Conference Timetable

Thursday, March 30, 2006

2:00 - 6:00	Registration	CORDOVA
4:00 - 5:45	Session 1A: Market Entry and Survival	FLAGLER I
	Session 1B: Spatial Aspects of Rural Development Issues (NE-1011/SRSA)	FLAGLER II
7:00 - 9:00	SRSA Executive Council Meeting	FLAGLER I

Friday, March 31, 2006

8:00 - 5:00	Registration	CORDOVA
8:30 - 10:15	Session 2A: Round Table on Current Issues in Public Finance: Regional Science, The University and Policy Analysis	FLAGLER I
	Session 2B: Trade	FLAGLER II
	Session 2C: Labor Market Issues (NE-1011/SRSA)	CASA MONICA II
	Session 2D: Local Issues	CASA MONICA III
	Session 2E: Developing Economies	FLAGLER III
10:15 - 10:30	Refreshment break	
10:30 - 12:15	<u>Session 3A</u> : Migration 2: Migration Outcomes - How Well Does Migration Work?	FLAGLER I
	Session 3B: Methods	FLAGLER II
	Session 3C: Housing	CASA MONICA II
	Session 3D: Quality of Life	CASA MONICA III
	Session 3E: Labor studies	FLAGLER III
12:30 - 1:45	Awards Luncheon	CASA MONICA I
2:15 - 5:00 (break 3:30 - 3:45)	Session 4A: Symposium: The Local Economy of Northeast Florida	FLAGLER I
	Session 4B: Government Strategies	FLAGLER II
	Session 4C: Migration 3: New Perspectives on Population Migration	CASA MONICA II
	Session 4D: Creativity and Regional Growth	CASA MONICA III
6:00 - 8:00	Reception	POOL DECK

Saturday, April 01, 2006

8:00 - 12:00	Registration	CORDOVA
8:30 - 10:15	Session 5A: State and Local Government Finance Issues	FLAGLER I
	Session 5B: Rurality and Measurement	FLAGLER II
	Session 5C: Current Research in the U.S. Regional Economic Accounts	CASA MONICA II
	Session 5D: The Regional Impacts of Hurricane Katrina on	

Mississippi and the Gulf Coast	CASA MONICA III
Refreshment break	
<u>Session 6A</u> : Southern Farmer and Rural Households: Neighbors or a Different World?	FLAGLER I
Session 6B: Globalization	FLAGLER II
Session 6C: Migration 1: Migration and Public Policy	CASA MONICA II
Session 6D: I/O Methods and Applications	CASA MONICA III
Presidential Address & Business Meeting	CASA MONICA I
Session 7A: 2005 Hurricane Season: Policy and Development Issues Facing Louisiana	FLAGLER I
Session 7B: Small Business	FLAGLER II
Session 7C: Tourism	CASA MONICA II
Session 7D: Local Inadvertencies	CASA MONICA III
	Refreshment break Session 6A: Southern Farmer and Rural Households: Neighbors or a Different World? Session 6B: Globalization Session 6C: Migration 1: Migration and Public Policy Session 6D: I/O Methods and Applications Presidential Address & Business Meeting Session 7A: 2005 Hurricane Season: Policy and Development Issues Facing Louisiana Session 7B: Small Business Session 7C: Tourism

Session Descriptions

Thursday, March 30, 2006 4:00 - 5:45 FLAGLER I

Session 1A: Market Entry and Survival

Chair: Andrew Isserman

Papers:

<u>Innovation, Technology, and Latecomer Strategies: Evidence from the Mobile Handset</u> <u>Manufacturing Sector in China</u>

Lei Ding, George Mason University Kingsley Haynes, George Mason University

Market entry by low cost carriers

Patrick Beschorner, Centre for European Economic Research (ZEW)

Structural Barriers to Survival and External Economies

Henry Renski, University of North Carolina at Chapel Hill

Discussants:

<u>Maureen Kilkenny</u>, University of Nevada <u>Carolyn Wolff</u>, The Louis Berger Group <u>Shaoming Cheng</u>, George Mason University

Thursday, March 30, 2006 4:00 - 5:45 FLAGLER II

Session 1B: Spatial Aspects of Rural Development Issues (NE-1011/SRSA)

Organizer: Joe D. Francis **Chair:** Joe D. Francis

Papers:

Spatial Aspects of Government Farm Payments and Farm Structure in the U.S.

<u>Sundar S. Shrestha</u>, The Pennsylvania State University <u>Jill L. Findeis</u>, Pennsylvania State University <u>Stephen M. Smith</u>, Pennsylvania State Univers

Does Highway Investment Contribute to Greater Economic Benefits for Missouri Counties?

Dennis P. Robinson, University of Missouri-Columbia Yong-Lyoul Kim, University of Missouri-Columbia

Innovative Activity in Rural Areas: The Roles of Local and Regional Characteristics

David Barkley, Clemson University Mark Henry, Clemson University Doo-Hee Lee, Clemson University

Discussants:

Mark Partridge, University of Saskatchewan Joe D. Francis, Cornell University Andreas P. Cornett, University of Southern Denmark

Friday, March 31, 2006 8:30 - 10:15 FLAGLER I

Session 2A: Round Table on Current Issues in Public Finance: Regional Science, The University and Policy Analysis

Organizer: Scorsone, Eric Anthony and Stallmann, Judith I. **Chair:** Dave Swenson

Papers:

Property Tax Limitations in Michigan

Eric Anthony Scorsone, Michigan State University

<u>The Impact of Local Revenue Growth Restrictions in Missouri</u>

Judith I. Stallmann, University of Missouri-Columbia

Policy Research and the University: The Taxpayer Bill of Rights in Wisconsin

Steven C. Deller, University of Wisconsin-Madison

Friday, March 31, 2006 8:30 - 10:15 FLAGLER II

Session 2B: Trade

Chair: Shelby Gerking

Papers:

<u>Regional Trade Agreements and Intra-Industry Trade: The Case of the U.S. Trade with Western</u> <u>Hemispheric Trading Blocks</u>

E.M. Ekanayake, Bethune-Cookman College <u>Amit Mukherjee</u>, The Richard Stockton College of New Jersey <u>Bala Veeramacheneni</u>, State University of New York at Farmingdale <u>Illiana Filyanova</u>, Bethune-Cookman College

<u>Trade and Inequality in a Post-Conflict Country: The Case of Mozambique</u>

Julie A. Silva, University of Akron

Exchange Rate Pass-Through of Shrimp Exporters to the U.S.

Ferdinand D. Vinuya, Clemson University

Discussants:

Ferdinand D. Vinuya, Clemson University Andreas P. Cornett, University of Southern Denmark Shelby Gerking, University of Central Florida

Friday, March 31, 2006 8:30 - 10:15 CASA MONICA II

Session 2C: Labor Market Issues (NE-1011/SRSA)

Organizer: Maureen Kilkenny **Chair:** Maureen Kilkenny

Papers:

Low-wage Healthcare Worker Job Retention and Wage Progression: What Factors Contribute to Worker Success?

<u>Joe Kerkvliet</u>, Oregon State University <u>Alexander Marre</u> <u>Bruce Weber</u>, Oregon State University

<u>A Decomposition of the Sources of Change in U.S. wages and salaries: 1978-1998</u>

Steve Cooke, University of Idaho

Exploring Rural Region "Brain Drain"

Georgeanne Artz, University of Missouri

Discussants:

<u>Georgeanne Artz</u>, University of Missouri <u>Tom Johnson</u>, University of Missouri-Columbia <u>Liz Davis</u>, University of Minnesota

Friday, March 31, 2006 8:30 - 10:15 CASA MONICA III

Session 2D: Local Issues

Chair: Ann Dunbar.

Papers:

Perceptions of Rural Police Protection: A Faith Based Correlation

John G. Kooti, Georgia Southwestern State University Dawn Valentine, Georgia Southwestern State University Randall Valentine, Georgia Southwestern State University

The Impact of Casinos on Bankruptcy: Do Tribal Casinos Differ from Commercial Casinos?

Ernie Goss, Creighton University

<u>The Poverty Rate for Alternative Family Types: An Analysis for Kentucky Counties</u>

J. F. O'Connor, Eastern Kentucky University

Discussants:

<u>Jon Devine</u>, University of Maine <u>David W. Hughes</u>, Clemson Institute for Economic and Community Development <u>John Larrivee</u>, Mount St.Mary's University

Friday, March 31, 2006 8:30 - 10:15 FLAGLER III

Session 2E: Developing Economies

Chair: Edward J. Malecki

Papers:

Impacts of Policies on the Urban Poor's – Slum Dwellers

Vijay Neekhra, The University of Tokyo Takashi Onishi, The University of Tokyo

<u>Clusters and the Design of Innovation Policy for Developing Economies</u></u>

Edward Feser, University of Illinois at Urbana-Champaign

Discussants:

<u>Gi-Don An</u>, The University of Toledo <u>Edward J. Malecki</u>, The Ohio State University

Friday, March 31, 2006 10:30 - 12:15 FLAGLER I

Session 3A: Migration 2: Migration Outcomes - How Well Does Migration Work?

Organizer: Brian J. Cushing **Chair:** Gigi M. Alexander

Papers:

Incomplete Compensation and Migration Behavior: Has Anything Changed Between 1990 and 2000?

David Clark, Marquette University William Herrin, University of the Pacific Thomas Knapp, Penn State University – Wilkes-Barre Nancy White, Bucknell University

Outline of an Economic Theory of Assimilation

Peter V. Schaeffer, West Virginia University

Chutes and Ladders: Racial Differences in Young Male Migration and Career Patterns

Nancy White, Bucknell University Amy Wolaver, Bucknell University

Discussants:

Steven C. Deller, University of Wisconsin-Madison Richard J. Cebula, Armstrong Atlantic State University Mark L. Burkey, North Carolina A&T State University

Friday, March 31, 2006 10:30 - 12:15 FLAGLER II

Session 3B: Methods

Chair: Dan Rickman

Papers:

<u>A New Poisson Distribution Approach to the Firm Location Decision Problem</u>

Jean H. P. Paelinck, George Mason University Shaoming Cheng, George Mason University

<u>Congestion Pricing as a Traffic Management Tool: Evaluating Impacts at New York City's</u> <u>Interstate Crossings</u>

<u>Carolyn Wolff</u>, The Louis Berger Group <u>Pierre Vilain</u>, The Louis Berger Group

<u>Modeling Short-Term Water Dynamics in Juarez, Mexico</u>

Roberto Tinajero, University of Texas at El Paso Thomas M. Fullerton, Jr., University of Texas at El Paso Martha Patricia Barraza de Anda, Universidad Autónoma de Ciudad Juárez

Discussants:

<u>Henry Renski</u>, University of North Carolina at Chapel Hill <u>James P. LeSage</u>, University of Toledo

Dan Rickman, Oklahoma State University

Friday, March 31, 2006 10:30 - 12:15 CASA MONICA II

Session 3C: Housing

Chair: Randall Valentine

Papers:

The Impact of New Urbanist Redevelopment on Housing Prices : A Spatial Hedonic Price Model

Gi-Don An, The University of Toledo

<u>Wasted Resources: The Impact of Neighborhood Quality, Contractual Obligations, and Builder</u> <u>Subsidies on Apartment Rent</u>

Gregory S. Burge, Florida State University

<u>An Examination of the Impact of Rent Control on Mobile Home Prices in California 2006</u> <u>MORIARTY AWARD WINNER</u>

Diehang Zheng, University of Southern California

Discussants:

<u>Gregory S. Burge</u>, Florida State University <u>Mary Ahearn</u>, Economic Research Service – USDA <u>Mark Henry</u>, Clemson University

Friday, March 31, 2006 10:30 - 12:15 CASA MONICA III

Session 3D: Quality of Life

Chair: Faqir Singh Bagi

Papers:

Relationships Between Economic Development and Environmental Quality in Metropolitan Areas

Chang-shik Song, Cleveland State University

Determinants of Urban Differences in the Specialization of the Arts

<u>Edward Nissan</u>, University of Southern Mississippi <u>George Carter</u>, University of Southern Mississippi

The Emergence of Rural Artistic Havens: A First Look

Timothy R. Wojan, Economic Research Service/USDA

Discussants:

Stephan J. Goetz, The Northeast Regional Center for Rural Development Martin Shields, The Pennsylvania State University Georgeanne Artz, University of Missouri

Friday, March 31, 2006 10:30 - 12:15 FLAGLER III

Session 3E: Labor studies

Chair: Robert Gibbs

Papers:

<u>To What Extent Do Unemployed Households Rely Upon Home Production and Unrecorded Work?</u>

John Larrivee, Mount St.Mary's University

Supervisors' Job Satisfaction in Horticulture

Vera Bitsch, Michigan State University

The Casual Labour Market in South Africa: An International Comparison

Derick Blaauw, University of Johannesburg

Discussants:

Derick Blaauw, University of Johannesburg Robert Gibbs, Economic Research Service - USDA Julie A. Silva, University of Akron

Friday, March 31, 2006 2:15 - 5:00 (break 3:30 - 3:45) FLAGLER I

Session 4A: Symposium: The Local Economy of Northeast Florida

Organizer: Mulkey, David and Hodges, Alan

Chair: David Mulkey

Papers:

From Timber to Tourism: Economic Development in Northeast Florida

<u>Alan Hodges</u>, University of Florida <u>David Mulkey</u>, University of Florida

Economic Impact of The Players Championship Golf Tournament at Ponte Vedra Beach, Florida

Tom Stevens, University of Florida Alan Hodges, University of Florida David Mulkey, University of Florida

