



# COLLEGE of CHARLESTON

## INITIATIVE FOR PUBLIC CHOICE AND MARKET PROCESS



2009-2010  
Annual Report

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The College of Charleston Foundation is a 501(c) 3 non-profit organization incorporated in 1970 under the laws of the State of South Carolina as an educational, charitable, eleemosynary foundation to promote educational, research, and other programs of the College of Charleston. Make a donation through the College of Charleston Foundation's website. Designate your donation for "Other" and write "Initiative for Public Choice & Market Process" in the comments section after entering your credit card information.

*On the front cover:* Left Benjamin Powel, top right John Stossel, middle Richard Epstein, bottom right Peter Boettke

## Message From the Director



As the second year of the Initiative for Public Choice & Market Process comes to a close we continue to experience a great deal of success. The year's goal was to continue our mission with greater impact. The 2009-2010 academic year included twenty-three events with over 1,600 total participants, a 66 percent increase over our first academic year. This success is a result of the continued support from my colleagues in the economics and finance department, especially Dr. Doug Walker, and strengthened partnerships within the school of business, across the College of Charleston, and into the business community. Our success continues in our three main areas of focus: the BB&T Free Market Process Speaker Series, student development, and faculty development.

Our BB&T Free Market Process Speaker Series consisted of five prominent dynamic and insightful speakers from academia, the business world, and national media over the course of the year. With greater awareness of our program the turnout for our speakers increased 83 percent averaging over one hundred and seventy-five participants for each speaker, consisting of students, faculty and community members.

We continued and expanded our second and informal series: "Lunch with ...". This series provides an intimate venue for our students and faculty to interact with the speakers. Our Economics Book Colloquium was conducted in the fall and the spring providing students a chance to read books and discuss ideas in economics and politics they may not otherwise be exposed to in the classroom.

This year's BB&T Enterprise Award carried with it increased prize money. The essay question, "What Causes Prosperity?" was answered by the winning essay entitled, "The General Ineffectiveness of Foreign Aid: A Look at Poverty Reduction." Six students have been awarded research fellowships to work with faculty in economics and philosophy. In the fall of 2009 the economics and finance department began offering our Comparative Economic Systems course where students can examine and analyze how various economics systems function and the consequences of these systems. This class has been well received by the students and will be offered again in the fall of 2010.

Our mission requires that we support our faculty who conduct research in the areas of public choice and the free market process. This summer we are funding four grants for five faculty members by providing them the necessary financial support to develop this important research agenda.

The Initiative for Public Choice & Market Process is having a greater impact by attracting students from across campus, engaging the business community, and working with our state policy network on public policy issues. Our second annual Adam Smith Week had over 500 participants, a 35 percent increase, which included Fox Business Network reporter John Stossel. The week was made possible through the support of student organizations such as the Student Finance and Investment Club, Students in Free Enterprise and financial support from the business community members of the Bastiat Society and the South Carolina Policy Council. Our goal is to continue with all of these events and programs knowing that our impact will continue to grow and improve. Please review the pages of this report to see all the detail of this year's accomplishments.

The success of the Initiative for Public Choice & Market Process depends on the support of foundations and private individuals who share its commitment to advancing the understanding and appreciation of free minds and free markets. We are deeply grateful to all who support our venture. To learn more about the Initiative for Public Choice & Market Process visit our web site <http://sb.cofc.edu/pcmp> or look us up on Facebook.

A handwritten signature in black ink, appearing to read "Peter T. Calcagno". The signature is fluid and cursive, with a large loop at the end.

