



TEXAS TECH UNIVERSITY

Free Market Institute™

Academic Year 2016-2017

Annual Report

September 1, 2016 - May 31, 2017

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Personnel Growth and Changes

Incoming Faculty – Fall 2017

Kevin Grier

Dr. Kevin Grier will serve as the Gordon Tullock Professor of Political Economy with the Free Market Institute (FMI) and as a Professor of Political Science in the College of Arts & Sciences at Texas Tech University (TTU). He earned his Ph.D. from Washington University in St. Louis in 1984 and has served in faculty positions at several universities. Prior to joining TTU, he served as President's Associates Presidential Professor at University of Oklahoma. His fields of specialization are economic growth and development, monetary economics, econometrics and political economy. Dr. Grier is a distinguished scholar, whose research has appeared in several of the top academic journal in the fields of economics, political science and political economy.

Robin Grier

Dr. Robin Grier will serve as a professor of economics with the FMI at TTU. She earned her Ph.D. from George Mason University in 1995 and has served in faculty positions at several universities. Prior to joining TTU, she served as a Professor of Economics and International & Area Studies at the University of Oklahoma. Her areas of specialization are Latin American economies, the political economy of Mexico, international finance, and development and growth. Her research has appeared in several of the top academic journals in economics.

Research Staff Addition – Fall 2016

Vincent Geloso

Dr. Vincent Geloso serves as a Post-Doctoral Research Associate with the FMI. He earned his B.A. in economics and politics at the University of Montreal and his Ph.D. in economic history at the London School of Economics and Political Science. His research interests include the measurement of living standards and economic growth in Canada prior to the Conquest of Canada by the British in 1760, as well as a range of more contemporary questions in economic history. Vincent's appointment with the FMI has been renewed for the 2017-2018 academic year.

Graduate Student Development

The FMI supported seven (7) Ph.D. students, who served as research assistants during the 2016-2017 academic year.

New Ph.D. Graduate

Raymond March (4th year) successfully defended his dissertation addressing ‘Self-Regulation in the Pharmaceutical Market’ in the Department of Agricultural and Applied Economics in March of 2017. Two of the three chapters associated with his dissertation have been published in peer-reviewed academic journals and he expects to publish the last chapter soon. Raymond has accepted a full-time, tenure-track faculty position in the Department of Economics at San Jose State University.

Current Ph.D. Fellows

Edwar Escalante (2nd year) successfully completed a master’s degree in the Agricultural and Applied Economics program and will continue developing his research examining issues related to the comparative political economy of Latin American countries.

Glenn Furton (2nd year) successfully completed a master’s degree in the Agricultural and Applied Economics program. He participates in the Adam Smith Fellowship Program, a program co-sponsored by the Mercatus Center at George Mason University and Liberty Fund, Inc. His first two academic publications (co-authored with Alexander Salter) are forthcoming in *Review of Austrian Economics* (‘Money and the Rule of Law’) and *Journal of Business Valuation and Economic Loss Analysis* (‘Private Governance and the Pricing of Political Enterprises’) respectively.

Gonzalo Macera (2nd year) successfully completed a master’s degree in the Agricultural and Applied Economics program. His first academic publication, ‘Economic Calculation and the Productivity of Investment’ (co-authored with Benjamin Powell), is forthcoming in *Journal of Business Valuation and Economic Loss Analysis*.

Ryan Griggs, Michael Makovi, and Jorge Romero-Habeych (1st year) are completing their first year of coursework and preparing to take comprehensive examinations in the Department of Agricultural and Applied Economics.

Incoming Ph.D. Fellows

Rania Al-Bawwab expects to complete a master’s in economics in July 2017 from Troy University. Her research interests focus on understanding the historical and contemporary institutional factors that either limit or promote economic freedom in Middle Eastern countries.

Estefanía Luján Padilla is a graduate of Universidad Francisco Marroquín in Guatemala, where she earned an undergraduate degree in economics and finance. Her research interests focus on understanding the economic impact of global migration, especially as it impacts economic freedom.

Andrew Paul is a current Ph.D. student in the Department of Agricultural and Applied Economics at Texas Tech University. He earned a master’s degree in agricultural economics at Oklahoma State University.

Daniel Sanchez-Piñol Yulee is a graduate of King Juan Carlos University in Spain, where he earned a master’s degree in economics. He will join the FMI with several years of work experience in the private sector.

Undergraduate Student Engagement

McLane Teammates Reading Program

The FMI continued the McLane Teammates Reading Program during the fall 2016 semester. The program again collaborated with reading groups at Southern Methodist University and Baylor University.

The fall 2016 group included students from a wide range of majors and disciplines including finance, chemistry, energy commerce, biology, social work, computer engineering, zoology, and economics. The theme for the fall program was *Markets and Morality*.

