



Center for the Study
of Free Enterprise

2023-24

Annual Report

Sean E. Mulholland, Director

Director's Welcome



On behalf of the Center for the Study of Free Enterprise, I am excited to present the events and student-focused engagement the Center offered during the 2023-2024 year. Focusing on interactive educational opportunities for Western students, the Center hosted intimate, guest-speaker led, small group research seminars and large campus wide events. From guest faculty seminars presented by faculty from Appalachian State University, Clemson University, and the University of Tennessee (just to name a few) to campus wide debates on Gender Affirming Care and Gun Free Zones, the Center continues to encourage student curiosity and creativity.

Due to the generosity of the Barnes Family Foundation of North Carolina, the CSFE sponsored a unique and intimate seminar course in the fall of 2023, *Liberty over Lunch*. A select number of high performing students were invited to enroll in the course that brought scholars and practitioners to campus in-person and virtually via zoom. The goal of the seminar was to introduce students to the process of academic inquiry, analysis, publication, and application. Current faculty, research scholars, practitioners, and current graduate students presented their working drafts or recently published paper to the class. WCU students served as discussants and offered feedback and suggestions on each guest speakers' research paper. Guests also discussed their professional career and experiences.

Learning how to listen to others and respectfully debate ideas is crucial to growth, learning, and a well-functioning civil society. To enhance understanding across campus, the Center co-sponsored two campus wide debates with Braver Angels, a nationally recognized leader in organizing and hosting community debates on controversial topics. On November 1st, 2023, the Center hosted a debate on the topic: Should gender affirming care for youth be banned? Over 50 students and community members participated in the debate and discussion on the proper role of parents, medical professionals, and political leaders. On April 22nd, 2024, the Center and Braver Angels, cohosted a second debate: Gun free zones make people safer. Over 70 students and community members participated in the discussion. Both events elicited thoughtful ideas and comments by speakers for and against the motions. These successful events would not have been possible without Kayla Johnston, Matt Kircher, Doug Sprei, Wm. Bryan Paul, Emily Jae, Jenna Robinson, Melanie Lewis, Whitney Mcall, Brynne Elizabeth Murphy, Teresa Starrs, and Braver Angel fellows and current WCU students Diana Ester and Kevin Lavery.

The CSFE also supported student-scholars who sought to further their curiosity by attending education seminars offered by the Property and Environment Research Center in Bozeman, Montana, the American Institute of Economic Research in Great Barrington, Massachusetts, and the Stevens Institute at Wabash College in Crawfordville, Indiana.

In this year of building larger, campus-wide events, we expanded our campus reach so that a broader range of students are aware of the beneficial programs and support offered by the CSFE!

Go Cats!

Sean E. Mulholland

About WCU's Center for the Study of Free Enterprise

Mission: The Center for the Study of Free Enterprise at Western Carolina University (CSFE at WCU) is a university-wide center whose mission is to provide economics research and thought leadership on issues pertaining to economic development in North Carolina, the region, and beyond, by conducting scholarly inquiry, policy analysis, educational activities, and community outreach on the role of free enterprise in a flourishing society.

Organizational Background: The Center was established on December 4, 2015, by a unanimous vote of WCU's Board of Trustees (BOT), as a university-wide Center, housed in the College of Business, reporting to the University Administration.

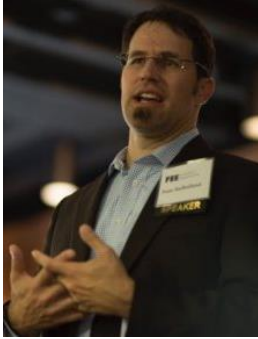
History: A brief overview of the Center's history is as follows.