Peter T. Calcagno, Ph.D.  
Associate Professor of Economics

## 2009-2010 Academic Year At A Glance

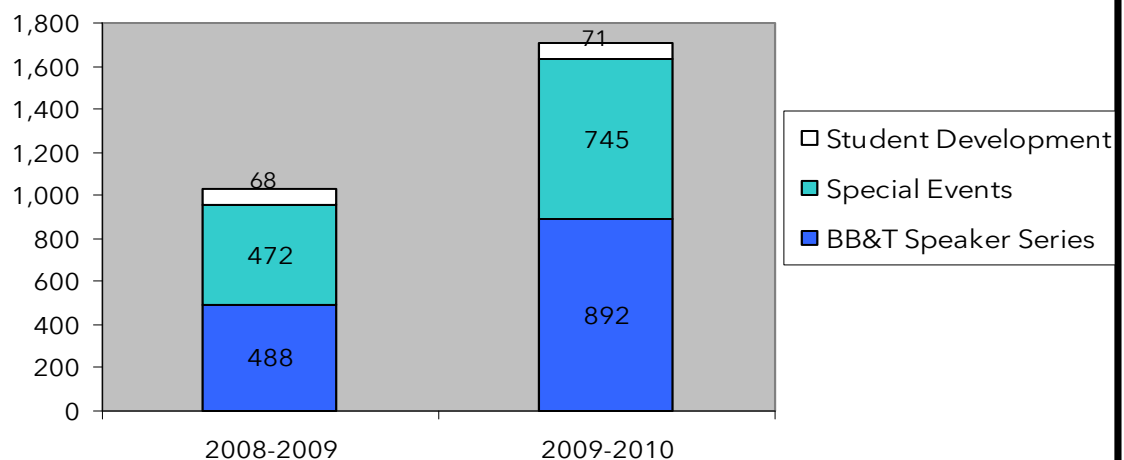
### BB&T Free Market Process Speaker Series – 892 participants

- Dr. Thomas DiLorenzo, *Professor of Economics, Loyola University*
- Dr. Benjamin Powell, *Assistant Professor of Economics, Suffolk University, Senior Economist with the Beacon Hill Institute & research fellow with the Independent Institute*
- Mr. Mallory Factor, *President, Mallory Factor Inc.*
- Dr. Peter Boettke, *Professor of Economics, BB&T Professor for the Study of Capitalism, George Mason University*
- Mr. John Stossel, *host of "Stossel" on the Fox Business Network*

### Student Development – 71 participants

- Economics Book Colloquium
  - Fall *The Economics of Public Issues* by LeRoy Miller, Daniel Benjamin, and Douglass North (15 participants)
  - Spring *A Conflict of Visions*, by Thomas Sowell (15 participants)
- BB&T Free Enterprise Award for the best paper by a student that examines public choice theory and the underpinnings of a capitalistic economy (3 winners)
- Student Research Fellowships to support student-faculty research projects
  - 6 fellowships awarded for fall, spring and summer support
- Student Information Sessions by Economics and Finance Faculty (32 participants)
  - "Getting into Graduate School"
  - "Why Major in Economics and Finance?"
- Distributed 48 copies of *Atlas Shrugged* by Ayn Rand to interested Economics Majors

### BB&T Speaker Series, Student Development, and Special Events Participants



## 2009-2010 Academic Year At A Glance

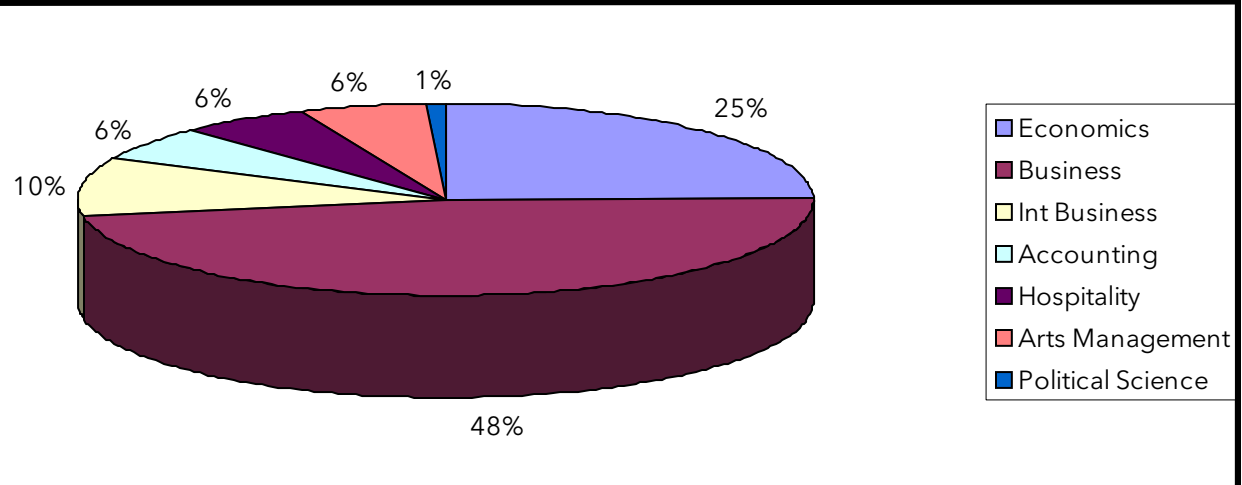
### Faculty 2010 Summer Research – 4 grants