<u>Examining Heritage Tourism Behaviors</u>

Lori Pennington-Gray, University of Florida John Confer, University of Florida

<u>Florida Lodging Tax Expenditure for Historic Preservation as an Indicator of Quality Heritage</u> <u>Tourism</u>

<u>Catherine Culver</u>, University of Florida <u>Lori Pennington-Gray</u>, University of Florida <u>John Confer</u>, University of Florida

Discussants:

St. Johns County Convention and Visitors Bureau

Friday, March 31, 2006 2:15 - 5:00 (break 3:30 - 3:45) FLAGLER II

Session 4B: Government Strategies

Chair: Patrick Sullivan

Papers:

Impact of Tax Increment Financing on Municipal Employment Growth

Paul F. Byrne, Washburn University

<u>A Spatial Analysis of The Governor's Opportunity Economic Development Incentive Fund in</u> <u>Virginia</u> John R. Lombard, Old Dominion University

How Economic Development Organizations View Community Development Lenders: The Progress Fund as a Case Study

David W. Hughes, Clemson Institute for Economic and Community Development Martin Shields, The Pennsylvania State University

What Trickled Down? State Government Fiscal Stress and Local Government Outcomes

Dave Swenson, Iowa State University Liesl Eathington, Iowa State University

Discussants:

Eric Anthony Scorsone, Michigan State University Dave Swenson, Iowa State University Paul F. Byrne, Washburn University Patrick Sullivan, Economic Research Service - USDA

Friday, March 31, 2006 2:15 - 5:00 (break 3:30 - 3:45) CASA MONICA II

Session 4C: Migration 3: New Perspectives on Population Migration

Organizer: Brian J. Cushing **Chair:** Thomas W. Secrest

Papers:

<u>Spatial Econometric Modeling of Origin-Destination Flows</u>

James P. LeSage, University of Toledo R. Kelley Pace, Louisiana State University

Voting with their Feet: Jobs versus Amenities

Mark Ferguson, Sask Pork Kamar Ali, University of Saskatchewan M. Rose Olfert, University of Saskatchewan Mark Partridge, University of Saskatchewan

Spatial Variations in Amenities and the Migration Patterns of Older Persons

Tomas Jensen, University of Wisconsin-Madison Steven C. Deller, University of Wisconsin-Madison <u>The Influence of Race Relations on Destination Choices of Black-American Migrants during the</u> <u>Civil Rights Era</u>

Brian J. Cushing, West Virginia University

Discussants:

Dan Rickman, Oklahoma State University David A. McGranahan, Economic Research Service/USDA Nancy White, Bucknell University Robert Gibbs, Economic Research Service - USDA

Friday, March 31, 2006 2:15 - 5:00 (break 3:30 - 3:45) CASA MONICA III

Session 4D: Creativity and Regional Growth

Chair: William R. Latham

Papers:

<u>Regional policy for innovation, knowledge transfer and growth: Conceptual remarks and empirical</u> <u>results from three European countries</u>

Andreas P. Cornett, University of Southern Denmark

The Impact of Proprietorship Formations on Overall US Job Growth

<u>Stephan J. Goetz</u>, The Northeast Regional Center for Rural Development <u>Anil Rupasingha</u>, University of Sharjah <u>Sundar S. Shrestha</u>, The Pennsylvania State University

Assessing the Impact of Unassigned Rural Patents on the Knowledge Supply Chain and Economic Development

<u>J. Matthew Fannin</u>, Louisiana State University <u>Cynthia Dubois</u>, Louisiana State University

Rural Development in the Digital Economy Revisited

Edward J. Malecki, The Ohio State University

Discussants:

<u>Timothy R. Wojan</u>, Economic Research Service/USDA <u>Dennis P. Robinson</u>, University of Missouri-Columbia <u>Patrick Beschorner</u>, Centre for European Economic Research (ZEW) <u>Ernie Goss</u>, Creighton University

Saturday, April 01, 2006 8:30 - 10:15 FLAGLER I

Session 5A: State and Local Government Finance Issues

Organizer: Scorsone, Eric Anthony and Chalmers, Katherine **Chair:** Eric Anthony Scorsone

Papers:

<u>An Evaluation of the Distributional Effects of Various Development Programs on Inter-Regional</u> <u>Areas Using CGE</u>

Katherine Chalmers, Bowling Green State University Walter Schwarm, Regional Research Institute, WVU

Does Consolidation Lead to Lower Municipal Costs: A Study of Iron River Michigan

Joe Martin, Michigan State University Eric Anthony Scorsone, Michigan State University

Discussants:

<u>Maureen Kilkenny</u>, University of Nevada <u>Cynthia L. Rogers</u>, University of Oklahoma

Saturday, April 01, 2006 8:30 - 10:15 FLAGLER II

Session 5B: Rurality and Measurement

Chair: Stephen M. Smith

Papers:

Proximity to Major U.S. Metropolitan Areas and Population Growth: An Analysis of U.S. Counties in the 1990s

Mark Partridge, University of Saskatchewan Dan Rickman, Oklahoma State University Kamar Ali, University of Saskatchewan M. Rose Olfert, University of Saskatchewan

Evaluating the Impact of Space on the Contractual Relations between Physicians and Hospitals in <u>*Rural Areas*</u> <u>J. Matthew Fannin</u>, Louisiana State University <u>James N. Barnes</u>, Louisiana State University

Evaluating Web-Based Economic and Community Development Indicators: An Assessment

David L. Lamie, Clemson Institute for Economic and Community Development David W. Hughes, Clemson Institute for Economic and Community Development

Discussants:

<u>Carol Jones</u>, Economic Research Service-USDA <u>Vera Bitsch</u>, Michigan State University <u>Stephen M. Smith</u>, Pennsylvania State Univers

Saturday, April 01, 2006 8:30 - 10:15 CASA MONICA II

Session 5C: Current Research in the U.S. Regional Economic Accounts

Organizer: John Sporing, Jr. **Chair:** John Sporing, Jr.

Papers:

Overview of Recent Advances in BEA's Regional Economic Accounts (No discussant)

John Kort, U.S. Bureau of Economic Analysis

<u>Regional Measurement of Pension and Annuity Benefits</u>

David Lenze, U.S. Bureau of Economic Analysis

<u>State Industry Production Accounts: Developing Gross Output and Intermediate Inputs Series by</u> <u>Industry and State</u>

Daniel A. Reed, U.S. Bureau of Economic Analysis Eric C. Erickson, U.S. Bureau of Economic Analysis John Sporing, Jr., U.S. Bureau of Economic Analysis

Metropolitan Area Disposable Personal Income: Methodology and Results for 2001-2002

Ann Dunbar, U.S. Bureau of Economic Analysis

Discussants:

<u>Richard J. Reeder</u>, Economic Research Service/USDA <u>Tom Stevens</u>, University of Florida Michael L. Lahr, Rutgers University

Saturday, April 01, 2006 8:30 - 10:15 CASA MONICA III

Session 5D: The Regional Impacts of Hurricane Katrina on Mississippi and the Gulf Coast

Organizer: Daniel Monchuk **Chair:** David Mulkey

Papers:

Initial Estimate of the Impact of Hurricane Katrina – Assessment and Preliminary Analysis

Brian Richard, University of Southern Mississippi

<u>Facing Structural Changes in the Labor Market: Examining the Responsiveness of the Local</u> <u>Labor Supply to Meet Immediate and Intermediate Demand in Areas Affected by Hurricane</u> <u>Katrina</u>

Daniel Monchuk, University of Southern Mississippi

After Katrina: Recovery, Projected Rebuilding, and Renewal in Coastal Mississippi

Edward Nissan, University of Southern Mississippi

Discussants:

Mark Schafer, Louisiana State University Tom Johnson, University of Missouri-Columbia

Saturday, April 01, 2006 10:30 - 12:15 FLAGLER I

Session 6A: Southern Farmer and Rural Households: Neighbors or a Different World?

Organizer: Mary Ahearn **Chair:** Steve Cooke

Papers:

<u>A Framework for Considering Farmer and Rural Household Well-Being: Implications for Policy</u> <u>Analysis</u>

Carol Jones, Economic Research Service-USDA

Income Diversity in Persistent Poverty Areas

<u>Robert Gibbs</u>, Economic Research Service - USDA <u>Mary Ahearn</u>, Economic Research Service – USDA

Farmer Household – Rural Community Interaction

Patrick Sullivan, Economic Research Service - USDA

Discussants:

David Freshwater, University of Kentucky

Saturday, April 01, 2006 10:30 - 12:15 FLAGLER II

Session 6B: Globalization

Chair: Bruce Weber

Papers:

US "Bombing" (1979-1983) and its Impact on Growth

Yu Xiao, University of Illinois at Urbana-Champaign

Manufacturing Jobs: Fear and Loathing in the Midwest

Liesl Eathington, Iowa State University Dave Swenson, Iowa State University

How Vulnerable are Health Insurance Benefits to Offshoring?

Martin Shields, The Pennsylvania State University

Discussants:

<u>Chang-shik Song</u>, Cleveland State University <u>David Barkley</u>, Clemson University <u>Bruce Weber</u>, Oregon State University

Saturday, April 01, 2006 10:30 - 12:15 CASA MONICA II

Session 6C: Migration 1: Migration and Public Policy

Organizer: Brian J. Cushing **Chair:** Nancy White

Papers:

Determinants of Net Interstate Migration, 2000-2003

<u>Richard J. Cebula</u>, Armstrong Atlantic State University <u>Gigi M. Alexander</u>, Armstrong Atlantic State University

<u>"Welfare-Flipping:" Interstate Migration for Time-Limit Avoidance</u>

Hal W. Snarr, North Carolina A&T State University Mark L. Burkey, North Carolina A&T State University

<u>A Comparison of Senior Migration to Tourist Destinations</u>

Thomas W. Secrest, Coastal Carolina University

Discussants:

David Clark, Marquette University Mark Partridge, University of Saskatchewan Thomas Knapp, Penn State University – Wilkes-Barre

Saturday, April 01, 2006 10:30 - 12:15 CASA MONICA III

Session 6D: I/O Methods and Applications

Chair: Katherine Chalmers

Papers:

Estimating Economic Impacts of Local Specialized Industry Clusters on a Local Economy

John E. Connaughton, University of North Carolina at Charlotte Ronald A. Madsen, University of North Carolina at Charlotte

<u> MFIT – The Mississippi Fiscal Impact Tool</u>

Garen Evans, Mississippi State University

On Transforming Job Outcomes from Economic Models into Socio-Demographic and Housing <u>Effects</u>

Michael L. Lahr, Rutgers University

David Listokin, Rutgers University

Discussants:

<u>Garen Evans</u>, Mississippi State University <u>George W. Hammond</u>, West Virginia University <u>Katherine Chalmers</u>, Bowling Green State University

Saturday, April 01, 2006 2:15 - 5:00 (break 3:30 - 3:45) FLAGLER I

Session 7A: 2005 Hurricane Season: Policy and Development Issues Facing Louisiana

Organizer: J. Matthew Fannin **Chair:** Garen Evans

Papers:

The Economy of the Katrina Region

Andrew Isserman, University of Illinois at Urbana – Champaign

Population modeling and Hurricane Recovery in Louisiana

Mark Schafer, Louisiana State University

<u>Evaluating the Impact that Storm Surge has on Sustainable Economic Development in Southwest</u> <u>Louisiana</u>

J. Matthew Fannin, Louisiana State University

Discussants:

David Lenze, U.S. Bureau of Economic Analysis Brian Richard, University of Southern Mississippi

Saturday, April 01, 2006 2:15 - 5:00 (break 3:30 - 3:45) FLAGLER II

Session 7B: Small Business

Chair: Liesl Eathington

Papers:

<u>The Dynamics of Regional Income Inequality</u>

William R. Latham, University of Delaware Estelle Sommeiller, University of Delaware

Business Climate and Small Firm Entry

Hanas A. Cader, South Carolina State University M. Mustafa, South Carolina State University Haile M. Selassie, South Carolina State University

Farm Enterpreneurs and Their Non-Farm Enterprises

Faqir Singh Bagi, Economic Research Service-USDA Richard J. Reeder, Economic Research Service/USDA

Business Survival within Tennessee: A Regional Perspective

Ferdinand DiFurio, Tennessee Technological University

Discussants:

<u>Cynthia L. Rogers</u>, University of Oklahoma <u>John E. Connaughton</u>, University of North Carolina at Charlotte <u>M. Rose Olfert</u>, University of Saskatchewan <u>Liesl Eathington</u>, Iowa State University

Saturday, April 01, 2006 2:15 - 5:00 (break 3:30 - 3:45) CASA MONICA II

Session 7C: Tourism

Chair: Steven C. Deller

Papers:

<u>Rural Resident Attitudes towards Tourism</u>

Jon Devine, University of Maine

Developing the Nature-based Tourism Sector in Southwestern North Dakota

Nancy M. Hodur, North Dakota State University F. Larry Leistritz, North Dakota State University Kara L. Wolfe, North Dakota State University

Factors Affecting Farm Recreation Income

Dennis M. Brown, Economic Research Service/USDA

Richard J. Reeder, Economic Research Service/USDA

Role of FDI in Tourism Sector Development of Bangladesh—An Empirical Evaluation.

