



# ANNUAL REPORT

2022-2023

ARKANSAS CENTER FOR RESEARCH IN ECONOMICS | UNIVERSITY OF CENTRAL ARKANSAS



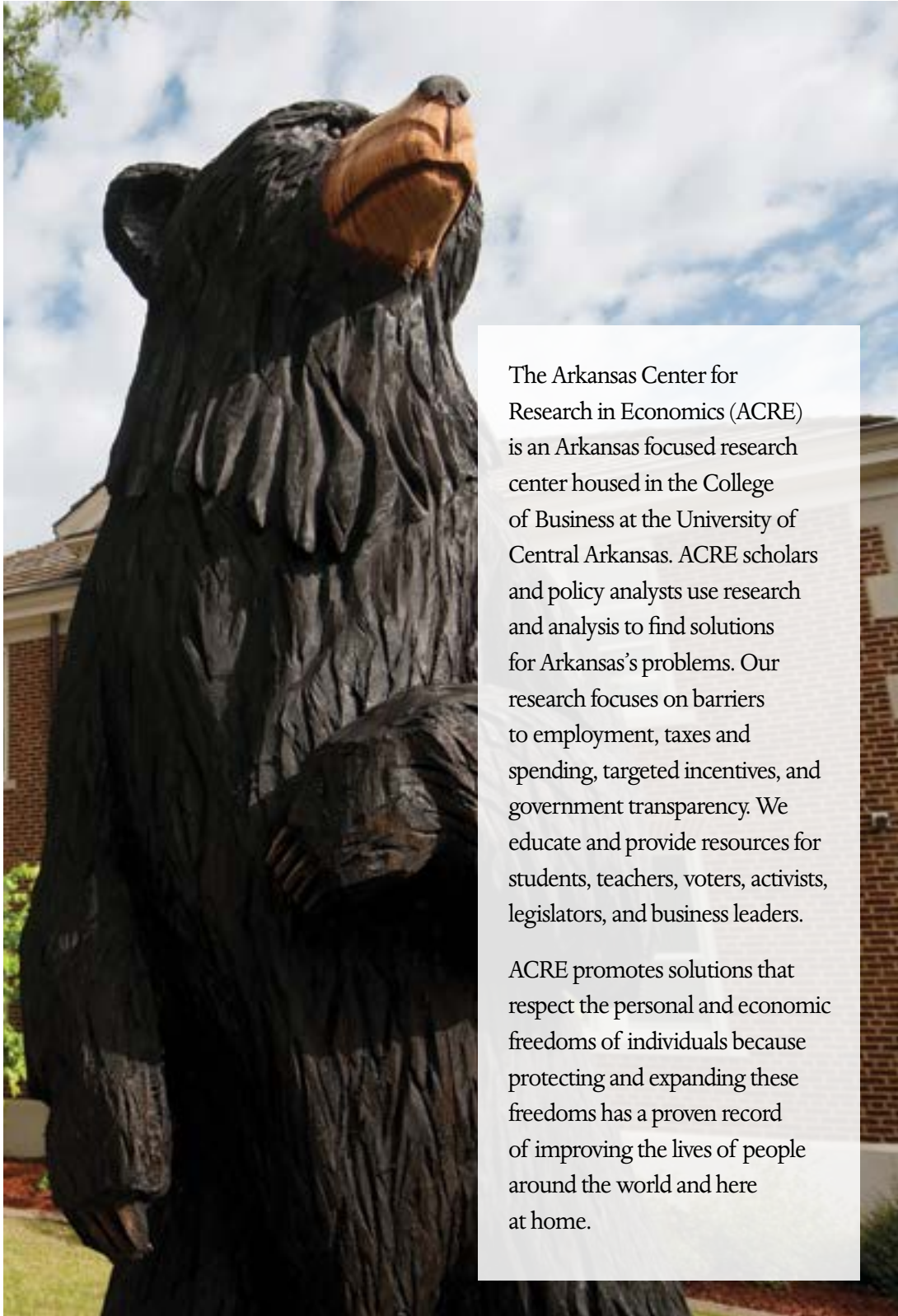
ARKANSAS CENTER FOR  
RESEARCH IN ECONOMICS

# Annual Report

2022 2023



University of Central Arkansas / College of Business



The Arkansas Center for Research in Economics (ACRE) is an Arkansas focused research center housed in the College of Business at the University of Central Arkansas. ACRE scholars and policy analysts use research and analysis to find solutions for Arkansas's problems. Our research focuses on barriers to employment, taxes and spending, targeted incentives, and government transparency. We educate and provide resources for students, teachers, voters, activists, legislators, and business leaders.