- "An Experimental Test of the Marginal Trader Hypothesis" - Calvin Blackwell, *Associate Professor of Economics*
- "Primary Voting Systems and Economic Freedom: An Analysis of U.S. States" - Peter T. Calcagno, *Associate Professor of Economics*
- "Investigation into the Role of Economic and Legal Education of Leadership and Performance of Publicly Traded Firms" - Roxane DeLaurell *Assistant Professor Accounting and Legal Studies* and Steven J. Arsenault *Associate Professor of Accounting and Legal Studies*
- "Casino Tax Rates and Economic Impact of Casinos at the State Level" - Douglas M. Walker, *Associate Professor of Economics*

### Special Events – 745 participants

- Adam Smith Week
  - "Free Trade versus Fair Trade" Student Debate
  - "How can a Market System be Moral when the Invisible Hand is not Moral?" Dr. Jennifer Baker
  - "National Debt Crisis: Does it Depend on Politics?" Dr. Peter Calcagno
  - *Call of the Entrepreneur* Film presentation and follow-up discussion
  - "Freedom and its Enemies" Mr. John Stossel
  - "Why Major in Economics and Finance?" Student information session
- Richard Epstein, *James Parker Hall Distinguished Service Professor of Law University of Chicago* "Takings vs. Regulation: Wherein Lies the Difference"
- "Lunch with ..." Series (7 speakers)
- "A Night that Shook the World" Roundtable discussion to celebrate the 20th anniversary of the fall of the Berlin Wall
- Information Session on Koch Associates Program
- Webinar with Lawrence W. Reed, *President of the Foundation for Economic Education*

### Majors Attending BB&T Free Market Process Speaker Series\*



\* Includes Richard Epstein event.

## BB&T Free Market Process Speaker Series

Invited speakers address the underlying principles and institutions of a market economy. This year we had five speakers address students, faculty, and members of the Charleston community. Our speakers ranged from academic economists, to a business executive, to a television host on the Fox Business Network. The series consisted of presentations made to nearly 900 participants during the fall and spring semesters.

### Fall 2009



**Dr. Thomas DiLorenzo**

During his visit to the College of Charleston in October, Dr. Thomas DiLorenzo had the honor of being the first BB&T speaker of the 2009-2010 school year. Dr. DiLorenzo is a professor of economics at Loyola University in Maryland, as well as a senior fellow at the Ludwig Von Mises Institute. During his visit, he gave a lecture to students, faculty members, and the Charleston community entitled, *"Never-Ending Government Lies about Markets."*

***"Interesting, and thought provoking lecture."***  
**-Junior, Communications Major, on**  
**Dr. Thomas DiLorenzo**

### Dr. Benjamin Powell

In November, Dr. Benjamin Powell, an assistant professor of economics at Suffolk University, senior economist with the Beacon Hill Institute, and a research fellow with the Independent Institute provided students with a better understanding of sweat shops in his lecture, *"Sweat Shop Wages and Third World Workers: Are the Jobs Worth the Sweat?"*

***"Fantastic presentation! Dr. Powell really opened up my eyes to the world of sweat shops, and how they are misunderstood by the general public."***

**-Senior, Economics Major, on**  
**Dr. Benjamin Powell**



# BB&T Free Market Process Speaker Series

## Spring 2010



**Mr. Mallory Factor**

In February, we resumed the BB&T Free Market Process Speaker Series with Mr. Mallory Factor, President and Founder of the financial consultancy firm, Mallory Factor Inc. Mr. Factor stressed the importance of American debt to students and the Charleston business community with his presentation, *"Death by Debt: The End of America the Great."*