Jannat Ara Parveen, University of Chittagong, Bangladesh

Discussants:

<u>Thomas W. Secrest</u>, Coastal Carolina University <u>Steven C. Deller</u>, University of Wisconsin-Madison <u>F. Larry Leistritz</u>, North Dakota State University <u>Alan Hodges</u>, University of Florida

Saturday, April 01, 2006 2:15 - 5:00 (break 3:30 - 3:45) CASA MONICA III

Session 7D: Local Inadvertencies

Chair: Paul F. Byrne

Papers:

The Growth Impact of the Metropolitan Statistical Area

<u>George W. Hammond</u>, West Virginia University <u>Brian J. Osoba</u>, West Virginia University

Do Counties That Allow Alcohol Sales Experience More Growth?

Julia Hinkle, University of Kentucky David Freshwater, University of Kentucky

Is Environmental Policy Responsible for the Recent Reduction in U.S. SO2 Emissions?

Mitch Kunce, University of Wyoming Stephen F. Hamilton, California Polytechnic State University Shelby Gerking, University of Central Florida

Discussants:

<u>Kamar Ali</u>, University of Saskatchewan <u>Peter V. Schaeffer</u>, West Virginia University <u>John Sporing, Jr.</u>, U.S. Bureau of Economic Analysis

Abstracts

A Comparison of Senior Migration to Tourist Destinations

Older residents are an important economic entity that may not be fully appreciated by the community in which they reside. "Seniors" are often portrayed as a drain on local healthcare systems, a dangerous addition to local roadways, a net drain on local resources, and carry the stigma of living on fixed incomes. These perceptions may be more acute in geographic areas where seniors tend to migrate when they retire. This study compares demographic profiles of people over the age of 64 that currently reside or have migrated to several traditional tourist destinations. Tourist destinations attract retirees to such an extent that older citizens are a larger proportion of the area's population and economic base than the average community. The presence of older residents in each community is assumed to enhance the economic activity to a greater degree than local leaders and younger residents may realize. Variables addressed include housing, transportation, sources of income, healthcare, and spending patterns. Results suggest that smaller communities benefit from the presence of older residents to a greater degree than larger, more populated tourist economies.

A Decomposition of the Sources of Change in U.S. wages and salaries: 1978 -1998

Average real wages in the U.S. increased six percent between 1978 and 1998. The eleven percent growth in wages in professional service sectors along with the one percent wage divergence combine to indicate that the Romer and Lucas' productivity theory predominated the U.S. economy during this period. The minus four percent decrease in wages from the declining share of employment in the goods manufacturing sector along with a minus one percent decline in wage inequality are consistent with the Heckscher-Ohlin trade theory and represents a secondary source of change. This information can help set priorities for targeted economic development programs.

A Framework for Considering Farmer and Rural Household Well-Being: Implications for Policy Analysis

Historically, the majority of rural people worked on farms. Consequently, rural policies were largely nationallevel agricultural policies. Those times have long since past. Most farms are in nonmetro areas, but most nonmetro people are not associated with agriculture. At a national level and in major agricultural states, farmer households have a higher level of financial well-being than do other households, on average. However, there are still farmer households that are financially disadvantaged. This paper will provide a conceptual framework that allows for an integrative analysis of farmer and rural households. The framework will be of value in considering the suite of policies affecting persons engaged in the industry of agriculture, the rural disadvantaged, and the vitality of rural places.

A New Poisson Distribution Approach to the Firm Location Decision Problem

This paper explores a new derivation of the Poisson distribution to examine the spatial distribution of Japanese plants in China. This paper also adopts the least absolute regression to cope with the high correlation among many of the location factors used in the model.

A Spatial Analysis of The Governor's Opportunity Economic Development Incentive Fund in Virginia

The Governor's Opportunity Fund (GOF) of the Commonwealth of Virginia is a discretionary economic development incentive fund controlled by the executive branch designed to act as a deal closer for economic development projects. The stated intent is to provide grant monies to local communities to assist in securing a business expansion or location. This paper explores the spatial distribution of the GOF across Virginia at the

census tract level to determine the extent to which Virginia communities suffering high socioeconomic stress coincide with those communities receiving discretionary GOF awards. An index of socioeconomic stress was created for each census tract in Virginia. The locations of GOF awards during 1996-2003 were analyzed using GIS to measure the spatial correlation of GOF awards with high socioeconomic stress of Virginia communities. It is apparent that those communities with the highest need for economic development are not those areas benefiting from fund allocation.

After Katrina: Recovery, Projected Rebuilding, and Renewal in Coastal Mississippi

In the aftermath of Katrina, the governor called for help from some 200 urban professionals in architecture, regional and community planning, civil and transportation engineering, environmentalism, codes and laws, retail, economics, public process and communication. He asked for plans to rebuild eleven costal counties and 120 miles of coastal region. About half of the professionals were outsiders. The governor proposed three phases: (1) Recovery: Federal Initiatives – cleanups, new bridges, financial arrangements for housing. (2) Rebuilding: Private Initiatives. (3) Renewal: The vision for a new Mississippi. The presentation at the SRSA meeting will include a discussion of the report, "Building Back Better than Ever" by commission chairman James L. Barksdale. The topics addressed are infrastructure, economic developments, and human services each of which is composed of several subheadings. The report is the product by the professionals. It embodies designs and proposals as well as some 238 recommendations. Special attention at the SRSA are the policy challenges associated with economic development as envisioned in the report and other publications.

An Evaluation of the Distributional Effects of Various Development Programs on Inter-Regional Areas Using CGE

When pursuing economic development, regions are generally faced with two broad choices: targeting a specific industry through the use of tax abatements and other subsidies, or targeting a specific location (ie. an Enterprise Zone) by offering general incentives to any firm willing to locate there. This decision is particularly important when we consider disadvantaged regions attempting economic revitalization, since the path taken may have significant consequences for the region's income distribution. The welfare of a region's original residents may be dramatically different between the two options as a result of in-migrants, changing employment, and fluctuating real incomes. Likewise, tax burdens may be shifted between business and residential property owners as a result of the incentive program. Multi-Jurisdictional regions compound the potential effects as the location and type of economic development is likely to spillover and yield differing welfare changes for particular jurisdictions within the region. We examine this situation using a multiregional CGE model of counties in southern West Virginia, explicitly incorporating distributional considerations into the structural parameters of the model. This model allows us to not only consider original versus new residents, but also the overall change in distributional welfare resulting from various types of economic development programs outlined above. Incorporating distributional equity into the analysis of economic development programs focuses on the outcomes caused by the program rather than the program's procedures and allows evaluations beyond the effects of programs on business growth to effects on local fiscal health and the earnings of the under/unemployed. SESSION: loc govt

An Examination of the Impact of Rent Control on Mobile Home Prices in California 2006 MORIARTY AWARD WINNER

This study examines the impact of rent control of mobile home parks in seven counties of California between 1983 and 2003. We find that the nature of the rent control regime differentially impacts mobile home prices: the imposition of rigid rent control, rent control without vacancy decontrol, leads to higher growth rates in resale. This is consistent with the economic theory suggesting that rigid rent control will lead to the capitalization of future rent savings when a coach is sold. Hence the buyer will not only pay for the coach but

also for the net present value of the expected savings associated with the future pad rent obligation to the landlord. 2006 MORIARTY AWARD WINNER

Assessing the Impact of Unassigned Rural Patents on the Knowledge Supply Chain and Economic Development

Much of the research to date analyzing knowledge production has focused on metropolitan areas due to the fact that over 90 percent of all patents granted in the United States are created in metropolitan areas. Yet, analysis of the inventors of the 10 percent of patents created in rural areas may provide additional insight into local knowledge production and rural entrepreneurship. Fannin and Johnson (2004) found that the level of patent production in rural counties of Missouri were positively impact by the existing stock of patents in their own counties as well as stock of patents in neighboring metropolitan and non-metropolitan counties. One of the more interesting findings of their research was that while approximately at 80 percent of metropolitan patent authors assigned the rights of their patents at application, only 50 percent of nonmetropolitan patent owners turned over their control of patents to such organizations as corporations, universities, or government entities. Since in Missouri the average number of citations received by a patent (a measure of patent quality) was higher for non-metropolitan patents than for those created in metro areas, an additional understanding of the impacts that these patents have on the knowledge supply and economic development may be helpful to rural policy makers. This research focuses on assessing the impact that these patents that were unassigned at application have on the U.S. nonmetropolitan knowledge supply chain as well as how they may impact economic development in nonmetropolitan areas of the U.S. First, a structural path analysis (Isard 1998) will be performed to assess the direct and total influence that these U.S. non-metropolitan patents have on other patents produced in both non-metropolitan and metropolitan areas of the U.S. Second an econometric model will be estimated to evaluate the role that these unassigned patents have on their own county's per capita income. The primary source of data for this analysis will come from the National Bureau of Economic Research Patent Citations Data File (Hall, Jaffe, and Trajtenberg 2001). References Fannin, J.M. and T.G. Johnson (2004). "The Spillover Effects of Knowledge Production on Missouri Counties." Paper Presented at the 43rd Annual Southern Regional Science Association Meetings, New Orleans, LA, March 11-13, 2004. Hall, B.H., A.B. Jaffe, and M. Trajtenberg. (2001). "The NBER Patent Citations Data File: Lessons, Insights, and Methodological Tools." NBER Working Paper 8498. October 2001.

Business Climate and Small Firm Entry

The business climate is an important factor that can have significant impact on business entry, survival and success. An entrepreneur examines the business climate for potential entrance and wealth creation. Existing businesses constantly react to changing business conditions for survival and growth. Many firms leave the market as a result of unfavorable business climate in order to minimize further loss, while some firms migrate to other locations that appear to have more potential for success. Degree of conduciveness for business entry or survival is measured using different indices. These indices measure the "business climate" and often these business climate indices are used in policy decisions. There are about eight different indices and the common one is the "Small Business Survival Index," which is produced annually by the Small Business and Entrepreneurship Council. In 2000 South Carolina was ranked the 15th most friendly state, however in 2003 it was raked as the 16th most friendly state. The rank drop indicates that it has become less friendly between 2000 and 2003. During the same period the number of small businesses has grown by 2 percent. Though the "Business Climate" indices are commonly used in the policy decisions, some times it may not represent the reality. This paper is aimed at using the Small Business Survival Index to examine the business climate friendliness and small business entry in the state of South Carolina. The County Business Pattern data from the Department of Census and Small Business Survival Index from the Small Business and Entrepreneurship Council will be used in the analysis. A simple correlation coefficient will be estimate the degree of the association between these two variables.

Business Survival within Tennessee: A Regional Perspective

Knowledge of the factors that influence a firm's lifespan across regions within a state promotes a greater understanding of economic environments. The effects of regional characteristics on business survival are examined for Tennessee-based firms from 1998 to 2004. Rates of survival are compared for firms across the geographical regions within the state, controlling for inherent variation in business environments. This includes analyzing how survival rates differ by designated economic growth regions within the state. In addition, an econometric model is estimated to determine what regional characteristics influence survivability for Tennessee-based firms.

Chutes and Ladders: Racial Differences in Young Male Migration and Career Patterns

We study the impact of migration on racial occupational mobility for male job changers. Our descriptive study suggests directions for future research on the relationship between migration and racial occupational segregation and could be a step toward a better understanding of persistent racial earnings differences. We combine the NLSY79 work history panel data with the Geocode data in order to link information about workers' experience in previous occupations (occupation match quality) with data on their location decisions. We first compute a dissimilarity index, which shows evidence of occupational racial segregation both before and after the job change. Initially, migrants are more segregated by occupation than non-migrants. Migration increases racial occupational segregation for bad match workers and decreases segregation for those in good matches. The most occupationally segregated are bad match migrants who have changed jobs by changing occupations. Next, we wish to learn whether increasing occupational segregation results from whites being upwardly mobile, with blacks holding their places, or whether blacks are losing position. Using the 1989-1996 March sample of all CPS workers, we construct an occupational ladder based on average years of education for workers in that occupation. White migrants begin in higher ranked occupations than nonmigrants irrespective of match quality; however, racial occupational segregation is reduced by good match black migrants moving up the ladder more than whites. In contrast, racial occupational segregation is increased by bad match black migrants dropping more in occupation position than whites.

Clusters and the Design of Innovation Policy for Developing Economies

This paper argues there are two broad ways policymakers might use industry cluster concepts to inform the design of regional innovation policy. The first, and clearly dominant approach, is to view identified technology-based clusters as targets for growth strategies, i.e., to nurture the growth of selected groups of innovative industries and research strengths in a limited set of regions as a means of increasing levels of innovation economy-wide (termed the cluster building approach). The second is to use cluster ideas to reorient development strategies so that they leverage synergies among businesses and non-market institutions, thus improving innovation rates (termed the synergy leveraging approach). The second perspective deemphasizes clusters as entities and focuses attention on clustering as a dynamic process. Therefore it is more useful for policymaking in developing and transitioning economies where existing regional innovation clusters are small to non-existent.

Congestion Pricing as a Traffic Management Tool: Evaluating Impacts at New York City's Interstate Crossings

The economic rationale for congestion pricing is well known; what is less obvious is how users respond to these pricing incentives. In part, this is due to a lack of congestion pricing mechanisms until the last decade. Another shortcoming arises from data that have given only imperfect estimates of behavioral responses. This paper reports significant findings regarding the effectiveness of congestion pricing in the New York City area. The approach here is based on an unusually rich data set and a comprehensive model controlling for various

factors that have arguably led to bias in previous studies. A major issue in evaluating the impacts of value pricing that has received scant attention in the literature is whether shifting peak and off-peak shares are due to changes in congestion rather than pricing incentives. In particular, could the well-known phenomenon of "peak-spreading" be interpreted as a congestion pricing impact? To test for this, we introduce several innovative steps to the analysis, including modeling the level of congestion explicitly as well as differentiating between users of electronic payment (who receive the congestion pricing toll reduction) and vehicles paying cash (who do not receive the congestion pricing toll reduction).