The spring 2017 program featured an expansion to include a second group of 12 students. The theme for the spring 2017 program was *Cities, Local Government, and Local Governance*. Students again participated in a joint summit, discussing the ideas with other students and interacting with Edward Glaeser, a leading urban economist from the Department of Economics at Harvard University.

The McLane Teammates Reading Program will continue during the fall 2017 semester, exploring the theme of *Economics and Social Issues: Markets and the Marginalized*. Walter Williams will deliver remarks at the summit.

Weekend Exploring Liberty Series

For the fourth consecutive academic year, the FMI and the Institute for Humane Studies (IHS) at George Mason University co-hosted an IHS On-Campus Education Program as part of the Weekend Exploring Liberty series. The program, titled *Is American Democracy Broken?*, brought together students and faculty from TTU for lectures and discussions on topics related to the development of economic and political discourse in the United States. This program was the most well-attended that the organizations have hosted, attracting over 100 attendees.

The topics included: the institutional evolution of American political economy, philosophical perspectives on the nature and operation of participatory democratic systems, the relationship of the electoral college to the American federal system, the political economy of secession, and economic perspectives on domestic and international policy issues that were prevalent during the most recent Presidential election.

Undergraduate Teaching

During the last academic year, **more than 400 students** have taken courses offered by FMI faculty members. These courses consisted of: Applied Business Economics, Global Business Economics and Policy, and Fundamentals of Agricultural and Applied Economics. Additionally, Adam Martin taught a Ph.D. course in International Economic Development and Alexander Salter taught a Ph.D. course in Public Choice.

Research

Research output

During academic year 2016-2017, FMI faculty, staff and graduate research assistant research efforts have resulted in:

- 1 books accepted for publication;
- 34 journal articles accepted for publication;
- 2 policy studies;
- 10 journal articles with requests for revision and resubmission; and
- 54 papers under review at scholarly journals or in working paper stage.

Research Awards

Dr. Alexander Salter received the Texas Tech Alumni Association 2017 New Faculty Award in the Jerry S. Rawls College of Business Administration for his outstanding research productivity.

Dr. Benjamin Powell received the Association of Private Enterprise Education (APEE) 2017 Distinguished Scholar Award for his contributions to the research and literature of free market economics.

Dr. Eduardo Segarra will receive the Southern Agricultural Economics Association (SAEA) Lifetime Achievement Award at the 2017 annual meeting.

Institute Research Projects

Economic and Political Change after Crisis: Prospects for Government, Liberty, and the Rule of Law

Routledge published this volume in its Foundations of the Market Economy book series in September 2016.

Research on the Origins of Economic Freedom and Prosperity

The FMI continued its John Templeton Foundation research initiative, which investigates the origins of economic freedom and prosperity. During the summer of 2016, the program provided funding that resulted in five (5) new working papers. During the 2016-2017 academic year, the FMI hosted five (5) research workshop presentations on the program themes.

The program brought two scholars to the university for extended visits. During the fall 2016 and spring 2017 semesters, Christopher Coyne (F.A. Harper Professor of Economics at George Mason University) visited for just over two weeks. During his visits, he delivered a lecture as part of the FMI Public Speaker Series, delivered lectures in academic courses, participated in reading discussions, advised graduate students on ongoing research projects, and presented his own working research for the program.

Alexandre Padilla (Associate Professor of Economics at Metropolitan State University Denver) has visited for the entire 2016-2017 academic year. During his visit, he has developed an ongoing research program that examines the impact of immigration on institutional quality and institutional change more broadly, particularly in the United States. He has also contributed in a variety of ways to the research initiatives of the FMI, especially as a regular attendee and commenter in the FMI Research Workshop.

The end of the 2016-2017 academic year coincides with the formal conclusion of this research program. In March of 2017, the FMI hosted a concluding conference. The conference featured remarks from several

distinguished scholars — highlighted by a public program and keynote remarks from William Easterly (New York University), Douglas Irwin (Dartmouth College), and Peter Boettke (George Mason University).

Over the course of this research program, the FMI has successfully encouraged scholars to think seriously about academic questions related to the processes of social change that impact the prospects for economic freedom and prosperity. It has also been a major source of growth and productivity for the institute overall.

Governing Natural Resources in the American West

As the 2016-2017 academic year neared completion, the FMI launched another research program under the direction of Political Economy Research Fellow, Adam Martin. The program, *Governing Natural Resources in the American West* aims to examine both historical and contemporary challenges related to the use and conservation of natural resources, with a special emphasis on issues affecting the western United States.

As of the end of the academic year, papers for the program have been commissioned and a research conference workshop has been planned for August 24-25, 2017. The research conference workshop will coincide with a FMI Public Speaker Series program, co-sponsored with the National Ranching Heritage Center at TTU.