Fall 2015	Center proposal is brought forward by Professor Edward Lopez and College of Business Dean Darrell Parker. Proposal vetted and discussed by faculty and administration. Board of Trustees approves Center and appoints Edward Lopez Director, December 4, 2015.
Spring 2016	Provost Alison Morrison-Shetlar and Faculty Chair David McCord convene Implementation Advisory Board to recommend organizational structure and charge for CSFE's ongoing Advisory Board.
Fall 2016	Provost appoints internal members of ongoing Advisory Board. Gift agreement is signed between WCU and Charles Koch Foundation. First installment of funding received October, 2016.
Spring 2017	Center launches. External members of ongoing Advisory Board are recruited. Center begins operations funding student-faculty projects and other activities.
Summer 2017	Student-faculty projects under way, some projects and activities completed, Center's first annual report is written.
Fall 2017	First organizational meeting of the complete Advisory Board is held. Center bylaws become official. Mr. Ken Torok of Sylva named Advisory Board Chair.
Fall 2017 - Spring 2018	First complete academic year of Center operations. Launch programs in all eight categories listed in scope of activities approved by Board of Trustees.
Fall 2018 - Spring 2019	Second complete year. Expand programs and build in efficiencies.
Fall 2019 - Spring 2020	Third complete year. Major campus and community impacts through opioid town hall, Apollo 16 astronaut Charlie Duke, and WCU's One Book author talk with Celeste Headlee. Cut short by COVID-19.
Fall 2020 - Spring 2021	Center impacts community and statewide policy discussions with studies on NC's long-term prospects for recovery, effects of NC's pandemic restrictions compared to neighboring states, post-traumatic growth, many presentations and media appearances. Center convenes national, regional, and community audiences in its four-part Town Hall Series.

- Fall 2021 – Spring 2022 The Center hosted its fifth annual scaled up seminar in Asheville, NC. Seminar presenters have received valuable feedback on their ongoing research from participants over the past five years. Recent publications from past scaled up seminars include:
- Audrey Redford and Angela K. Dills. 2021. "The Political Economy of Drug and Alcohol Regulation During the COVID-19 Pandemic." *Southern Economic Journal* 87(4): 1175-1209.
 - Vincent J Geloso, Phillip Magness, John Moore, Philip Schlosser, "How Pronounced is the U-Curve? Revisiting Income Inequality in the United States, 1917–60," *The Economic Journal*, Volume 132, Issue 647, October 2022, Pages 2366–2391.
 - Phillip W. Magness and Michael Makovi. "The Mainstreaming of Marx: Measuring the Effect of the Russian Revolution on Karl Marx's Influence," *Journal of Political Economy* 2023 131:6, 1507-1545.
- Fall 2022 – Spring 2023 Sean E. Mulholland is named the Center's director. With the new support of the Barnes Family Foundation, the CSFE hosts its first student weekend seminar in Cullowhee with over 50 students in attendance.
- Fall 2023 – Spring 2024 The Center sponsors the Lunch over Liberty Seminar class in the fall of 2023 that hosts faculty, graduate students, and practitioners seeking ways to enhance wellbeing. The Center co-sponsors two campus wide debates attended by over 120 students with Braver Angels.

CSFE Personnel and Scope of Activities

Center Director:



Professor Sean Mulholland is the Center's Director, following in the footsteps of founding Director Edward Lopez. Sean joined the WCU economics faculty in 2016 as a full professor. His research has appeared in many journals, including the *Journal of Economic Growth*, *Public Choice*, *Economics Letters*, and *Economics of Education Review*. His co-authored paper, "Ride-Sharing, Fatal Crashes, and Crime" was awarded the Georgescu-Roegen Prize for the best academic article published in the *Southern Economic Journal* in 2018. His work has been covered by Ballotpedia, Politifact, National Review, and Tyler Cowen on marginalrevolution.com. Sean has a long track record of designing and leading educational experiences for students that foster curiosity and creativity. He has two decades of experience working with undergraduates on their research projects and careers.

Center Staff:

The Center relies on part-time staff to manage and promote events and conduct research. **Allie Todd** has continued to serve as our part-time media and marketing specialist.

Adam's Mottershead serves as a research assistant on the Center's project investigating water use, water rights, and development in North Carolina and beyond.