Cross Border Effects on Motor Vehicle Registrations

This paper examines vehicle registrations to find evidence of cross-border effects from personal property taxation in West Virginia. Among West Virginia's neighbors, Ohio and Maryland do not impose a personal property tax on vehicles while West Virginia and its other neighbors impose such a tax. In addition, West Virginia imposes a 5% privilege tax on all vehicles registered in West Virginia regardless of any sales tax paid in other states. The study uses county level data on vehicle registrations for West Virginia over the 1990-2003 period. Preliminary results show significantly low vehicle registrations per licensed driver in West Virginia counties that border Ohio and Pennsylvania with the strongest effect in counties bordering Ohio. This result provides the first evidence of cross-border effects from vehicle registrations and personal property tax evasion.

Determinants of Net Interstate Migration, 2000-2003

This study empirically investigates determinants of net interstate migration over the 2000-2003 period. The model treats migration as an investment. Among the variables in the analysis will be income tax rates, public education outlays, living costs, income, and quality of life measures.

Developing the Nature-based Tourism Sector in Southwestern North Dakota

Southwestern North Dakota, like much of the Northern Great Plains region, has historically been economically dependent on agriculture and the energy industry. Since the early 1980s, the region has experienced substantial out-migration and population loss as both the agricultural and energy sectors have undergone substantial restructuring, resulting in major decreases in employment. The patterns of economic restructuring, out-migration, and population decline throughout the region led to the designation of the eight southwestern counties of North Dakota as a Rural Economic Area Partnership (REAP) zone in 1995; REAP is a USDA program established to help address critical economic and community development issues unique to rural areas by facilitating a collaborative and citizen-led effort to stimulate economic development and diversification. Tourism, and particularly nature-based tourism, has seen substantial expansion in recent years and has been identified as a primary sector with growth potential. The purpose of this study was to: (1) identify opportunities for expanding the tourism sector in southwestern North Dakota; (2) identify challenges and obstacles facing the area's tourism businesses; and (3) frame key issues and outline some of the perspectives related to each issue in order to facilitate a discussion of potential options. A survey of the region's agricultural and nature-based tourism businesses provided insights about the services offered by these enterprises, their operating history, months of operation, clientele attributes, and proprietors' perceptions of potential for growth and expansion, as well as other characteristics. Focus group meetings/interviews with tourism business operators throughout the REAP zone provided insights about the circumstances that led these individuals to launch their enterprise, trends affecting their type of business, obstacles encountered, and potential for future growth. Personal interviews with local officials, representatives of area attractions, financial institutions, etc. provided additional insights regarding recent trends in the tourism sector, as well as the area's strengths, weaknesses, and potential for future tourism development. The paper will describe the study team's approach, key findings, and conclusions/recommendations.

Do Counties That Allow Alcohol Sales Experience More Growth?

Despite being known as the home of Bourbon whiskey, Kentucky is a state where the overwhelming majority of counties do not allow the sale of alcohol. Following the work of Richard Florida and other advocates of social capital as a determinant of economic development we ask whether the willingness to allow alcohol is an indicator of a greater ability to develop. While alcohol sales lead to some direct economic impact – primarily by attracting dollars from nearby dry counties, they may be a proxy for a more progressive attitude to development. Thus in rural Kentucky alcohol sales could parallel Florida's "gay index" as an indicator of a more progressive community. Some counties in Kentucky, primarily the larger urban agglomerations have allowed alcohol sales for decades, but in rural counties there is an interesting mix of: a few counties with a longstanding approval of alcohol sales, the majority of counties that prohibit alcohol sales, and a number of counties with recent local referendums that allow alcohol sales. Typically each county that has removed its prohibition has gone through multiple votes to do so, and there are counties that continue to hold unsuccessful efforts to allow alcohol sales. In addition state law now allows portions of counties to allow alcohol sales while the balance of the county remains "dry". Our hypothesis is that, ceteris paribus, a county that allows the sale of alcohol will develop faster than its peers. To test the hypothesis we use County Business Pattern data and other sources to look at development conditions over time. The interval considered is 1985 to 2000. Our primary focus is the group of counties that switched from "dry" to "wet" over the first part of the interval. We develop a simultaneous regression model with employment rate, per capita income and educational attainment as the dependent variables. These three indicators are common measures of development. As independent variables we include the standard set of economic and social factors that are used to explain development and a qualitative variable that captures alcohol sales. This variable takes on the value 0 for dry counties, 1 for counties where liquor by the glass is available in some part of the county and 2 where full sales of alchol are allowed in the county.

Does Consolidation Lead to Lower Municipal Costs: A Study of Iron River Michigan

In the mid 1990's, Iron River, Michigan was created as a consolidated municipality in the upper peninsula of Michigan. The consolidation occurred between one city and two townships. The rationale behind it was the loss of major employers and the decline of the economic based had reduced the viability of individual municipal governments. While very contentious the economic stress and subsequent fiscal stress created the need for cost savings due to economies of scale in government service provision. This analysis focuses on examining the pre and post consolidation average cost of municipal service provision in Iron River, MI. While there is some literature regarding rural school consolidation economics, there has been far less analysis regarding this issue in regards to rural cities and towns. Session: Local government

Does Highway Investment Contribute to Greater Economic Benefits for Missouri Counties?

The purpose of this paper is to investigate the effects of highway infrastructure on the economic performance of Missouri counties. We develop a series of spatial econometric panel data models for the period 1990 to 2000 that relates various economic performance indicators to various explanatory variables (including, among other, highway mileage, education rate, poverty status, and an urban/rural indicator). The county performance measures that we analyze include employment growth, unemployment rates, per capita income and the number of business establishments. In order to determine whether our performance measures affected by important spatial patterns we test for significant spatial lags and spatial error terms. We contrast the spatial model with simpler non-spatial versions to determine the efficacy of considering spatial effects. Further diagnostic tests are used to check for the robustness of the results. Finally, we perform sensitive analyses using our estimated models and map the resulting empirical implications to visually see the spatial patterns related to several policy relevant scenarios. Even though this research focuses on Missouri, the results may have broader relevance. Economic development advocates and public officials often advance the use of

highways investments to induce local economic development. However, the relationship between highway investment and economic development is multifaceted and highly complex. It is expected that this research will help identify and quantify relationships between highway investments and economic growth. The results of this research may also help in developing consistent regional policy that ensures greater efficiency of highway capital and better evaluates the user benefits.

Economic Impact of The Players Championship Golf Tournament at Ponte Vedra Beach, Florida

Since the early 1980s, "The Players Championship" (TPC) golf tournament has been held at the Sawgrass Stadium Golf course in Ponte Vedra Beach, Florida. An estimated 72,000 individuals attended this event in 2005, in addition to 1,300 participants and tournament affiliates. Data on attendee's place of residence, length of stay, and nature of expenditures were obtained through an on-site survey that yielded over 2,400 usable questionnaires. It was found that nearly 45 percent of attendees came from outside the seven county region of north-east Florida. Daily on-site expenditures were estimated to be \$77.37 per attendee. Off-site expenditures were estimated at \$758 and \$1,480 per non-local attendee, depending on the purpose of their visit. Combined expenditures by attendees and participants were estimated at over \$53 million for the event. Using an IMPLAN model of the seven county region, the total output impact of the event was estimated at nearly \$96 million. Value-added impact was almost \$60 million, with \$41 million in labor income and \$6 million in indirect business taxes. An additional 1,398 jobs were created in the region as a result of the tournament. SESSION: Florida Key words: Tourism and Recreation, Economic Impact Analysis, Rural Economic Development

Estimating Economic Impacts of Local Specialized Industry Clusters on a Local Economy

The concept of promoting industry clusters as an economic development strategy is gaining favor in many states and regions. Measuring the economic impact of a cluster however, is not as straight forward as measuring the economic impact of a firm. There are several methodological considerations that need to be addressed in measuring the impact of clusters. One of the obvious issues is the potential double counting of supplier chain activity when firms from more than one industry are included in a cluster. Second, identifying economic impact multipliers is not straight forward since clusters are comprised of multiple firms that are classified in different NAICS codes. In addition, not all firms in a particular NAICS code are included as part of a locally defined industry cluster thus making secondary data sources hard to utilize. These issues make it difficult to use traditional Input/Output (IMPLAN or RIMS II) impact methodology without modification. The purpose of this paper is to develop techniques to address these issues and allow for the use of traditional Input/Output methodologies to measure the economic impacts for local industry clusters. To demonstrate these techniques this paper estimates the total economic output and employment impact of the Motorsports industry on the Charlotte regional economy. The Charlotte area is the home of most NASCAR teams and together with its race tracks and race events, the state has experienced the development of a sizable industrial cluster. No other region in the U.S. has a comparable concentration of Motorsports activity. In recent years the Motorsports cluster in the Charlotte region has grown dramatically as a result of the increased popularity of the sport, as well as the historical advantage the state and region have had in providing the industry with a specialized labor pool, a supplier chain, infrastructure in the form of race tracks and testing facilities, and a culture of stock car racing. This paper attempts to define the Motorsports cluster, measure its direct economic activity, and using traditional Input/Output methodology, measure the total state impact of this industrial cluster on output and employment.

Evaluating Web-Based Economic and Community Development Indicators: An Assessment

Many research institutions usually based at a state university and in some cases arms of state government

have provide economic data concerning local and regional economies on the web. These efforts range from merely providing access to a single set of data, such as the US Census, Bureau of Economic Analysis regional economic information series (REIS) data set, to much more comprehensive efforts. However, little effort has been made to systematically evaluate the information provided across such efforts. Data provision efforts that provide information at the at least the county level, which cover at least an entire state, are evaluated here. Example criteria include easy of access, presentation, ease of web navigation, and degree of linking to other sites. Especially important is the level of explanation or analysis that is provided. An in-depth evaluation will be provided of the tools used to explain local economic activity and the quality of such explanations will be evaluated. Researchers and practitioners, who are considering building or who use such on-line databases, should find the information and analysis provided here to be useful.

Evaluating the Impact of Space on the Contractual Relations between Physicians and Hospitals in Rural Areas

Rural regions dominate health professional shortage areas in the United States. One of the most challenging health professionals to recruit to rural areas is the physician. Numerous policies at local, state, and federal levels have been used to increase the "attractiveness" of rural areas to physicians (E.g. Financing rural medical student education; rural high school medical career programs, medical school debt repayment for physicians locating in rural areas.). Yet these strategies focus primarily on supporting income (monetary or psychic) of the physician. This paper takes an alternative approach to addresses the recruitment and retention issue of physicians by arguing that the nature of the contractual relationship between hospital and physician impacts the decision of the physician to locate in a rural area. We refine the theory of the physician hospital organizational arrangement expounded upon by Mick (1988), Conrad et al (1988) and Stiles et al (2001). In particular, we evaluate the role that site specificity through both the spatial market competition between urban and rural providers as well as site specific asset investments made by both physician and hospital espoused in Transaction Cost Theory (Williamson 1996) have on organizational arrangement between hospital and physician. We test this theory through use of a probit model based on hospital and physician data from 2004 American Hospital Association Database. The findings from this paper will assist rural hospital areas.

Evaluating the Impact that Storm Surge has on Sustainable Economic Development in Southwest Louisiana

Hurricane Rita created a storm surge that impacted many homes, farms, and businesses, 20 - 30 miles inland from the coastal strike zone. This research addresses the short-term and long-term economic consequences that one dimension of the storm surge, the residual salinity soil levels, will have on the economy of Southwest Louisiana. In particular, agricultural and non-agricultural development alternatives are assessed for long-term economic sustainability in the region.

Examining Heritage Tourism Behaviors

The tourism industry has been growing phenomenally in the last few decades. The increase in travel by individuals and groups had lead to a wide spectrum of destination types for tourists to enjoy during their leisure time. Specifically, there is a booming interest in history, heritage and culture. Heritage is defined in the dictionary as 'that which has been or may be inherited' or 'something that is passed down from preceding generations; a tradition' (American Heritage Dictionary, 1992). Heritage tourism offers opportunities to portray the past in the present (Nuryanti, 1996). Heritage tourism has been associated by many authors with the rise of postmodern forms of tourism (Rojeck 1993; Urry 1994). As heritage has become more closely linked to tourism there has been an increased diversity of sites that are considered heritage (Herbert, 1995). "Essentially in tourism, the term 'heritage' has come to mean not only landscapes, natural history, buildings,

artifacts, cultural traditions and the like which are metaphorically passed on from one generation to the other, but those among things which can be depicted for promotion as tourism products (Prentice, 1993, p.5). This paper will profile heritage tourists according to three definitions in the Northeastern region of Florida, specifically St. Johns County. This section reports the results of the survey data analysis. This section is divided into four sub-sections: 1) respondent profile; 2) visitor behavior and travel characteristics; 3) economic impact; and 4) visitor knowledge and attitudes regarding heritage tourism. It is focused on differentiating the different types of heritage tourists. The operationalization of "Heritage Tourists" was based on four separate definitions that were not mutually exclusive: 1. Primary Heritage Tourist -- historical or cultural attraction was primary reason for visit. 2. Heritage sites or tours (such as Castillo de San Marcos (The Fort) or St. Augustine Sightseeing Trains). 4. Reported visiting specific heritage sites.

Exchange Rate Pass-Through of Shrimp Exporters to the U.S.