*"Very interesting and entertaining. I learned a lot about the debt crisis our country is presently facing."*

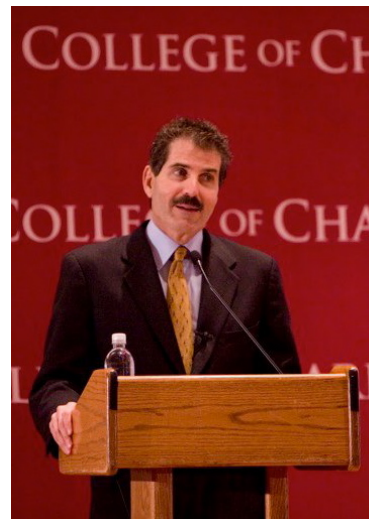
**- Junior, Accounting Major, on Mr. Mallory Factor**

*"Really loved him!"*  
**- Senior, Economics Major, on Dr. Peter Boettke**

**Dr. Peter Boettke**

Dr. Peter Boettke, was the second BB&T speaker for the month of February. Dr. Boettke is a professor of economics at George Mason University, the BB&T Professor for the Study of Capitalism, and the deputy director of the James M. Buchanan Center for Political Economy. Dr. Boettke presented a lecture entitled, *"The Economics of Yesterday, Today, and Tomorrow."*

*"Very funny, and informative. Well reflected arguments."*  
**- Sophomore, Business Major, on Dr. Peter Boettke**



**Mr. John Stossel**

In March, the Initiative held its second annual Adam Smith Week featuring keynote lecturer, Mr. John Stossel. Mr. Stossel is the host of *Stossel* on the Fox Business Network, formerly the co-host of ABC's *20/20*. Students, faculty and the Charleston community where provided with an entertaining and informative look at the factors threatening American freedom in his presentation, *"Freedom and its Enemies"*

*"Programs about liberty, freedom and what makes America great should be offered more often. Bring him back next year!"*  
**- Senior, Economics Major, on Mr. John Stossel**

## Student Resources and Development

The Initiative for Public Choice & Market Process seeks to promote the benefits of free markets and private enterprise to all of our students. The economics and finance department faculty demonstrate the power of economic principles to our students in their business, political, and personal lives, and provide them with the analytical skills to use these tools throughout their lives and careers. Creating an understanding that the benefits of liberty help with the ethical foundations of society. Here are just some of the ways we work with students at the College of Charleston.

### Student Interns



#### Jamie Shafer

Jamie is a Senior Economics major. She was the 2009-2010 recipient of the School of Business Outstanding Student Award and the Fanchon Morrow Condon Memorial Award in Economics.

Spring 2009 -  
Fall 2009



#### Nicholas Diego

Nicholas is a Senior Economics major and Math minor. Nicholas will begin a PhD in Economics at the University of Pittsburgh in the fall 2010.

Fall 2009 -  
Spring 2010



#### Rupert Munro

Rupert is a senior Economics major. He began working for the initiative during Spring 2010. He is a supervisor in the annual giving office, and the vice president of the college rugby club.

Spring 2010

### Student Research Fellowships

The Initiative for Public Choice & Market Process provides funding to support student-faculty research projects. Students may apply for up to \$1,000 to serve either as a research stipend or travel funds to attend a conference and present their research.

- Faculty with research projects related to the area of free-enterprise, political economy, or public choice economics may request the aid of a student research fellow.
- Students may initiate a research project or presentation of research with the support of a faculty member.