Center Advisory Board:

The Center's Advisory Board consists of six tenured WCU faculty members, three distinguished members of the community. (The number of Board members, however, are subject to a change being discussed in the Faculty Senate) The Advisory Board's charges are to:

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

2023 - 24 Internal Advisory Board Members:

- Channa De Silva, Professor of Chemistry
 - De Silva teaches chemistry and carries out research in the areas of nanotechnology, biotechnology, and computational chemistry.
- Chris Hoyt (Fall 2022 only), Professor of Philosophy
 - Wittgenstein scholar
- Sarah Steiner, Hunter Librarian, Head of Research & Instruction Services

2023 - 24 External Advisory Board Members (Note: the WCU faculty senate reduced the number of external members to three during the 2023-2024 academic year):

- Craig Richardson, Professor of Economics, Winston-Salem State University
- David Parlier, Owner of Ruby Cinemas, Franklin, North Carolina
- Open (to be filled in the summer of 2024)

Scope of Center Activities:

WCU's Board of Trustees approved a mission statement and a list of activities & deliverables that together serve as the Center's guide to operations. Pursuant to the BOT's action, CSFE's activities are organized into categories:

1. Host renowned experts, and engage in civil, informed, and fruitful discourse.
2. Publish research.
3. Support student and faculty research and engagement projects, including student scholarships, faculty stipends, travel funds, and general support.

This report provides details about CSFE activities. This year the Center focused on hosting experts and enhancing the civil discourse on campus.

1. Liberty over Lunch Seminar Course

With the support from the Barnes Family Foundation, the Center sponsored a unique, small seminar course in the fall of 2023, Liberty over Lunch. A select number of high performing students were invited to enroll in the course that brought scholars and practitioners to campus in-person and virtually via zoom. The goal of the seminar was to introduce students to the process of academic inquiry, analysis, publication, and application. Students asked questions and offered feedback on a guest speakers' recently published paper or a working draft of a paper. Guests also discussed their professional career and experiences.

September:

Our Liberty Over Lunch seminar hosted our first guest scholar, Appalachian State University Economist and The Knee CSOR Research Affiliate, Shishir Shakya, on September 1st, 2023. During our 3-hour seminar, Professor Shakya presented two working papers:

1. Impacts of Certificate-of-need State Laws on Substance Abuse Treatment Facilities and Services

2. Access to Mental Health Care Services & Suicide Rates in the United States

Professor Shakya did an amazing job describing the intuition of his research, the potential types of endogeneity present, and how his methods address these types of endogeneity. Students asked questions about ways to improve the quality and availability of mental health care services and treatment facilities. The group discussed ways to better measure outcomes. Professor Shakya also chatted one-on-one with many students about their career aspirations. It was a fabulous way to kick off the seminar.





On September 8th, we (virtually) hosted Doug Sprei of the American Council of Trustees and Administrators and Braver Angels to learn more about hosting campus debates. Mr. Sprei is a seasoned veteran of holding debates on university campuses. He introduced the students on how to hold and organize a productive debate. He guided the students through the process of brainstorming topics that might be of interest to students at WCU. He then outlined the format of a debate and how to facilitate and encourage participants to feel welcome to discuss their views on the topic at hand.

On September 15th, we hosted Angela Dills, the Gimbelstob-Landry Professor of Economic Development at Western Carolina University. Professor Dills presented her work on school choice and student wellbeing. Professor Dills and her coauthors find that states that have passed charter school laws are seeing a drop in the number of adolescent suicides. They find a 10 percent decrease in the rate of suicide among 15- to 19-year-olds in states that enacted charter school laws. They also show that those who attended private school are about 2 percentage points less likely to disclose having a mental health issue at about age 30 or to be treated for a mental illness as an adult, compared with those who attended public schools. The students and Professor Dills chatted about possible avenues that may explain these different outcomes.

Professor Dills also talked about her career path and ways to be better prepared for graduate school and beyond.



On September 22nd, our Liberty over Lunch crew hosted Clemson University economist Scott Baier. Professor Baier presented his working paper, “Gravity with Global Trade Shocks.” Using a Bayesian Gibbs sampling approach, he and his coauthor help resolve the distance puzzle (that estimates often show an increase in the importance of distance over time) that are often present in gravity equation analyses. The paper also shows that economic integration agreements contribute to trade growth.