This paper looks into the pricing behavior of shrimp exporters to the U.S. The issue is important in light of concerns that top exporters have been dumping shrimp into the U.S. market. In a market dominated by foreign producers little is known about shrimp exporter pricing strategies. Ability to adjust markups is revealed by examining how exchange rate fluctuations influence export pricing decisions. The exchange rate pass-through models frequently applied in the international economics literature was applied to a panel dataset that contain price information on disaggregated shrimp products exported to the U.S. Preliminary results show that a majority of the countries studied indicate a pricing strategy that does not deviate from the competitive model. The exception is for exporting countries with large market shares. In this case, exporters amplify the effects of U.S. dollar depreciation against their currencies by increasing their import price markups.

Exploring Rural Region "Brain Drain"

Brain drain, the out-migration of young, college-educated workers from the nation's rural areas, is considered a serious threat to the social and economic vitality of rural America. Existing research on this topic focuses predominately on young adults shortly after they enter the job market and thus does not capture individuals' long-term preferences for locations. Location may not be a dominant factor in choosing one's first job out of school or preference for locations may change with age. This paper examines the residence choices of individuals over time using 1968-2001 data from the Panel Study of Income Dynamics. The model is estimated using a mixed logit specification, which allows for random coefficients and is not restricted by the independence of irrelevant alternatives (IIA). The findings imply that college educated individuals are less likely to choose rural residences; however, the gap appears not related to the rural nature of locations per se, but rather due to other attributes such as environmental amenities and the proportion of skilled workers in the county. Other individual attributes, including age, marital status and number of young children, do not significantly influence the choice of a rural residence. The estimates further suggest that there is significant variation in preferences for rural locations in the population due to unobserved factors and the implied proportion for whom rural is a positive attribute exceeds the present proportion living in rural areas.

Facing Structural Changes in the Labor Market: Examining the Responsiveness of the Local Labor Supply to Meet Immediate and Intermediate Demand in Areas Affected by Hurricane Katrina

The days, weeks, and months following hurricane Katrina presented each of the affected regions with its own unique set of problems and obstacles to overcome. It is widely viewed that the Federal and State measures to deal with such a catastrophic event in the short term were inadequate. The reality of the situation has meant that the immediate task of dealing with storm related issues, and addressing the intermediate problems, such

as loss of employment and the emergence of new and unfamiliar markets, has fallen to the local populous. The sheer magnitude of the storm meant that even those that did not feel the brunt of the storm directly had to adapt to a new and unfamiliar environment. For those living in an area affected by the storm, the realities of the situation (i.e. devastation and loss of livelihood) were largely the same regardless of whether they weathered the storm or heeded evacuation warnings and left. The sudden loss of employment can be especially devastating when employment prospects are both limited and in an unfamiliar occupation. However, anecdotal evidence suggests that some areas, while apparently equally impacted by the storm, have been able to meet these new challenges better than others. From a development and policy perspective, questions to then be addresses are: (i) which areas were able to respond better and why? (ii) did skill level and human capital play a facilitating role? and (iii) were there differences in responsiveness to immediate versus intermediate market needs? The answers to such questions can help develop policies to mitigate the impact of such a disaster if one should occur, and in the event of a disaster, how to effectively target support to those areas least able to cope with the aftermath. While data to evaluate this specific problem in its entirety is not yet available, some key monthly labor market statistics are available to examine these questions.

Factors Affecting Farm Recreation Income

Farm-based recreation can provide an important niche market for farmers, but little empirical information is available on this topic. This paper helps to fill this gap using two USDA databases (National Survey on Recreation and the Environment and the Agricultural Resource Management Survey). The first part of the paper identifies the general nature of farm-based recreational activity, and describes the variation of recreational activity by operator and community characteristics. The second part of the paper uses regression analysis to measure the importance of specific operator- and community-based factors thought to influence the amount of recreational income obtained on farms.

Farm Enterpreneurs and Their Non-Farm Enterprises

Farmers, as entrepreneurs, in their efforts to achieve an optimal use of their resources may combine farming with non-traditional farm activities, own and operate non-farm businesses, and work off-farm in non-farm businesses for wages. Using ARMS data, in this paper we identify these entrepreneurial activities and try to answer: what are the characteristics of farmers (1) who are engaged in non-traditional farm activities, (2) who own and operate their own businesses, and (3) who work off-farm in non-farm businesses for wages?

Farmer Household – Rural Community Interaction

Farm operators are an integral part of some rural communities. The businesses they operate often purchase goods and services from the nonfarm business sector, supporting local jobs. The vast majority of farm households also work off-farm, providing much needed labor to nonfarm businesses in many rural communities. And as entrepreneurs, a small but significant number of farm operators have created nonfarm businesses that serve local businesses and retail consumers. Based on the 2004 Agricultural Resource Management Survey, this paper will explore the linkages between farm operators and their local communities, and how these linkages vary by size of farm and community characteristics.

Florida Lodging Tax Expenditure for Historic Preservation as an Indicator of Quality Heritage Tourism

This paper will examine the amount of tourism development tax that is dedicated to heritage tourism or historic preservation in the Northeastern part of Florida. The best examples in the area will be explained and outlined.

From Timber to Tourism: Economic Development in Northeast Florida

This paper profiles the coastal region of northeast Florida, including trends in population growth, economic activity, and land use change. The Jacksonville metro area is the urban hub of the region, including five counties, while the broader functional economic area (BEA) encompasses 18 counties in northeast Florida and southeast Georgia. This region is among the most rapidly growing areas in the United States, with a resident population of 1.2 million in the metro area (2003) that is projected to reach 1.38 million by 2015. The majority of growth will continue to be along the coast, with development patterns similar to central and southern Florida. The interior counties of the region remain very rural in character, with extensive natural resources in wetlands, forests and agricultural lands. The economic base of the region has traditionally been dominated by forestry, finance, insurance, real estate, trade and the military, however, economic development is realigning toward services industries that cater to tourists, retirees and economic migrants. The region features the natural amenities of the Atlantic beaches, the intracoastal waterway, the St. Johns River, numerous state parks, as well as moderate winter weather, and the historic and cultural resources of St. Augustine as one of the largest tourist attractions in the state.

How Economic Development Organizations View Community Development Lenders: The Progress Fund as a Case Study

Economic development organizations, such as economic development authorities and chambers of commerce, are often drivers behind key decisions in most locales. Community development financial institutions have become prominent players in providing business capital in many places, especially those areas that are under-served by more traditional lenders. The Progress Fund is a Community Development Financial Institution (CDFI) that provides funding for tourism-based and downtown redevelopment oriented businesses in rural Pennsylvania historically and now in West Virginia and Appalachian Ohio. Survey-based results are used to evaluate perceptions of the Progress Fund program held by key economic development players. This survey targeted 250 economic development organizations at the state, county, and multi-county levels in Pennsylvania and West Virginia. Responses are used to econometrically test the depth and breadth of knowledge that these organizations hold concerning the Progress Fund and the nature of any linkages that they might hold with the Fund. Results will shed light on how CDFIs are in general viewed and also make recommendations as to how CDFIs can further their standing with key economic development partners. 2

How Vulnerable are Health Insurance Benefits to Offshoring?

A recent Pennsylvania Issues poll suggests that more than half of the commonwealth's residents are "very concerned they won't be able to afford needed health care if a family member gets sick." For workers with employer-sponsored health insurance, there is much anxiety that health benefits will be greatly reduced or eliminated in the face of rising costs. For some, the anxiety goes well beyond the loss of benefits—some fear losing their jobs entirely. Indeed, recent news reports have suggested that the spiraling cost of health care benefit provision has had at least as much to do with the recent wave of job offshoring as has wage differences between the US and other countries. In this paper I examine the extent to which recent changes in health insurance benefits at small businesses in Pennsylvania are driven by the threat of foreign competition. The analysis is based on a recent phone survey of 700 small businesses asking questions related to their provision of health insurance benefits.

Impact of Tax Increment Financing on Municipal Employment Growth

Tax Increment Financing (TIF), which began as an obscure economic development tool used in a handful of urban areas, has grown into one of the most popular economic development tools in the country and is being implemented and expanded by large and small jurisdictions alike. In some instances, this rapid growth in

popularity has been accompanied by a change in what municipalities view as the primary purpose of TIF. Increasingly, municipalities view TIF as a tool to attract business investment or to assist businesses considering expansion. As such, the primary purpose of TIF adoption has sometimes drifted away from strict blight reduction to general economic development and job creation with municipal leaders justifying their use of TIF by touting its role in improving municipal employment growth. Due to the technical structure of TIF, researchers have limited themselves to examining the development tool's effect on property values, ignoring its expanding role in municipal efforts to attract jobs. This paper addresses the claims of municipal leaders by examining the impact of TIF adoption on the employment growth rates of Illinois municipalities. The paper looks for both an overall TIF adoption effect and an adoption effect for each of the classifications of development undertaken. Contrary to the claims of TIF proponents, results indicate a lack of an overall TIF adoption effect. However, findings suggest that TIF districts supporting industrial development may increase employment growth rates of adopting municipalities. On the other hand, TIF districts supporting retail development decrease employment growth rates. These results are consistent with businesses within industrial TIF districts capturing spending that would have occurred outside of the adopting municipality, whereas TIF districts supporting retail establishments shift spending within the municipality to more laborefficient retailers.

Impacts of Policies on the Urban Poor's - Slum Dwellers

Informal settlements are an integral part of the urban landscape in the developing countries. These settlements are widely distributed within cities with environment hazards & poor infrastructure facilities. Authorities are now trying to upgrade these settlements with various innovative policies & technological solutions but it is heartrending that majority of the cases due to various reasons falls in the category of failure's. This paper addresses these issues/reasons for failure and the issue of community acceptance and apathy to these solutions. In this paper, the authors examine the current scenario of the slum dwellers in the world and the impact of previous policies & interventions, on the welfare of residents of these informal settlements, who are typically the urban poor – slum dwellers. Paper analyzes the best practices and raises certain issue that need to be dealt from the community perspective so as to make these policy and solutions effective and workable. The paper also examines the conflicts between the policies and its consequences that are suffered by the urban poor with highlighting the case of India. This paper examines how government regulations affect the urban upgradation efforts of the poor in the city of Mumbai, India.

Income Diversity in Persistent Poverty Areas

Nearly 10 percent of farmer households reside in persistent poverty counties, most of which are in the Southern region. This paper will compare the distribution of personal income in persistent poverty counties for rural and farmer households. Income differentials, including government farm payments, will be explored for these populations for racial subpopulations using both the Census of Population and the Agricultural Resource Management Survey.

Incomplete Compensation and Migration Behavior: Has Anything Changed Between 1990 and 2000?

Since the debate in the late 1970's and 1980's regarding the determinants of migration behavior, regional scientists have recognized the dual roles played by regional disequilibrium in labor markets as well as equilibrium factors driven by altered demand for site-specific attributes. More recently, Clark, Herrin, Knapp and White (Journal of Economic Geography, 2003) used data from the 1990 PUMS to show that incomplete compensation for amenities also motivates migration. For example, migrants respond to undercompensation (i.e., wages insufficient to adequately compensate for the amenity mix) by moving away from such locations, and they move towards areas that overcompensate for locational attributes. This raises two interesting issues

that are considered in this paper. First, can the findings derived from the 1990 PUMS sample be replicated with the recently released 2000 Census of Population and Housing? We employ a near identical empirical specification applied to a sample from the 2000 IPUMS to investigate this issue. Second, given the findings of Clark et. al., (2003), one would expect measures of incomplete compensation to be eventually arbitraged away by the movement of firms and households. Thus, we investigate the efficiency of factor movements in migration by determining if there is a significant relationship between measures of incomplete compensation derived from 1990 data and alternative measures derived from 2000 data.

Initial Estimate of the Impact of Hurricane Katrina – Assessment and Preliminary Analysis

Hurricane Katrina brought massive and obvious damage along the Gulf Coast. News media reports have extensively documented the destruction. However, quantifying the destruction in terms of the demographics of the affected population is more difficult. This paper attempts to do just that. First, a brief review of the literature relating to the economic impacts of previous storms is conducted. Then, an estimate of the impacts of Katrina on the Mississippi Gulf Coast is presented. These estimates include both household and business data. The analysis identifies several groups that were significantly impacted by Katrina. These groups include the elderly, Asians, renters and wealthy homeowners. Business sectors represented more extensively in the damaged areas include retail, financial and services.

Innovation, Technology, and Latecomer Strategies: Evidence from the Mobile Handset Manufacturing Sector in China

Since the entry of Chinese domestic mobile handset manufacturers in 1998, Chinese domestic suppliers have successfully surpassed the market share of joint ventures (JVs) while direct imports have been largely phased out. By examining China's mobile handset manufacturing sector as a whole and through case studies, we found several factors that contributed to the success of China's domestic handset manufacturers which can be classified into three categories: market conditions, competition, and government's support.

Innovative Activity in Rural Areas: The Roles of Local and Regional Characteristics

This paper examines the roles of local and regional characteristics in promoting innovative economic activity in rural areas. Specifically it focuses on urban -to-rural spillovers of innovative activity. While there are many interesting findings, one unexpected finding is that in essence we found no spatial spillovers from innovative activity in one county to economic activity in nearby counties.

Is Environmental Policy Responsible for the Recent Reduction in U.S. SO2 Emissions?