ACRE promotes solutions that respect the personal and economic freedoms of individuals because protecting and expanding these freedoms has a proven record of improving the lives of people around the world and here at home.

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# From the Director

What an honor and learning experience it has been to serve as ACRE's Director over the past academic year. If you've been following our work, you'll know that we have continued the student engagement and policy-relevant research ACRE is known for. But this year we also expanded with several new initiatives and brought back programs that went dormant during the pandemic.

Even if you follow us closely on social media or our blog the ACRE Review, you may still be surprised by all we've accomplished in the past year. You'll see it all in this annual report. Let me highlight a few of my favorites.

Our student programs have always been a core part of ACRE's mission. UCA has so many great students, and we are lucky to attract so many of them to our programs. And they go on to do so many great things. For example, in this report you will read about three former ACRE students that now have embarked on their own academic careers, but also came back to UCA this year to present their research to faculty and students. It's amazing to see how much they have grown and are now educating the next generation of students at schools across the country.

Closer to home, we have another example of an amazing former ACRE student: Terra Aquia, who has been with ACRE since she graduated from UCA, now manages our K-12 teacher education programs as well as assists with UCA programs. Terra has worked with UCA faculty to greatly expand the number of teaching modules we offer for high school teachers in Arkansas. She has also been entrepreneurial in seeking out grants to support new initiatives, such as the Delta Heritage Site Series program she created this summer along with Economics Arkansas. I'm excited to see what she'll do next.

We also saw the return of ACRE's annual colloquium, which had been on hiatus for the past few years due both the pandemic and some changes in leadership at ACRE. But it's back, and it was great. We met for a weekend on Petit Jean Mountain with 20 faculty and 20 students from across Arkansas to discuss economic and political freedom in the context of the American Founding. UCA's Wendy Lucas organized a great program that generated some very stimulating discussion not



only about the Founding, but about how these principles apply to today.

ACRE researchers made a major impact this year by testifying before legislative committees at the 2023 Arkansas General Assembly. All of our researchers testified at least once, including me, on some great reforms to taxes and occupational licensing in Arkansas. But our own Joyce Ajayi went above and beyond with her work this year, as there were many proposed bills affecting government transparency. I honestly can't remember exactly how many times she presented, but it was a lot, and you'll find all the details in this report. Her initiative to not only update ACRE's transparency index, but also to hold an event for the best performing cities and counties, was also a great outreach success story. That event couldn't have happened without the hard work of all ACRE staff, but especially our communications manager Michelle Stoll, who planned and set up an amazing event.

Finally, let me give you a small preview of an exciting project we just started working on. Many of you will remember our 2016 book *Arkansas: The Road Map to Tax Reform*. I co-authored that book along with researchers at the Tax Foundation, and we jointly published it with them right as Arkansas was embarking on several major steps to reform its tax system. When the legislature set up a special task force to investigate reforms, our green book was always sitting on the desks of policy-makers as they debated and discussed how to make our tax system better.

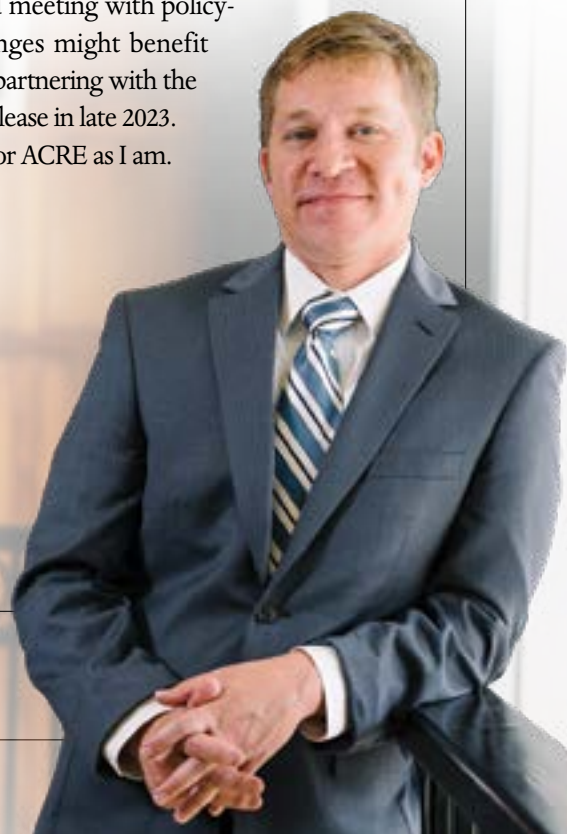
The good news is that most of the major reforms we recommended have been completed. That means it's time to update the book. And that's exactly what we are doing! This summer I've already started meeting with policy-makers in Arkansas to understand what changes might benefit Arkansas going forward, and we are once again partnering with the Tax Foundation to write the book. Look for its release in late 2023.