This year we provided six students with research funding:

- Jeff Brooks, Freshman (International Business), Ross Poletti, Freshman (International Business), and Jennifer Baker, Assistant Professor of Philosophy: *"Buying and Value"*
- Dyanne Vaught, Freshman (Economics), Francesca Pedemonti, Freshman (Business Administration), and Jennifer Baker, Assistant Professor of Philosophy: *"Stoic Business"*
- Dyanne Vaught, Freshman (Economics) and Calvin Blackwell, Associate Professor of Economics: *"The Marginal Trader Hypothesis in Classical and Neoclassical Economic Works"*
- Rupert Munro, Senior (Economics), and Peter Calcagno, Associate Professor of Economics: *"Primary Voting Systems and Economic Freedom: An Analysis of U.S. States"*

# Student Resources and Development

## BB&T Free Enterprise Award

The Initiative awards a cash prize each year for the best investigative paper or case study by a student that examines the underpinnings of public choice theory and capitalistic economies.

### 2009-2010 Academic Year Essay Question

*What causes prosperity? Is foreign aid the solution to global poverty?*

This year's winners:

#### First place \$1000

- Nicholas Diego, Senior (Economics) *"The General Ineffectiveness of Foreign Aid: A Look at Poverty Reduction"*

#### Second place \$600

- Charles Wells, Sophomore (Business Administration) *"What Causes Prosperity?"*

#### Third place \$300

- Stephanie Anne Rhodes, Sophomore (International Business) *"The Free Market: Necessity of Prosperity"*



Left to right: Nicholas Diego, Stephanie Rhodes, Charles



## Economics Book Colloquium

The Initiative for Public Choice & Market Process conducts an economics book colloquium each semester for economics majors and other students interested in free markets, capitalism and the role of government in society.

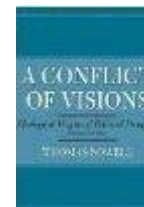
### Fall 2009:

Fifteen students and two faculty members met twice a month to discuss *The Economics of Public Issues*, by LeRoy Miller, Daniel Benjamin, and Douglass North. The book applies economic concepts to policy issues such as the role of the Food and Drug Administration, minimum wage, the current economic crisis, and environmental issues.



### Spring 2010:

Fifteen students and two faculty members met twice a month to discuss *A Conflict of Visions: Ideological Origins of Political Struggles*, by Thomas Sowell. The book examines the centuries-long debates over the nature of reason, justice, equality and power.



## Information Seminars

### Getting into Graduate School

Discussion with students interested in graduate school in economics

### "Why Major in Economics and Finance?"

Discussion with students interested in majoring in Economics and Finance

## Faculty Research and Development

The Initiative for Public Choice & Market Process has an ongoing program to solicit research proposals and fund faculty research. The Initiative provides summer research grants for faculty members to conduct and publish research in the field of free enterprise and political economy and is specifically interested in supporting projects in the field of public choice. This year we funded four grants for five faculty members for \$20,000.

### Summer 2010 Research Recipients

**Calvin Blackwell**  
Associate Professor of Economics

#### "An Experimental Test of the Marginal Trader Hypothesis"



**Abstract:** The Marginal Trader Hypothesis posits that a small group of well-informed traders keep an asset's market price equal to its fundamental value. Although intuitively plausible, this hypothesis has not been put to a rigorous test. This research will directly test the Marginal Trader Hypothesis by examining the performance of two similar institutions: one that allows for marginal traders and one that precludes them. In both tasks participants will guess at the proportion of orange candies in an urn containing 1000 orange and white candies. In one institution, participants will buy and sell assets whose value depends upon the proportion of orange candies. In the second institution, participants will simply guess as to the proportion, and the participant who generates the closest guess will win a prize. By analyzing the accuracy of these two institutions, conclusions can be drawn regarding the ability of marginal traders to affect the accuracy of the market's prediction.

**Peter T. Calcagno**  
Associate Professor of Economics

#### "Primary Voting Systems and Economic Freedom: An Analysis of U.S. States"



**Abstract:** Economists have long argued that institutions matter for economic efficiency and to generate economic growth. One institution of interest is a state's primary electoral system. Currently, in the United States there are five different primary voting systems used to select candidates to represent a political party in the general election. In June 2000, the U.S. Supreme Court overturned California's Open Primary Act. The question of strategic voting emerges as primaries become more open, which was a central issue in the U.S. Supreme Court case. Opposing parties argued that allowing nonparty members to choose their party's nominees violated their rights to political association. The literature suggests that more extreme candidates emerge from a closed primary system. In addition, it has been found that open primaries lead to higher voter turnout in the general election. The question I propose to examine is whether a closed primary system is an institutional arrangement that is consistent with economic freedom, or one that restricts it. The model can test if economic freedom explains whether a state is more likely to operate a closed or blanket primary system.