This paper examines whether federal environmental policy is responsible for the dramatic recent reduction in SO2 emissions by electric power plants, or whether declines in railroad costs and changes in relative fuel prices led to this outcome by encouraging greater use of low-sulfur coal. A model is developed that considers the behavior of railroads hauling low-sulfur coal from the Wyoming Powder River Basin (PRB) and is tested using unique data on railroad costs and freight rates over the period 1988-1999. The key findings are (1) that railroads held market power, possibly even monopoly power, over delivered low-sulfur coal prices, (2) that regulation of SO2 emissions contributed to the expansion of the geographic market for low-sulfur, PRB coal, (3) that environmental policy (holding other factors constant) led to an increase in the price of low-sulfur coal fuel, which caused deliveries to new buyers to be at least partly offset by reduced deliveries to existing buyers, and (4) that the observed rapid increase in utilization of PRB coal appears to have occurred through a combination of transportation cost declines and relatively elastic demand for low-sulfur coal at electric plants. Real freight rates declined by 22% over the period, and this facilitated the entry of utilities into the service territory of PRB coal and led to a considerable expansion in the quantity of low-sulfur coal demanded

by coal-fired power plants along the rail line.

Low-wage Healthcare Worker Job Retention and Wage Progression: What Factors Contribute to Worker Success?

What demographic characteristics of workers make them more successful in the labor market? In what health care sectors are low-income workers more successful in retaining employment and wage progression? Do local labor market conditions affect the employment retention and wage gain successes of workers in low-income occupations? Using data from the PRISM (Performance Reporting Information System) database of the Oregon Employment Department, we developed models of job retention and wage gain for 8600 individuals who had jobs in three health care sectors: Ambulatory Health Care [Doctor/health practitioner offices/clinics], Hospitals, and Nursing and Residential Care Facilities. Our results suggest that personal characteristics, sector of employment and local labor market conditions all matter in the success of low income workers in keeping their jobs and in wage gain.

MFIT – The Mississippi Fiscal Impact Tool

In this presentation we introduce a new fiscal impact modeling system for Mississippi. We discuss its theoretical basis, empirical results, and practical applications, focusing on model development and validation. The Mississippi Fiscal Impact Tool (MFIT) is a spreadsheet-based model designed to help communities understand fiscal impacts associated with economic change in rural Mississippi. MFIT was developed around a core econometric model: seven county-level estimators, and four school district-level estimators. Conceptually, MFIT is integrated with an input-output model, thus facilitating the development of comprehensive impact analyses. Demographic, labor, retail, and fiscal components characterize the county-level side of the Mississippi Fiscal Impact Tool, while local property tax revenues, state and federal transfers, and other revenues make up the fiscal side of the school district module. Additionally, MFIT includes a capital analysis module to help communities better understand the impacts of different abatement policies. We discuss the model's theoretical basis, empirical results, and practical applications, focusing on model development and validation.

Manufacturing Jobs: Fear and Loathing in the Midwest

While many of their peers have enthusiastically embraced industrial targeting and cluster development strategies, state and local economic development leaders in manufacturing-dependent regions face a dilemma. Targeting and cluster strategies are often tailored to build upon existing industrial strengths; however, economic development strategies that emphasize manufacturing job attraction and retention are fighting two powerful trends – globalization and technology – which limit manufacturing job growth potential. With limited information to discern the likely success of different kinds of development prospects, many local development professionals are reluctant to further expose their communities to the risks of manufacturing job losses and are pinning their hopes on non-manufacturing prospects. Others are using whatever tools they can to keep what jobs they have in an environment of fear and uncertainty. This paper builds a risk assessment tool by developing evaluation criteria to measure vulnerability to manufacturing change. It is intended for use by local leaders in their economic development efforts. Part 1 focuses on vulnerability by manufacturing industry, examining overall shifts in industrial structure in the U.S. and identifying which classes of industrial activity appear highly vulnerable to over-seas competition or are otherwise poorer growth prospects. Part 2 focuses on community vulnerability indicators and responses to manufacturing job-loss shocks. This analysis will compare similarities and differences in the recovery experiences of Midwestern counties suffering major manufacturing job-loss shocks from 1990-1993 and from 1998-2000. Counties will be assessed as to their overall manufacturing dependence (low, medium, or high) and how they fared, using several demographic, economic, and social measures of progress.

Market entry by low cost carriers

Low cost carriers have gained a significant market share in the USA and also in Europe. Certainly, this is due to two main strategies: pricing and product differentiation. In the paper we will analyze how low cost carriers choose their connections. In particular, we focus on the connections that low cost carriers are serving and how they differ from those served by network carriers. We will use the DB1B Airline Origin and Destination Survey Data from the Bureau of Transportation Statistics. The data allows us to identify market entry of all carriers. The estimations will show that high market concentration on hubs alienates entry on connection originating or arriving on this hub. Moreover, low cost carriers supply connections between smaller airport which do not serve as a hub to a major carrier. Additionally, we will investigate whether airlines under Chapter 11 reorganization become more competitive and their entry and exit behavior differs from financially sound airlines.

Metropolitan Area Disposable Personal Income: Methodology and Results for 2001-2002

The Bureau of Economic Analysis (BEA) publishes annual estimates of state disposable income, the difference between state personal income and state personal current taxes. BEA also publishes annual estimates of personal income for sub-state areas, but BEA does not publish corresponding estimates of disposable personal income, due to the absence of estimates of taxes. This paper researches practical and conceptual issues in producing sub-state personal current taxes, investigates source data availability, and presents annual estimates of disposable personal income for the 361 metropolitan areas for 2000 and 2001. The methodology relies on sub-state IRS personal tax data and individual state data. Also, preliminary estimates of DPI are presented for the 179 BEA economic areas. Session BEA

Modeling Short-Term Water Dynamics in Juarez, Mexico

Planning for water resources in many water utilities around the world require substantial efforts. Located in a semi-arid region, Juarez, Mexico is one of such municipalities that face ongoing water constraints. Accordingly, the work at hand examines monthly water consumption dynamics in Juarez utilizing a linear transfer function procedure (LTF). One equation is estimated for per customer consumption from January 2000 to December 2004. Data employed in estimating total accounts in the municipal water system dates from January 1997 through December 2004. In addition, both models are subjected to a series of simulation benchmark tests. Findings suggested that monthly water consumption reacts quickly to changes in both economic and weather variables. Similarly, increases in economic activity also lead to increases in the number of hook-ups to the water system. Simulation results are mixed, for the per customer usage model it seems that the Random Walk forecasts are more accurate overall. On the other hand, the LTF simulations for the total number of customers are shown to be statistically more precise than their counterparts.

On Transforming Job Outcomes from Economic Models into Socio-Demographic and Housing Effects

Politicians and policy analysts sometimes want to know how an event, program, or project will affect different groups among their constituencies. In other cases, concerns are raised about the relative benefits of such economic activities on different socio-economic groups. With such goals in mind, we extended regional input-output models so they can translate jobs impacts so they can be expressed in terms of almost any variable available in the decennial U.S. Census. The key to converting jobs impacts in this manner is to transform jobs by industry into a fairly detailed set of occupations. This is necessary because occupations typically have a far greater association with workers' socio-economic characteristics than do industries. Once this is transformation is complete, one need only transform the occupational breakout of jobs into Census variables using their cross tabulations with the occupations, which are also detailed in the Census. In this

paper, we will discuss the data sources required and the mathematics that need to be applied. We then present examples of such impacts for operations of projects proposed in 2005 by the National Trust for Historic Preservation (NTHP). The projects are a sample of those for which the NTHP applied for New Market Tax Credits, a program which grants credit against Federal income taxes for making qualified equity investments in designated Community Development Entities.

Outline of an Economic Theory of Assimilation

In an age of mass immigration, assimilation is critical not only to the success of the immigrants but also to the success of their descendants. This paper presents outline for an economic theory of assimilation based on the assumption that both immigrants and natives invest in assimilation, that both may in fact move in the direction of the "other," and that the notion of "cultural distance" is subjective and reversible.

Perceptions of Rural Police Protection: A Faith Based Correlation

Extensive literature suggests perceptions of local police protection have a direct impact on levels of crime, poverty, and the communities' economy. Our results indicate a direct correlation between the values put on local churches and the perceptions of police protection within the community. Individuals who put a high value on going to church are more likely to feel a strong sense of police protection and personal safety. Individuals who put a low value on local churches have a distinctly lower opinion of police protection and personal safety. Our results indicate that a positive opinion of local churches enhances ones feeling of overall safety.

Policy Research and the University: The Taxpayer Bill of Rights in Wisconsin

The state of Colorado recently voted to put on hold its recently enacted Taxpayer Bill of Rights (TABOR), which limits state expenditure growth. A TABOR was considered by the state of Wisconsin during its recent legislative session. Steve Deller worked with policy analysts at the La Follete Institute to determine the potential impacts on the state and to then develop educational materials for extension to disseminate information about TABOR throughout the state. He will discuss the policy research and the role of the university in policy research and information dissemination.

Population modeling and Hurricane Recovery in Louisiana

The proposed paper will explore various efforts to model radical population changes in the state of Louisiana in the wake of Hurricane's Katrina and Rita. Local, state, and federal agencies have employed a variety of methods for obtaining population data to support the programmatic operations of the specific agencies after the two hurricanes. Those generating population estimates employed diverse assumptions, used diverse baselines, and generated their data for a wide variety of purposes. Therefore, it should not be surprising that population estimates differed widely. For example, four different models of population increases in East Baton Rouge Parish (surrounding the city of Baton Rouge) yielded estimates ranging from 43,110 to a high of 230,000 more people living in the parish. To mitigate differences, the Louisiana Recovery Authority (LRA) (an entity formed in the wake of the two hurricanes to oversee statewide recovery efforts) convened a population conference in January, 2006 to develop an official population modeling strategy, and to evaluate the efforts being used. My talk will discuss (1) methods used to model catastrophic demographic change; (2) modeling issues: and (3) institutional and political obstacles to demographic modeling.

Property Tax Limitations in Michigan

The Governor of the state of Michigan has appointed the Governors Task Force on Local Government

Services and Fiscal Stability. It is charged with examining everything from retiree health coverage, taxes, union arbitration and municipal financial emergencies. One specific charge is to examine the Headlee amendment of 1978, which is a limit on state and local government revenues. The Headlee limit constrains local property taxes to growth at the rate of inflation, but does exempt new construction. Mill rates are forced down to allowing revenue to grow at inflation if revenue growth exceeds inflation initially (rollbacks). It was further added to in 1993, when Proposal A disallowed local governments from raising mill rates when their property tax revenues grew slower than inflation (rollups). Eric Scorsone is serving as chief of staff for the Task Force and will discuss local governments and property taxes. Session: Polyanal Stallman Roundtable

Proximity to Major U.S. Metropolitan Areas and Population Growth: An Analysis of U.S. Counties in the 1990s

This study examines the attenuation of urban agglomeration effects (broadly defined) on the growth of nearby cities and rural communities. For example, rural communities and smaller urban centers benefit from the nearby agglomeration economies in terms of spread effects of population growth, employment growth, and housing development as long as the they are close enough to access the urban center. However, these effects are likely to diminish as the distance from the agglomeration economies increases. In addition, cities higher up the urban hierarchy are likely to have greater agglomeration effects that extend greater distances. To examine this issue, we use data from the U.S. Census 1990 and 2000, in which we regress county population change over the 1990-2000 period on the incremental distance to micropolitan/metropolitan areas higher up on the urban hierarchy. Our preliminary evidence suggests that rural counties are penalized in terms of population growth from being more distant from small urban centers (micropolitan areas) and that this penalty rises the further the rural county is from metropolitan areas higher up on the urban hierarchy. For micropolitan areas and small metropolitan areas that are less than 250,000 people, we only find a penalty for being more distant from a metropolitan area of at least 250,000 people. There are no additional penalties from being more distant from urban centers greater than 500,000 people. Moreover, there is no clear pattern for metropolitan areas greater than 250,000 people regarding their neighboring competitor metropolitan areas. Yet, there is clear evidence of sprawling growth on the fringe of these larger metropolitan areas. Generally, the results are consistent with some elements of the New Economic Geography and Central Place Theory.

Regional Measurement of Pension and Annuity Benefits

Currently, personal income as defined by the national income and product accounts (NIPA) excludes benefits paid by pension funds. One reason for this exclusion is to avoid double counting. Since employer contributions to pension funds are counted as part of compensation (and personal income) and since the assets of the funds are considered the property of households, the receipt of benefits paid by the funds is not income but dissaving. Personal income is widely used, along with wealth, in the analysis of consumption and taxation. Although the NIPA does not have a set of financial accounts, macroeconomists are able to combine personal income from the NIPA with measures of household assets from the Flow of Funds Accounts. Regional economists, unfortunately, do not have a similar source of regional households. These prototype estimates are meant to complement BEA's state personal income estimates, fill a major gap in the data available for the study of state economies, and clarify for users an important distinction between income and dissaving, a distinction which is not made by other commonly used measures of state income.

Regional Trade Agreements and Intra-Industry Trade: The Case of the U.S. Trade with Western Hemispheric Trading Blocks

This paper aims to explain the extent of vertical and horizontal intra-industry trade () in United State's foreign trade with the regional trading agreements in the Western Hemisphere. Trade patterns for each country within

a given regional trading block are identified by breaking up total trade into three trade types: one-way trade (i.e. intra-industry trade) in horizontally differentiated products, and two-way trade in vertically differentiated products. It also attempts to identify the industry-specific determinants of vertical and horizontal. This study uses detailed trade data at the 10-digit Harmonized System (HS) industry level and covers a longer and more recent period, 1990 through 2005. The Grubel-Lloyd intra-industry trade index is used to calculate the intensity of these two types of intra-industry trade. The study covers all the major Western Hemispheric trading blocks including the North American Free Trade Agreement (NAFTA), the Central American Common Market (CACM), the Central American Free Trade Agreement (CAFTA), the Andean Pact or Andean Community (AC), and the Southern Cone Common Market (Mercosur). These considerations are relevant to the proposed Free Trade Area of the Americas (FTAA).