I hope you're as excited about the next year for ACRE as I am.



Jeremy Horpedahl

*ACRE Director and UCA Associate  
Professor of Economics*





# LOCAL GOVERNMENT TRANSPARENCY IN ARKANSAS

**LOCAL GOVERNMENT TRANSPARENCY** was a focal point this year for ACRE. In addition to a significant number of transparency-related bills introduced by the Arkansas legislature during the 2023 session, ACRE released the fourth edition of its transparency report, *Access Arkansas*, and held its inaugural Sunshine Award reception.

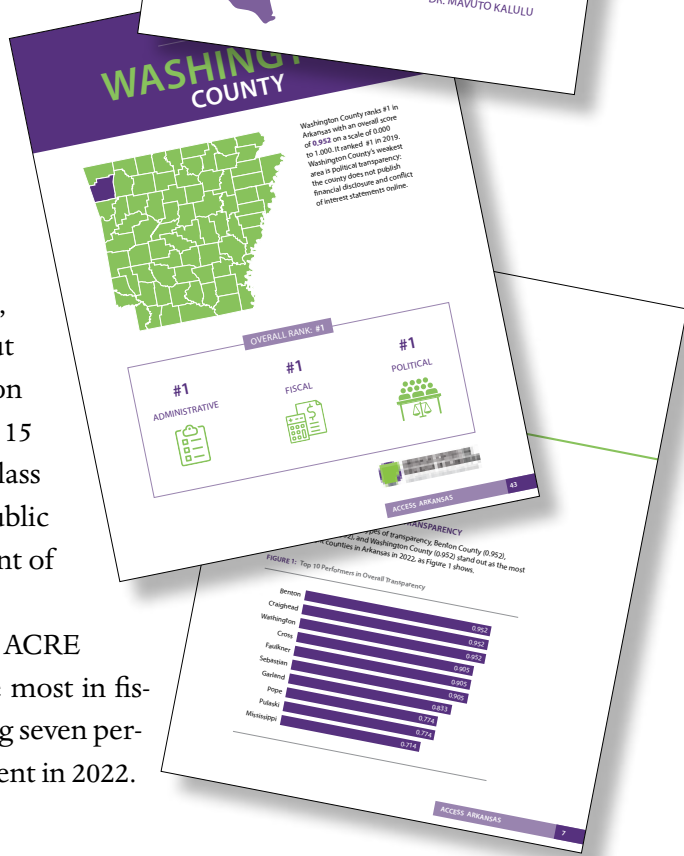
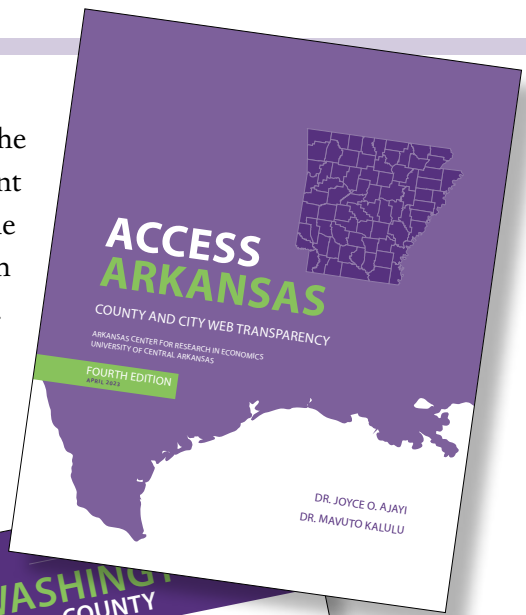


Every two years ACRE policy analysts produce the *Access Arkansas* report which examines local government web transparency in Arkansas. The report assesses the information that county and city governments publish online, as well as how accessible that information is. Localities are then ranked according to this analysis. Previous reports focused on Arkansas counties, but this year’s report includes first-class cities (those with populations over 2,500) for the first time.