Professor Baier also shared stories about how he became an economist, how he arrived at Clemson University, and his work on the Council of Economic Advisors in Washington DC from 2007-2008.

October:

On October 6th, the Liberty Over Lunch class was honored to host Abigail Cormier. Currently a third-year economics Ph.D. student at the University of Georgia, Cormier presented her working paper on the labor market effects of becoming a parent of a child with special health care needs. Cormier’s work is at the forefront of research on female labor force participation rate in developed countries. She also provided students with insights on how to navigate the graduate school application process and how to be successful in graduate school.



On October 13th, the Liberty Over Lunch class hosted CSFE research assistant, Adam Mottershead. Mottershead discussed how the US water market is split into two types of rights: riparian and “first-in-use, first-in-time.” Mottershead then introduced students to the idea of stream banking. Stream banking is a process where developers can alter a stream system on their property by offsetting their degradation through stream restoration at different locations within that watershed. Due to the time, cost, and expertise required in stream restoration most developers contract with third party stream bankers who are actively



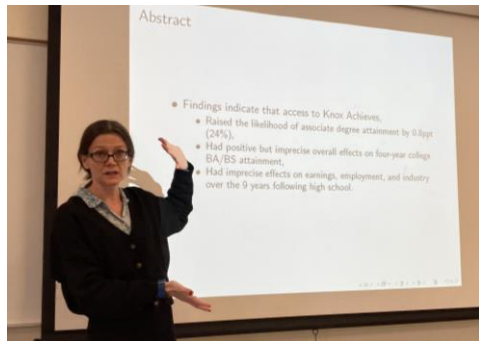
buying and restoring stream systems from private landowners. State and Federal laws require these restored streams to meet and maintain their geomorphological state, measured by bank stability, sinuosity, and erosion, for many years. However, water quality is not assessed. Mottershead investigates whether restored streams witness changes in their water quality. Specifically, he finds overall improvement in the phosphorus load, phosphorus concentration, and specific conductance. He finds degradation in solids load, solids concentration, and alkalinity load.

Mottershead also talked about his experience applying to economics Ph.D. programs.

November:

On November 3rd, the Liberty over Lunch students hosted Professor Celeste Carruthers of the University of Tennessee. Professor Carruthers holds the William F. Fox Distinguished Professorship of Labor Economics in the Haslam College of Business.

Professor Carruthers presented her work examining the “free community college” program on college credit accumulation, college completion, and medium-term labor-market outcomes. The Knox Achieves Program pledges tuition-free community college to any Knox County, Tennessee high school graduate and served as the model for the statewide Tennessee Promise program as well as local and state initiatives across the U.S. She and her coauthor find that Knox Achieves eligibility led to a 24% higher likelihood of attaining an associate’s degree within nine years of high school, alongside positive but insignificant changes in the likelihood of attaining a bachelor’s degree, and negative but insignificant changes in in-state earnings.



Professor Carruthers also fielded questions about her life as a graduate student at the University of Florida, her experience looking for a job after earning her Ph.D., and how students should prepare for graduate school.

On November 10th, the Liberty over Lunch students hosted Craig Richardson where he presented his work on housing availability and affordability. Through a discussion of his paper, “Did the 2010 Dodd–Frank Banking Act Deflate Property Values in Low-Income Neighborhoods?” published in *Public Choice*, Professor Richardson revealed that the Dodd-Frank banking act had the unintended effect of reducing the mortgage funds available for low priced homes. The Dodd-Frank Act caused this effect by increasing the cost of loan processing by increasing the regulatory requirements. These higher regulatory hurdles led to the closure and consolidation of many community banks. By increasing the cost of every loan, banks needed higher value mortgages to cover the increasing cost of loan origination. Second, Dodd-Frank limited the revenue banks could generate through loan origination. These combined effects made it nearly impossible for potential borrowers to find a lender for homes under \$100,000.

Professor Richardson also chatted with the students about how to look for policy questions that can help improve the lives of low-income families.