Regional policy for innovation, knowledge transfer and growth: Conceptual remarks and empirical results from three European countries

Traditional economic growth models have their focus on capital and labor as growth drivers. Nowadays, concepts of growth and new growth models are operating with a wider range of growth drivers, including factors like human capital, knowledge and innovation, and even intangible factors like entrepreneurial spirit. Therefore, innovations and the capacity to innovate are crucial factors for regional development. Regional growth is not an exogenous or independent phenomenon, but more or less 'derived' from the ability of the local business to perform and generate income, and depends in particular on the ability to adapt to changes in the external environment, i.e. changes caused by increasing outsourcing of traditional production. For this reason, attention has been paid to the factors on the regional level facilitating growth and the mechanisms stimulating innovation both in large, small and medium-sized enterprises. The purpose of this paper is to discuss and analyze a regional development strategy based on knowledge dissimilation, innovation and local entrepreneurship. The first part of the paper provides a brief introduction to regional economic development and growth in a knowledge and innovation perspective. The second part provides a closer look into the role of innovation in regional policy, and discusses whether innovation is a policy objective of its own or if it has to be seen as an instrument in regional development policy. A regional policy set-up to facilitate a knowledge-based regional development policy is sketched in the third part based on results from a trilateral survey of regional knowledge management in Denmark, Italy and Sweden. The final section summarizes the main results of the paper, with special attention to organizational and functional aspects of a knowledgebased regional development policy.

Relationships Between Economic Development and Environmental Quality in Metropolitan Areas

This study examines how much socioeconomic attributes by anthropogenic activities affect environmental quality in Metropolitan Statistical Areas (MSAs) in the U.S., which is applicable to strategic policy considerations toward sustainable regions in the environmental policy-making process. Toward sustainable regions, environmental quality is at the heart of more sustainable growth, which means growth that does not sacrifice quality of life for economic prosperity. This study employs 'Environmental Kuznets Curve' (EKC) hypothesis – the relationship between per capita income and environmental degradation has an inverted-U-shaped pattern - as an analytic tool for investigating the relationships between socioeconomic activities and environmental quality in the unit of MSA. The unit of MSA level covers spillover effects from the transboundary pollution – CO, SO2, O3, and PM - by neighboring counties-level areas. This study uses ordinary least squares (OLS) multiple regression and GIS-based spatial analysis, based on econometric models for MSA through the period 1990 – 2004. The findings of this study provide time series trends of anthropogenic activities on environmental quality through spatial analysis. Also, this study shows criteria for building sustainable regions, such as indicators for economy, for education, for community, and for public

health. And this study raises a controversial issue – environmental justice – in implementing ?environmental policy.

Role of FDI in Tourism Sector Development of Bangladesh—An Empirical Evaluation.

The main objective of the paper is to critically examine the role of Foreign Investment in the development of tourism sector development of Bangladesh. In this context, the study covers the following aspects to evaluate the situation: 1) To evaluate the present situation of tourism industry of Bangladesh; 2) To examine the prospects of foreign investment in this sector; and 3) To analyze problems existed in this sector which hinders the flow of foreign investment in tourism sector and some policy implication to develop the situation.

Rural Development in the Digital Economy Revisited

Rural areas continue to face disadvantages in the digital economy. The disadvantages – largely a result of low population density – are unlikely to evaporate as the world's largest labor pools, in India and China, become better-linked via fiber-optic cables and Internet connections. Call centers, seen recently as a rural development option, are increasingly located offshore. Some high-amenity rural areas will continue to attract "lone eagles and high flyers." As it turns out, telecommunications could not convert rural areas to higher-density places suddenly full of talented people. The key to rural development remains development of human capital, and it is aided by the trend toward shorter careers and entrepreneurial ventures. People with corporate and big-city experience, attracted "back home," can be the mentors and role models on which rural development can be based.

Rural Resident Attitudes towards Tourism

Given that the costs and benefits of tourism are not uniformly distributed through space, understanding how residents perceive tourism both among and within regions can be used to inform sustainable tourism-based economic development plans. This paper explores differences in resident attitudes towards tourism between towns and in a nested framework where town-level support is compared to county-level support. Response patterns and ordered logit regression identify and rank factors contributing to resident support of tourism.

Spatial Aspects of Government Farm Payments and Farm Structure in the U.S

Government payments to U.S. agriculture represent a significant income transfer to this sector, likely influencing the size distribution of farms, farm exits and labor allocation decisions. Further, the type of payment – for farm income support or to meet environmental goals – may influence these outcomes. Using 2002 Census of Agriculture data, we examine these issues using simultaneous equation spatial modeling techniques and find that payments have a strong influence on outcomes, vary by type of payment, and that the estimated coefficients vary substantially if spatial aspects are accounted for. SESSION: NE 1011 Spatial

Spatial Econometric Modeling of Origin-Destination Flows

Gravity models have often been used to model origin-destination flows that commonly arise in fields such as trade, transportation, and migration. However, the gravity model assumes independence among observations, and this assumption seems heroic for many fundamentally spatial problems. We extend the traditional gravity model using a combination of three spatial connectivity matrices for origin, destination, and origin-to-destination dependence as well as provide new technical results that greatly simplify likelihood-based and Bayesian estimation of the model. A family of spatial econometric model specifications is introduced along with an applied illustration based on migration flows for the 48 contiguous US states and the District of Columbia. The results indicate spatial dependence exists between the origin-destination flows, contrary to the

conventional assumption of independence.

Spatial Variations in Amenities and the Migration Patterns of Older Persons

In this study we explore the role of amenities and quality of life indicators in the migration decisions of older persons. Using Geographically Weighted Regression methods we explore how these attributes vary over space. We find that amenity and quality of life factors vary not only over age classifications but also over space. Factors that help explain the migration patterns of the aged in the mountain west are very different from the factors that influence younger retirees in the coastal southern US.

State Industry Production Accounts: Developing Gross Output and Intermediate Inputs Series by Industry and State

The Bureau of Economic Analysis' estimates of Gross State Product by Industry (GSP)–the most comprehensive measure of state production–are currently measured by income components (compensation of employees, taxes on production and imports, and gross operating surplus). The national counterpart measure–Gross Domestic Product by Industry–is measured both by income components and by calculating value added as the difference between gross output and intermediate inputs. This paper reports on initial research to assess the feasibility of deriving GSP as the difference between gross output and intermediate inputs for the manufacturing sector is presented for evaluation. Further research will focus on expanding the methodology to other sectors. Session: BEA

Structural Barriers to Survival and External Economies

This paper investigates how industry-specific conditions mediate the influence of localized external economies on the survival of new firms. I develop a conceptual framework that integrates traditional agglomeration theory with recent investigations into structural conditions of production and market competition that generate variation in business survival rates across different industries. Agglomeration theory suggests that small and new firms are able to compete and survive by capitalizing on locally available external scale economies and information networks. Yet the structural requirements that determine the relative importance of scale and information as competitive assets vary across different product markets. Thus we should expect systematic industry-specific heterogeneity in the relationship between external economies and business survival. To test my hypotheses, I use a newly developed establishment-level longitudinal database from the US Bureau of Labor Statistics. This database allows me to identify new independent business establishments born in 1994 and 1995 and track each for up to seven 7 full years, or until failure. I estimate the influence of external economies on the hazard rate of new businesses using a discrete-time event duration model. To identify the sources of industrial variation in external economies, I interact place-specific measures of external economies with variables representing different types of structural barriers to survival, such as technological intensity, minimum efficient scale, industry birth rates and growth. As predicted, I find that industry specific conditions mediate the influence of external economies, but the results vary according to both the type of survival barrier and by the particular source of localized external economies.

Supervisors' Job Satisfaction in Horticulture

About a third of the agricultural work is done by hired labor. In 2004, American farmers spent \$23 billion on hired labor. Hired labor is paramount to many farms' success, and its significance is increasing with increasing farm sizes. In addition, the role of supervisors and middle managers becomes more important. However, research into supervision and management functions and supervisors attitudes towards their jobs does virtually not exist. The paper analyzes the job satisfaction of supervisory employees who are working in

different businesses in the green industry (greenhouse production, tree nurseries, and landscape contractors). Fourteen businesses participated in a series of case studies and agreed to in-depth interviewers of senior managers, supervisors, and employees. This paper analyzes supervisors' job satisfaction and its components based on interview transcripts. The Atlas-Ti software was used for the analysis of the qualitative interview data. Factors influencing job satisfaction and dissatisfaction were categorized by types, including achievement, recognition, work itself, supervision, interpersonal relationships, compensation, and working conditions. Similar to non-supervisory employees, supervisors preferred to talk in a positive manner about their jobs, and eliciting negative attitudes and experiences requires intense probing. One key result of these case studies was that supervisors, similarly to non-supervisory employees, talked about the same job components in terms of satisfaction. Specifically, job security, supervision, and interpersonal relationships—factors that the theory categorizes as contributing mainly to dissatisfaction—are a source of satisfaction to interviewees. On the other hand, working conditions, in particular stress and long hours, are a source of dissatisfaction as predicted by the theory. Subject area: Regional Migration/Labor Markets Key words: human resource management, labor management, personnel management

The Casual Labour Market in South Africa: An International Comparison

Amidst high unemployment in South Africa more and more people are forced to venture into the informal sector for income generation. Activities like car guarding at shopping centres and waiting at the side of the road, hoping to obtain a piece job for the day, are typical of this trend. The aim of this paper is to compare the dynamics of the activities of these day labourers in South Africa with similar international experiences. For this purpose day labourers in Pretoria will be used as a case study. The dynamics underpinning this casual labour market will be investigated among other by applying the stock-flow model of the labour market to this sample group. It will provide data pertaining to the origin of the people i.e. whether formal sector employment was once held, for how long and the reasons for losing it. The income generated by day labourers will be compared with accepted proxies for the minimum income level needed to survive. These features will be compared with similar international experiences and conclusions drawn.

The Dynamics of Regional Income Inequality

In this paper income inequality is identified by the proportion of income (using several different definitions) accruing to the highest fractiles of the income tax-paying units in each of the states of the United States from 1917 through 2004. This unique panel data set permits the analysis of variations in regional income inequality in both the temporal and spatial dimensions. The large numbers of observations permit more careful treatment of econometric issues than has previously been possible. The results provide evidence regarding convergence in both the spatial and temporal dimensions.

The Economy of the Katrina Region

This paper presents a regional economic analysis of the area damaged by Hurricanes Katrina and Rita. That region is home to 15 million urban residents and 4 million rural residents or, focusing only on Louisiana, Mississippi, and Alabama (and omitting Texas and Florida), 5 million urban and 3 million rural folks. The economy of the rural portion focuses largely on resource based manufacturing but is chiefly characterized by a shortage of private sector jobs, falling 25% short of the national per capita level. Thus, pre-Katrina the rural portion was 800,000 jobs behind the national average. Manufacturing, retail trade, and health care provide half the private non-farm jobs. The rural portions of the three states are not the same. For example, rural Louisiana specializes in energy, wood, chemicals, fabricated metals, ship building, and water transportation, while rural Mississippi specializes in farming, poultry processing, wood, ship building, furniture, and casinos. Even pre-Katrina, this economy did not bring prosperity, and much of the region is distressed. Katrina was a

disaster amidst high poverty, high unemployment, and low income. The paper concludes with a discussion of public policy considerations and potential, echoing parts of the national debate over New Orleans but considering the entire region including its rural portions. Katrina recovery strategies raise fundamental issues of regional policy, including place prosperity versus people prosperity.

The Emergence of Rural Artistic Havens: A First Look

Recent empirical analyses have identified strong associations between the size of the local artistic community and rates of employment growth (Glaeser 2005) and new firm formation (Lee, et al 2005). It is posited that skilled workers in the most dynamic sectors of the economy value the same factors that contribute to a creative environment valued by artists. The presumption in the literature is that these creative environments are urban phenomena. However, growth in artistic occupations has been rapid in a limited number of rural counties. This paper documents the emergence of these "rural artistic havens" and identifies county characteristics associated with the attraction of performing, fine, and applied artists. The follow-on question of whether the attraction of artists is associated with faster rates of job growth and new firm formation will be examined in a sequel.

The Growth Impact of the Metropolitan Statistical Area

In the economic development community, it is common to argue that the Metropolitan Statistical Area (MSA) designation will spur subsequent economic growth. These arguments typically point to three ways in which the MSA designation may spur growth: 1) the newly designated MSA may be better positioned to draw down federal funds, 2) the MSA designation may increase the amount and detail of economic information provided by federal and state statistical agencies on the region, and 3) the MSA designation may raise the marketing profile of the region, particularly with respect to national or regional site selection searches. The purpose of this paper is to test the hypothesis that growth rises after MSA designation, using Office of Management and Budget (OMB) designations released since 1980. We test for growth impacts using data on per capita personal income, population, and employment and find mixed results. Some MSAs do grow faster after designation and some do not.

The Impact of Casinos on Bankruptcy: Do Tribal Casinos Differ from Commercial Casinos?

Our research, and that of other economists and social scientists, have concluded that casinos increase personal bankruptcy rates. However, no study to the authors' knowledge has examined the issue of casino ownership as it relates to personal and business bankruptcy in the county where the casino is located. Given the sovereignty of tribal casinos from taxation and the restriction of tribal casinos to Indian lands, the impact of tribal casinos on personal and business bankruptcy rates may differ from that of commercial casinos. Using county data from 1990 to 2002, this study examines this issue pooling time series and cross-sections in a regression framework (random effects model). Given the concentration of tribal casinos in 19 states, this issue is of particular significance to regional economists.