## Faculty Research and Development



**Roxane DeLaurell**  
Assistant Professor Accounting and Legal Studies  
**Steven J. Arsenault**  
Associate Professor of Accounting and Legal Studies

### "Investigation into the Role of Economic and Legal Education of Leadership and Performance of Publicly Traded Firms"

**Abstract:** The recent sub-prime mortgage crisis coming so close on the heels of the Enron debacle and the series of scandals that followed Enron have called into question the ethical and business judgment of those leading corporate America. This research is designed to investigate the relationship, if any, between the economic and legal knowledge of those decision makers and the success of their corporations. It is hypothesized that economic and legal knowledge leads to sounder decision making in the corporate world. If the relationship exists and it proves to be a positive one, then the case for requiring even more economic and legal education than is currently required in business schools can be made. This education could lead not only to sounder decisions but to protection from future economic crises.



**Douglas M. Walker**  
Associate Professor of Economics

### "Casino Tax Rates and Economic Impact of Casinos at the State Level"



**Abstract:** This project extends a previous paper that found that casinos in the U.S. have a *negative* effect on state government revenues, net of federal transfers. This project will examine how states' casino tax rate structures affect the impact of casinos on state government revenues and economic growth. The scope will depend on the availability of states' past tax rate data. The years studied will likely be 1985-2007. Economic theory suggests that lower tax rates and casino permit fees will tend to foster higher levels of economic growth from the introduction of casinos, as capital investments will yield higher returns. Yet, since state governments completely control the size and number of casinos, as well as the entire regulatory framework under which casinos operate, there are enormous rent-seeking opportunities for politicians. As a result, and because politicians and voters rarely insist upon economic evidence of the impacts of casinos, they often try to set extremely high tax rates on gambling revenues, sometimes near 50%. This project will attempt to analyze how tax rates on gross gambling revenues affect economic growth and gambling tax revenues.

## Special Events

In March, the Initiative hosted its second annual Adam Smith Week, an intensive week of events that exposed students to the ideas of market process and economics in a variety of ways. We had six events over five days that included speakers, a movie presentation, a student debate, and an information session for prospective economics and finance students. The program was widely attended with over 500 participants and created an opportunity for us to cooperate with faculty and students across the entire campus.



### The Second Annual Adam Smith Week

An Exploration of Political Economy  
and the Invisible Hand  
March 22-26



Dr. Jennifer Baker

#### **"Free Trade versus Fair Trade"**

*Student Debate*

Moderated by: Dr. Douglas Walker, Associate Professor of Economics, College of Charleston

#### **"How can a Market System be Moral when the Invisible Hand is not Moral?"**

*Lecture by:* Dr. Jennifer Baker, Assistant Professor of Philosophy, College of Charleston

#### **"National Debt Crisis: Does it Depend on Politics?"**

*Lecture by:* Dr. Peter Calcagno, Associate Professor of Economics, College of Charleston

***"Adam Smith Week is a fantastic series of events. The Initiative for Public Choice & Market Process is doing a great job. Keep it coming!"***  
**- Senior, Economics Major**

#### **"Call of the Entrepreneur"**

*Film presentation*

Follow-up discussion moderated by: Dr. Peter Calcagno, Associate Professor of Economics and Dr. Kelly Shaver, Professor of Entrepreneurial Studies

#### **"Freedom and its Enemies"**

*Lecture by:* Mr. John Stossel, host of *Stossel* on Fox Business Network

#### **"Why Major in Economics and Finance?"**

Student information session



Left to Right: Nicholas Diego, Dr. Peter Calcagno, Mr. John Stossel, Kyle Boggs, Alison Greenberg, Jamie Shafer

## Special Events



Dr. Dan Mitchell, Cato Institute

### "Lunch with ..." Series

Our Lunch with ... Series provides an environment where students can interact with presenters in a casual and informal setting. Students either listen as speakers present over lunch or have lunch with the BB&T Speakers. Students can ask questions and discuss issues related to the speakers' areas of expertise. This year we had seven of these events.