Research Workshop

The FMI continued its Research Workshop series during the 2016-2017 academic year. The series launched with a symposium for a special issue of the *Journal of Business Valuation and Economic Loss Analysis* focused on ‘Austrian Perspectives on Business Valuation.’ FMI Comparative Economics Research Fellow, Alexander Salter, co-organized the symposium with Brad Ewing (C.T. McLaughlin Chair of Free Enterprise in the Jerry S. Rawls College of Business Administration at TTU), who serves as co-editor of the journal.

In addition to the journal symposium and workshops related to the Templeton program, the FMI hosted nine (9) other scholars for research workshop presentations during the year. The FMI Research Workshop has developed into an integral program for the ongoing development of the FMI research culture. It consistently exposes FMI faculty, research staff, graduate students, and other TTU colleagues to new research in fields related to the study of the private enterprise system and related social institutions.

Brown Bag Seminar

During the 2016-2017 academic year, the FMI launched a new internal research seminar series. The FMI ‘Brown Bag’ Seminar is a working lunch series that provides opportunities for graduate students and other scholars to present research that is ‘work in progress’ or at a working paper stage. During the year, the FMI hosted fifteen (15) such meetings with most of the meetings featuring research presentations from graduate students and research staff.

Public Programming

FMI Public Speaker Series

The FMI continued the FMI Public Speaker Series during the 2016-2017 academic year. As in years past, the FMI sought to partner with different departments across the TTU campus, as well as external organizations. In total, **more than 1,375 people** attended the FMI Public Speaker Series this academic year.

Of particular note is the full implementation of the FMI's plan to video record, to the fullest extent possible, all FMI Public Speaker Series programming. All programs are made available to the general public through the FMI website and the FMI YouTube channel.

- **Finding Your Purpose: Why Economic Freedom Matters**
September 27, 2016 — ~125 attendees
Anne Rathbone Bradley – Vice President for Economic Initiatives at Institute for Faith, Work, & Economics
- **The Fatal Conceit of Foreign Intervention**
October 20, 2016 — ~175 attendees
Christopher Coyne – F.A. Harper Professor of Economics at George Mason University
- **Rational Optimism and the Evolution of Everything**
November 10, 2016 — ~300 attendees
Matt Ridley – Columnist at *The Telegraph* and *The Times London* and Member, Science and Technology Select Committee, House of Lords, Great Britain
- **Why Free Speech on Campus Matters: Its Scope and Limits**
Co-sponsored by Institute for Humane Studies at George Mason University, Division of Institutional Diversity, Equity, and Community Engagement at Texas Tech University, and Institute for the Study of Western Civilization at Texas Tech University
December 1, 2016 — ~100 attendees
Donald Downs – Alexander Meiklejohn Professor of Political Science, Law and Journalism at University of Wisconsin-Madison
- **Is American Democracy Broken?**
A Weekend Exploring Liberty program co-sponsored by Institute for Humane Studies at George Mason University
February 3-4, 2017 — ~100 attendees
 - **American Constitutional Design: Liberty, Not Democracy**
Randall Holcombe – DeVoe Moore Professor of Economics at Florida State University
 - **Hobbits and Hooligans: Why Democracy Makes us Dumb and Mean**
Jason Brennan – Provost's Distinguished Associate Professor of Strategy, Economics, Ethics, and Public Policy at Georgetown University
 - **The Evolution of America's Progressive Democracy**
Randall Holcombe – DeVoe Moore Professor of Economics at Florida State University
 - **Myths of the 2016 Election – Domestic Economic Policy**
Vincent Geloso – Post-Doctoral Research Associate at Free Market Institute at Texas Tech University

- **Myths of the 2016 Election – International Economic Policy**
 Benjamin Powell – Professor of Economics, Jerry S. Rawls College of Business Administration at Texas Tech University
- **The Electoral College and Market-Preserving Federalism**
 Andrew Young – Professor of Economics, Jerry S. Rawls College of Business Administration at Texas Tech University
- **The Political Economy of Secession**
 Robert Murphy – Research Assistant Professor at Free Market Institute at Texas Tech University
- **Is Democracy Just?**
 Jason Brennan – Provost’s Distinguished Associate Professor of Strategy, Economics, Ethics, and Public Policy at Georgetown University

- **Prospects for Freedom and Prosperity: A Panel Discussion**
 March 23, 2017 — ~175 attendees
 Douglas Irwin – John Sloan Dickey Third Century Chair in the Social Sciences at Dartmouth College
 Peter Boettke – University Professor of Economics and Philosophy at George Mason University
 Alex Nowrasteh – Immigration Policy Analyst at Center for Global Liberty and Prosperity at Cato Institute

- **The Future of Food**
Co-sponsored by the College of Agricultural Sciences and Natural Resources at Texas Tech University
 April 18, 2017 — ~400 attendees
 Jayson Lusk – Regents Professor and Willard Sparks Endowed Chair at Department of Agricultural Economics at Oklahoma State University

High School Education

During the 2016-2017 academic year, the FMI implemented a new initiative and began collaborating with colleagues at other universities in the state of Texas to undertake a more concerted effort to engage this important audience.