The Impact of Local Revenue Growth Restrictions in Missouri

For 25 years Missouri state and local governments have worked under the Hancock amendment of 1980 and an additional amendment of 1990 that restrict, not expenditure growth as TABOR does, but revenue growth. At the local level this requires tax rate rollbacks, similar to Michigan and requires all new tax rates to be submitted to a vote of the citizens. The fiscal strains are starting to show and several economic development financing mechanisms are rapidly increasing in popularity, it seems as a way to get around the Hancock amendments. Stallmann will discuss these and the impacts that they are having at the local level on tax bases and on local governance. SESSION: Polyanal Stallmen roundtable

The Impact of New Urbanist Redevelopment on Housing Prices : A Spatial Hedonic Price Model

This paper the anticipated impact on housing prices of a New Town Development in Seoul announced in 2002. Since the extensive land redevelopment project leads to significant change in residential neighborhoods, it generates spillover effects on the values of housing units located in close proximity. We employ a spatial hedonic housing price model to estimate and measure the spillover impacts of redevelopment with different mixed land uses on surrounding housing prices. The empirical results show that neighborhood spillovers of redevelopment depend on the type of mixed land uses. Housing prices within one kilometer of residential redevelopment mainly mixed with commercial uses have a higher value of 35 percent compared to those farther away. The empirical results of a pre-post approach suggest that the change in housing prices takes place the year the announcement was made, which implies that housing markets anticipate the future effects of the completed project. 1

The Impact of Proprietorship Formations on Overall US Job Growth

Interest among academics and practitioners in self-employment as an economic development strategy has increased dramatically in recent years. Communities that have lost major employers in manufacturing and natural resource-based industries will not be able to compensate for the attendant job losses by recruiting new firms from the outside. Instead, these places have to look internally, to entrepreneurship, if they wish to remain economically vibrant in coming years. Given the strong interest in self-employment there is a surprising dearth of studies on the local economic impact of self-employment or proprietorship formations. For example, such firms could out-compete and displace existing firms, especially if they are initially subsidized, thereby producing no net new jobs. Or, they could create competitive pressures that increase the economic viability of a region, leading to future job growth. Whether one factor outweighs the other can only be answered empirically. In this paper we adapt and extend the work of van Stel and Storey (2004) to the US context. We regress the percent change in wage-and-salary employment in US counties over three different periods on lagged net new proprietorship formations, population density, changes in wage-andsalary earnings per job, lagged wage-and-salary employment growth, rural-urban indicator variables and regional effects interacted with self-employment change. The time periods are 2000-03; 1995-1999; and 1990-1994 for the dependent variable and 1995-1999; 1990-1994; and 1985-89 for the independent variables. Our results provide unequivocal support for the argument that lagged proprietorship formations lead to increases in job growth, controlling for other factors and regardless of the time period considered. To our knowledge, this is the first study to provide systematic and comprehensive county-level evidence of the positive impact of self-employment on overall job creation in the US economy.

The Influence of Race Relations on Destination Choices of Black-American Migrants during the Civil Rights Era

The migration of African-Americans out of the South between 1940 and 1970 was one of the most remarkable migration flows in U.S. history. Much of the nonstatistical literature has concluded that economic factors were the dominant determinants of this "Great Migration," but some have suggested that the effect of economic factors may be overstated and that noneconomic factors, such as race relations, played an important role. Empirical studies regarding migration of blacks in the United States during the 1950s and 1960s concluded that the patterns and determinants of migration for blacks were significantly different from those of whites. This literature virtually ignored nontraditional factors, such as race relations, in explaining these differences, despite the regional institutional differences regarding race relations. Since the 1960s, many of

the institutions affecting race relations have changed in the United States. This was followed closely by a change in patterns of black migration, including modest net inmigration to the South. This paper abstracts from the decision to outmigrate, focusing on the extent to which race relations distorted destination choices of black migrants. The research provides evidence that regional differences in race relations are crucial for explaining the differences in migration patterns of blacks and whites during the 1950s and 1960s. Distortion of black migration patterns during the 1950s and 1960s could be an important factor contributing to the socioeconomic crisis in northern urban ghettoes during the past forty years.

The Poverty Rate for Alternative Family Types: An Analysis for Kentucky Counties

The variation in the rate of poverty for families across counties in Kentucky is analyzed using data from Census 2000. The model employed in the analysis focuses on the direct and immediate determinants of a family's capacity to acquire income, such as, the employment rate and the median earnings. The degree to which the relationship is affected by family size, attachment to the labor force, employment in low-level services, and discrimination is allowed for. Separate relationships are estimated for married couple, female headed, and male-headed families. The extent to which the relationships vary across region, location, and metropolitan status is analyzed. The policy implications of the results are discussed.

The Role of Governmental Institutions in Economic Development

The issues of government fragmentation, governance and economic development have been analyzed extensively in political science, regional science, public administration, planning and economics. Fragmentation has been attributed to several of the most pressing issues in economic development. One recent study in Pennsylvania has argued that government fragmentation is one of the reasons for the state's lackluster economic performance and has led to a brain drain of its young educated residents. Other researchers have argued that government fragmentation is a contributing factor of urban sprawl, one of today's most pressing issues for many metropolitan areas. Literature on the interdependence of city and suburbs and the directional forms of the relationship has argued in favor and against consolidation of metro and suburban areas. However, the exact relationship between government fragmentation and economic development has not been studied specifically for an entire state or the USA as a total. Instead, previous work has tended to focus either on case studies of specific consolidations across time or on the efficiency effects of consolidation in one or several metropolitan areas. Although the literature in economics and political science have acknowledged that governmental institutions and organizational form have tremendous consequences on economic growth, the majority of studies that investigated the link between governmental institutions and economic growth have neglected the vast literature on government and governance. Scholars in political science, regional science and urban economics have proposed and investigated several important aspects of governmental organization that may provide researchers with the additional tools to better understand governmental institutions' influence on economic well being. Results from these studies have shown that governmental organization is multifaceted and that the definition of governmental organization has implications on the results. However, few, if any, studies have made use of these distinct theories in a comprehensive study on economic growth. Instead, the majority of studies spent time on the theoretical framework of government organization, but use simple measures of government organization. In particular, the contentious debate over whether government fragmentation is beneficial or detrimental to economic growth has been ongoing without specifically defining government fragmentation. Without a clear quantification of organizational forms, it will be difficult to fully understand the relationship of governmental organization, in particular fragmentation, to the various indicators of economic growth and performance. This study uses data from the Census of Government, population Census, the Department of Commerce, the US Department of Agriculture and County Business Patterns to investigate the relationship between economic development and governmental organization. The study aims at combining research in several fields, in particular, in the fields of political science and economics, to provide an extensive and comprehensive

investigation into the issue of governmental organization and its consequences on employment, population and per capita income growth. Questions that we aim at answering include: Does government fragmentation hinder economic development? What organizational form of government encourages economic development? Are population shifts influenced by government fragmentation?

To What Extent Do Unemployed Households Rely Upon Home Production and Unrecorded Work?

People use numerous strategies to survive periods of unemployment: unemployment insurance, savings, frugality, earnings from spouses, welfare, borrowing, assistance from family and friends, etc. One additional option which might provide some support is unrecorded work: informal work and home production employment. One would expect unemployment to be correlated with increases in unrecorded work. Consequently understanding the extent to which households rely on unrecorded work for assistance during unemployment can improve our understanding the well-being of unemployed workers. Using a data set of 1611 non-metropolitan Wisconsin families, this paper examines the relationship between unemployment and household participation in and labor supply to informal work and home production. Using numerous measures such as current employment status, hours of work, type of job, n. If significant opportunities for this exist, people may be able to compensate for their temporary loss of formal work. Since the opportunity cost of engaging in such work also declines greatly during steadiness of employment, receipt of unemployment insurance, this study finds little evidence that households use unrecorded work as a substantial means of support during periods of unemployment. It is hypothesized that this occurs because most spells of unemployment are relatively short and do not occur at times when such work could be done and/or merit the fixed costs of engaging in such work.

Trade and Inequality in a Post-Conflict Country: The Case of Mozambique

In this paper, I examine the links between trade orientation and regional inequality in Mozambique, a country that has significantly restructured its economy in the aftermath of a 17-year civil war. Although patterns of uneven development and trade have been widely studied at the national level, less attention has been paid to regional differentiation within countries or subareas, especially in less developed economies and post-conflict countries. In addition, few studies of inequality control for spatial effects which can distort statistical estimates and lead to incorrect results, thereby limiting the policy relevance of findings. This study incorporates spatial effects and controls for spatial dependence through the application of spatial regression models. Results indicate that export orientation has inequality-decreasing effects for all regions. Findings also suggest that higher per capita incomes are associated with higher levels of inequality. Locational and demographic factors had mixed results. For southern Mozambique – a region of the country characterized by higher levels of economic development – findings suggest that education has inequality-dampening effects and ethnic diversity has inequality-increasing effects. However, for the poorer and less developed areas north of the Zambezi River, ethnic composition and literacy rates have no discernable effects on inequality levels. These findings provide some support for theories that link trade with greater regional equality. Results from this study also indicate that the social factors associated with uneven development are complex and do not lend themselves to simple policy prescriptions. SESSION: Cannot present/discuss on April 1.

US "Bombing" (1979-1983) and its Impact on Growth

This paper is based on the framework applied by Davis and Weinstein (2002) and Brakman, etc. (2004). They used WWII bombing as a tool to test the different growth theories: locational fundamental, increasing returns, and random growth. This paper takes a look at the economic shock (depression 1979-1983) on the number of employment at the county level in the United States. Criteria such as size, extent of decline, etc. are used to select the impacted counties. The study shows that this shock is similar to "bombing" because the impacted

counties are mostly located in the rust-belt with heavy industries. The result from Instrumental Variable regression shows that the "bombed" counties have lower employment growth than the "un-bombed" counties five years after the shock. It supports the increasing returns/ cumulative causation theory in contrast to Davis's and Brakman's results which support locational fundamental theory. The economic shock is more catastrophic and persistent than the social/political shocks.

Voting with their Feet: Jobs versus Amenities

The determinants of rural and urban community population change over the period 1991-2001 are investigated at a very fine level of disaggregation for Canada. The study examines the influence of local amenities, economic factors, and agglomeration economies on population growth for age cohorts starting from the very young to the elderly. Motivated by the objective of assessing the overall jobs versus people question in economic development, the emphasis is on estimating the relative contribution of groupings of variables in explaining the variations in population change, rather than the contribution of individual variables. Results indicate that rural and urban populations are influenced to differing degrees by amenity, economic, and urban scale groupings of variables, and that there are variations among age cohorts in both urban and rural areas. While economic variables are the most influential in population change for all rural cohorts (at least), their contribution somewhat diminishes with age. In urban areas, amenity and economic variable groupings have approximately equal importance across all cohorts. For the key young adult cohort, the economic grouping is clearly the most influential in rural areas, while it is a close second to amenities in urban areas.

Wasted Resources: The Impact of Neighborhood Quality, Contractual Obligations, and Builder Subsidies on Apartment Rent

Addressing housing affordability requires a detailed understanding of the determinants of market rent. Using data from Tallahassee, FL, constructed hedonic regressions demonstrate the significance of contractual variables and the insignificance of neighborhood quality. Previous investigations of the merits of supply-side subsidy programs are extended by comparing individual complex subsidies to the rent savings they generate. Results from a cost/benefit analysis reveal the low-income housing tax credit (LIHTC) program's main effect to be placing marginally qualifying low-income renters in newer than average housing units without alleviating issues of affordability within the community.

What Trickled Down? State Government Fiscal Stress and Local Government Outcomes

The 1992 through 1997 period yielded a marked real increase in the flow of federal funds to state governments and in state government own source revenues. State governments broadly expanded the amounts and types of many of the services that they provided. Around 1997, states began to cut their overall tax collection amounts and rates. This tax-cutting behavior peaked in fiscal 2000, after which it fell off sharply. Part of this tax cutting was due to the strong growth in the economy during the 1990s, and part was seen as a mechanism for inducing more business growth. By fiscal 2002 most states had reduced business and personal tax rates, had been through a tough recessionary stretch, and found themselves, literally, in the throes of a fiscal crisis. This research is initially a state-level analysis of the pattern of change in local government revenues and expenditures during the 1997 to 2002 period to ascertain the kinds of affects that changes in State transfers to local governments stimulated. Additionally, this research will look at, using Census of Governments data from 1997 and 2002, a subset of Midwestern counties (those in Iowa and states bordering Iowa) to see whether local government revenue and service changes differed by kinds of counties (metropolitan, large urban, and all others) and by other county attributes.

"Welfare-Flipping:" Interstate Migration for Time-Limit Avoidance

Studies on welfare programs in the United States have identified three types of welfare migration: benefit-, employment-, and amenity-related welfare migration. This paper introduces a fourth type of migration induced by welfare time limits. After a welfare-dependent family runs out of benefits, it is possible for them to "reset the TANF time clock" by crossing state lines to extend their benefits. Our theoretical results suggest that the likelihood of migration increases if the migration distance is small or the gain from the move is large. We hypothesize that, ceteris paribus, families migrating in order to extend their benefits will minimize the distance they migrate, and will be likely to move into the nearest state, especially into a counties just across the state border. We utilize macro data at the county level to look for evidence of time-limit induced migration. Estimates indicate that time limits may be associated with an increase in welfare migration.

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