Dr. Thomas DiLorenzo, *Professor of Economics, Loyola University*

Dr. Benjamin Powell, *Assistant Professor of Economics, Suffolk University*

"Political Capitalism: The Beast that Broke the Cage"  
Dr. Robert Bradley, *CEO Institute of Energy Research*

"Drug Legalization Will Never Work"  
Dr. Mark Thornton, *Senior Fellow at the Ludwig von Mises Institute*

"How to Land a Job in Public Policy"  
Claire Kittle, *Executive Director of Talent Market*

Dr. Peter Boettke, *Professor of Economics, George Mason University*

"The Growth of Government and the Future of American Capitalism"  
Dr. Dan Mitchell, *Senior Fellow at the Cato Institute*

### Professor Richard Epstein

In October, the Initiative worked with the Charleston School of Law and the Bastiat Society to host Richard A. Epstein. Professor Epstein is a visiting Professor at New York University Law School and the James Parker Hall Distinguished Service Professor of Law at the University of Chicago, where he has taught since 1972.

During his stay in Charleston, Professor Epstein held a debate at the Charleston School of Law and then came to the College of Charleston to give a lecture entitled, "Taking versus Regulation, Wherein Lies the Difference?"



*"Although I was not originally planning to attend, I was very glad that I did. Mr. Epstein was a great, intelligent speaker, and the content really did catch my attention and opened my eyes to these issues."*

**-Sophomore, Accounting Major**

### Other Activities

Information session on Koch Associates Program

Stephen Sweet, and Thomas Russell, *Program Coordinators, Marketing and Recruiting, Charles G. Koch Charitable Foundation*

"Adam Smith, Free Trade and the Birth of Economics"

Webinar with Lawrence W. Reed, *President of the Foundation for Economic Education*

## Special Events

### A Night that Shook the World

In November the Initiative for Public Choice & Market Process co-sponsored an event with the School of Languages, Cultures, and World Affairs, The German Program, and The Global Business Resource Center at the College of Charleston to commemorate the 20th anniversary of the fall of the Berlin Wall.

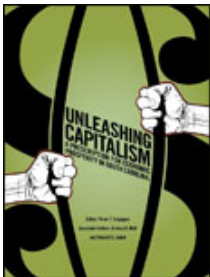
The event, *A Night that Shook the World*, was a round table discussion with five panelists including Dr. Wolfgang Elfe (German, University of South Carolina), Dr. Mark Witte (Economics, College of Charleston), Dr. Richard Bodek (History, College of Charleston), Dr. Rene Mueller (International Business, College of Charleston), and Dr. Peter Calcagno (Economics, College of Charleston). Each participant contributed their own knowledge and expertise of the event to the discussion, providing the audience with a greater appreciation of this historic day.



Left to Right: Dr. Peter Calcagno, Dr. Rene Mueller, Dr. Mark Witte, Dr. Wolfgang Elfe, and Dr. Richard Bodek

## Beyond the Classroom

### Faculty



In the summer and fall of 2009, the Initiative worked with South Carolina's State Policy Network, the South Carolina Policy Council, to produce *Unleashing Capitalism: A Prescription for Economic Prosperity in South Carolina*. *Unleashing Capitalism* is about unleashing freedom – not just economic freedom, but political and social freedom. It's an expert prescription for the systematic problems that keep South Carolina poor. It is a roadmap to prosperity through policy reforms that will put economic power back in the hands of the people.

The book is edited by Peter Calcagno and features the work of several economists and other scholars including Frank Hefner, Doug Walker, and Steven Arsenault at the College of Charleston. It is modeled after *Unleashing Capitalism: Why Prosperity Stops at the West Virginia Border and How to Fix it*, edited by Russell Sobel and Joshua Hall. Several other authorities from around the state and country also contributed to the volume.

We hope this volume will help people to better understand economic principles and economic policy in South Carolina. We hope to continue to work with the South Carolina Policy Council to help provide our economic expertise regarding public policy in the state.