Economics and Classical Liberalism: Theory, Practice, and History

From June 22-26, 2016, the FMI hosted *Economics and Classical Liberalism: Theory, Practice, and History*, a seminar which engaged high school aged students, who have an interest in learning about the principles of economics and their applications in public policy and historical contexts.

The program attracted more than 50 students from across the state of Texas. The majority of the students were public high school students entering their senior year during the 2016-2017 academic year. With the help of the Office of Admissions at Texas Tech University, promotional efforts targeted students in the state of Texas and eastern New Mexico, who were also being recruited to a leadership camp hosted at the university later that summer.

The program featured lectures from FMI affiliated faculty members and invited speakers, students engaged with one another in interactive discussions, experiments and other activities, and enjoyed the TTU campus. The program was very well received by the students and the FMI plans to operate it on an annual basis moving forward. *The Economic Way of Thinking* seminar is scheduled to operate at TTU on June 15-18, 2017.

Teaching Free Enterprise in Texas – www.teachfreedomtx.org

In partnership with the O’Neil Center for Global Markets and Freedom at the Southern Methodist University Cox School of Business, FMI faculty members have contributed to efforts to develop effective teaching curricula for secondary level social science and economics educators.

FMI director, Benjamin Powell, and FMI affiliated faculty members, Adam Martin and Robert Murphy, have developed teaching modules in their areas of expertise to contribute to the overall curriculum. They have also participated as presenters in teaching workshops demonstrating the material to educators from around the state of Texas. These efforts will continue during the summer of 2017 and into the future.

Outreach

Free to Exchange

The FMI, in conjunction with KTTZ-TV, produced a third season of *Free to Exchange*, an interview-based television program that focuses on contemporary economic and public policy issues. It airs throughout the year on Sunday mornings at 10:30 AM. Past episodes are made available through the FMI YouTube channel and are catalogued at the FMI website. As of the end of the review period, 36 episodes of *Free to Exchange* have aired in total.

Free Market Road Show

Organized by the Austrian Economics Center (AEC), in cooperation with over 60 leading think-tanks and universities across Europe and the Caucasus, the Free Market Road Show (FMRS) brings together leading business people, outstanding scholars and students, opinion leaders, policy experts, elected officials, diplomats and other interested parties from across Europe to discuss major contemporary issues in European and international political economy.

The FMI continued its co-sponsorship in 2017. FMI faculty and staff participate in panel discussions and seminars and deliver keynote speeches as part of the FMRS program. During the months of April and May in 2017, FMI faculty and staff participated as panelists and keynote speakers for several events, visiting 7 different countries across Europe.

Media Engagement

Over the last year FMI staff's writing, research, and other efforts to engage various media outlets have produced the following results:

- Over 25 opinion-editorial columns and short articles published in outlets such as *The Hill*, CNBC, *The Washington Times*, *Toronto Sun*, *Dallas Morning News*, *Newsday* and other outlets.
- Over 10 radio interviews or podcasts where FMI faculty discussed topics, including problems with the TSA, the implications of 'Brexit' and the economics of central banking, as well as brought FMI guests on the air to promote the FMI Public Speaker Series.
- Four (4) television interviews and appearances on FOX Business Network and local television news outlets.

A complete listing of media engagement efforts can be found at the FMI website.

Lectures, Panels and Other Events

During the review period, FMI faculty and staff have had several speaking engagements in Lubbock and other parts of the United States that have served to introduce the FMI and its research mission to a much broader audience. A complete listing can be found at the FMI website.

Looking Forward

2017-2018 Events

- **The Not So Wild, Wild West: Property Rights on the Frontier** – August 24, 2017
Co-Sponsored with National Ranching Heritage Center at Texas Tech University
P.J. Hill – Professor Emeritus of Economics at Wheaton College and Senior Fellow at Property and Environment Research Center

- **An Evening with Walter E. Williams** – October 5, 2017
Walter E. Williams – John M. Olin Distinguished Professor of Economics at George Mason University

- **How Economists Helped End the Military Draft** – October 26, 2017
David Henderson – Research Fellow at Hoover Institute at Stanford University and Associate Professor of Economics at Graduate School of Business and Public Policy at Naval Postgraduate School