration, and the public can now reach and follow the Center through any number of methods:

Email: [csfe@wcu.edu](mailto:csfe@wcu.edu)

Web: [enterprise.wcu.edu](http://enterprise.wcu.edu)

Facebook: [facebook.com/CSFEWCU](https://www.facebook.com/CSFEWCU)

Twitter: [@csfe\\_wcu](https://twitter.com/csfe_wcu)

Instagram: [@csfe\\_wcu](https://www.instagram.com/csfe_wcu)

## V. BUDGET

Center funding during the 2016-17 AY became accessible in November. This initial year, therefore, is abbreviated compared to a normal year's output. Certain expenditures will be realized between the time of this writing and the end of the budgeting year.

<b>Receipts:</b>		<b>Total</b>	
Initial transfer into CSFE Account, November 30, 2016		\$360,000	
<b>Expenditures:</b>	<b>Realized Disbursements</b> (through 5/17/2017)	<b>Approved Disbursements</b> (estimated through 6/30/2017)	<b>Estimated Total</b>
Salary and benefits for administrative and support personnel	\$29,949.27	\$11,000	\$41,000
Research reports on timely economic development policies;	\$0	\$60,000	\$60,000
Scholarships for affiliated students	\$3,300	\$2,000	\$5,300
Research seminars, workshops, speaker series, teacher training seminars, conferences, and other events;	\$14,623.51	\$21,000	\$36,000
Publishing, distribution, outreach;			
Student travel and faculty travel to present at conferences, on college campuses, and before business & community groups.			
<b>Carryover:</b>			
Estimated carryover from 2016-17 (\$360,000-\$142,300)		\$217,700	