### Market Process Blog

We continue the Market Process Blog that provides posts on economic and political news offering commentary and basic economic information and insights. We now have seven economists from around the state and the country who contribute. The blog provides yet another medium to reach as wide an audience as possible

## Beyond the Classroom



### Business Community

Strong support outside of the College of Charleston from our founding sponsors and from the business community has created an opportunity for outreach. We are taking advantage of these connections to discuss free market opportunities and convey the benefits of markets to the members of the business community. By sharing speakers and contacts with The Bastiat Society, we have created a synergy that benefits their members and our students. This year the Initiative for Public Choice & Market Process and The Bastiat Society shared six speakers, which provided greater opportunities and shared expenses.

Most importantly, The Bastiat Society and the South Carolina Policy Council were significant co-sponsors for hosting John Stossel from the Fox Business Network.

### Social Networking

In the spring of 2009 we launched a Facebook Fan Page for the Initiative for Public Choice & Market Process to have another way to reach students and community members. Fans can find posts on events, blog posts, pictures, and videos from events. We currently have 128 fans from 10 different countries from the U.S. to Romania. These fans range across age groups and are varied from students, to business individuals, to other academics. We hope to see interest in our page continue to grow.

### Students

College of Charleston students have a variety of opportunities to continue their economics education beyond the Initiative. Students are attending week long summer seminars offered by education organizations that assist undergraduate and graduate students who have an interest in individual liberty. In addition, students are attending graduate school and applying to the Charles G. Koch Foundation Koch Associates Program, a year long experience working in the area of non-profits. Here are some highlights of our current students, and the programs they are attending:

#### Institute for Humane Studies (IHS)

- Kathleen Ross (Economics)
- Alex Tarr (Economics)

#### Foundation for Economic Education (FEE)

- Rupert Munro (Economics)

#### Students attending Graduate School

- Economics Ph.D. Program, University of Pittsburgh - Nicholas Diego (Economics)
- University of Mississippi Law School - Whitney Whitson (Economics)



## About Us

Founded in the Fall of 2008 with a generous gift from the BB&T Charitable Foundation and the Charles G. Koch Charitable Foundation, the Initiative for Public Choice & Market Process is designed to examine and stimulate discussion of the following topics:

- The role of government institutions in a capitalistic society
- The relationship between government and the individual
- The relationship between political and economic freedom
- The moral structure of a free market economy

## Mission

The Initiative for Public Choice & Market Process advances the understanding of the economic, political and moral foundations of a free market economy. The Initiative supports the growth and development of teaching and research at the College of Charleston School of Business and Economics, while engaging students and the greater Charleston business community.

## Objectives

To achieve our mission the Initiative sponsors the following:

- BB&T Free Market Process Speaker Series
- Student Development
- Faculty research in the areas of Public Choice and Market Process

## What is Public Choice?

Economics traditionally focuses on the behavior of firms and consumers and how individuals interact in market settings. Public choice builds on economic and political theories to analyze the behavior of voters, candidates, legislators, bureaucrats, and the institutions under which they operate. Public choice uses modern economic tools to study problems that are traditionally in the sphere of political science. (A more general term is "political economy", an earlier name for "economics".) In particular, public choice models the behavior of voters, politicians, and government officials as (mostly) self interested agents and analyzes their interactions under a variety of institutional settings. Public choice analysis has roots in positive analysis ("what is") but is often used for normative purposes ("what ought to be"), to identify a problem or suggest how a system could be improved by changes in institutions.

The Initiative for Public Choice & Market Process would like to acknowledge the generous support of our sponsors who in part make our program possible.



The College of Charleston is a nationally recognized, public liberal arts and sciences university located in the heart of historic Charleston, South Carolina. Founded in 1770, the College is among the nation's top universities for quality education, student life and affordability. The College offers a distinctive combination of a beautiful and historic campus, modern facilities and cutting-edge programs.

Initiative for Public Choice & Market Process  
Department of Economics & Finance  
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## INITIATIVE FOR PUBLIC CHOICE & MARKET PROCESS

Peter Calcagno, Ph.D.  
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