December:

On December 2nd, the Liberty over Lunch students hosted Lightcast Economist and Research Manager, Rachel Sederberg. Sederberg and her team collect labor market data in real time by collecting job postings and candidate availability posts from online job search websites. The team also collects data from employers on future needs and provides forecasts for future skill needs to institutions of higher education. During Sederberg's zoom presentation, she gave, in-real time, an interview with USA Today where she fielded questions about the recent uptick in layoffs in the tech industry. The students enjoyed watching a seasoned industry researcher provide insight about the state of the labor market. Sederberg's quotes appeared a few days later in this [USA Today article](#).



2. Campus Wide Community Debates

On November 1st, our Liberty over Lunch seminar hosted a campus debate at Western Carolina University on the question:

Should gender affirming care for youth be banned?



For over an hour and a half, students, faculty, and staff discussed the pros and cons of the question. Many excellent points were made, and the level of grace and humility was incredible.

We want to thank the Liberty over Lunch students for selecting the topic and kicking off the debate, the Western Carolina University College of Business staff for helping with food and room arrangements, Doug Sprei for helping us select and frame our debate question, Wm. Bryan Paul for gently guiding us through the debate as chair, the Barnes Family Foundation of NC and Braver Angels for supporting the event, and Emily Jae and Jenna Robinson for recommending Braver Angels to lead the debate.



Learning how to fully listen to others and respectfully debate ideas is crucial to growth and learning. On April 22nd, Braver Angels and The Center for the Study of Free Enterprise at Western Carolina University, with support from the Barnes Family Foundation, cohosted a debate:

Gun free zones make people safer.

Over 70 students and community members participated in the discussion. The evening was full of thoughtful speakers for and against the motion. Braver Angel fellows Diana Ester ('25) and Kevin Lavery ('25) facilitated the debate by serving as whips to encourage audience members to present their thoughts and ideas to the audience by speaking from the podium. Numerous speakers provided insights to why they were for or against the idea of gun free zones.



The successful event would not have been possible without Kayla Johnston, Matt Kircher, Braver Angel fellows Diana Ester and Kevin Lavery, Melanie Lewis, Whitney Mcall, Brynne Elizabeth Murphy, and Teresa Starrs.



3. Support student research and engagement projects

Support for Ongoing Research and Student Engagement

Kevin Lavery ('25): Liberty Fund

In the summer of 2023, Kevin Lavery, interned at the Liberty Fund in Indianapolis Indiana.

Libby Weitkamp ('24): American Institute of Economic Research (AIER).

In the spring of 2024, Libby Weitkamp served as a research intern at the American Institute of Economic Research.

Diana Esters ('25) and Libby Weitkamp ('24): AIER/Stevens Institute at Wabash College

In June of 2024, Diana Esters (exp '25) and Libby Weitkamp ('24) participated in a weeklong philosophy, history, political science, and economics seminar at Wabash College in Crawfordville Indiana.



Adam Mottershead ('22): Property and Environment Research Center student seminar



In June of 2024, Adam Mottershead participated in a weeklong seminar on environmental economics and policy at the Property and Environment Research Center (PERC) in Bozeman, Montana. Throughout the week, participants grappled with ways to enhance the environment through a variety of policies. The week included scholars and practitioners of environmental policy and visits to numerous federal, state, and privately owned and protected land and watersheds.

Diana Esters ('25) American Institute of Economic Research (AIER).

In the summer of 2024, Diana Esters served as a research intern at the American Institute of Economic Research.

Community Engagement

Sean Mulholland: Indivisible Highlands Guest Speaker

On June 12th, 2024, Sean Mulholland was the guest speaker at the “Ask an Economist,” public event sponsored by Highlands Indivisible and held at the Highlands, North Carolina Library. During the evening, Mulholland covered macroeconomic topics ranging from production, inflation, trade, taxes, wages, and inequality. The event included a 45-minute talk and a 45-minute Q&A. Over 50 community members participated in the event.

Please follow the Center CSFE WCU (@csfewcu) and <https://affiliate.wcu.edu/csfe>.