The top-ranking cities are Conway, Fayetteville, and Springdale. Top-ranking counties include Benton, Craighead, and Washington. Sevier County has shown the most improvement in Web transparency among all 75 Arkansas Counties since 2020.

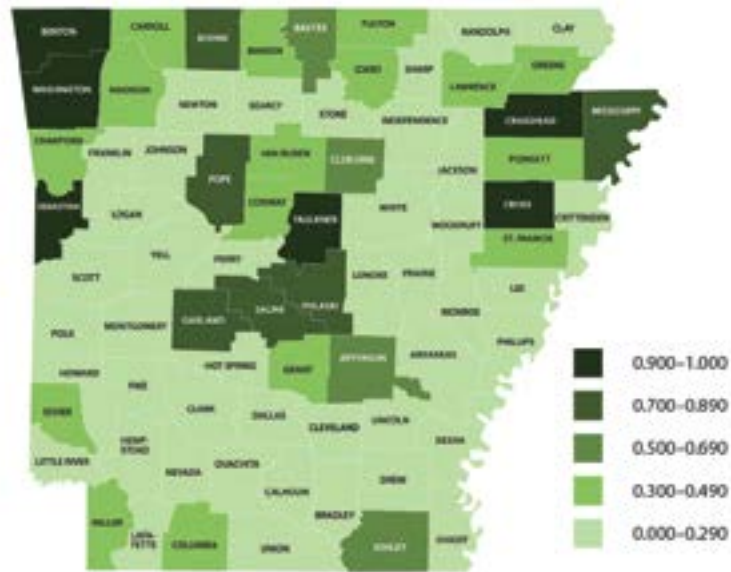
Overall, the current index shows that, on average, Arkansas counties publish about 37 percent of the important information included in our index compared to about 15 percent in 2018. Only 20 out of 112 first class cities publish online at least 50 percent of public information included in the fiscal component of the transparency index.

Of the three types of transparency ACRE evaluated, Arkansas counties improved the most in fiscal transparency. They went from publishing seven percent of fiscal information in 2018 to 53 percent in 2022.



Research shows that transparency increases accountability, instills fiscal discipline, improves economic performance, promotes trust between government and citizens, and reduces corruption.

**DR. JEREMY HORPEDAHL**  
*ACRE Director and UCA Associate Professor of Economics*



We attribute this improvement to Act 564, which became law during the 2019 Arkansas Legislative session. Act 564 mandates counties to publish their fiscal information online. Before that time, just a handful of counties were doing that, but now all counties publish their budgets online through a website maintained by the Arkansas Association of Counties.



The report's authors, Dr. Mavuto Kalulu and Dr. Joyce Ajayi, provided guests with background on ACRE's research, history of the report, and a summary of the importance of transparency in good government.



## Sunshine Awards

Localities across Arkansas have improved their scores since ACRE began collecting data on web transparency, and this year launched the Sunshine Awards to recognize the top-ranking cities and counties as well as the locality that has most greatly improved their score.”

ACRE Director Dr. Jeremy Horpedahl presented the first Sunshine Awards to the top ranking Arkansas counties and cities in

Sunshine Award Winners from left: Mayor Doug Sprouse (Springdale), Tad Sours (Washington County), Lisa Thurber (Fayetteville), Melody Kwok (Benton County), Lisa Lawrence (Craighead County), and Bobby Kelly (Conway).



“

In an age where the public can be easily misinformed by so many unreliable sources, it is imperative that we, as a City, have the ability to communicate directly to our residents, ensuring they have a consistent, reliable, and transparent resource for any information they need.

**Springdale Mayor  
DOUG SPROUSE**

ACRE’s recently released report on local government web transparency, *Access Arkansas*. “Sunshine” references the U.S. Government in the Sunshine Act. This act, as well as Sunshine legislation in many states, aims to establish transparency in government and reduce corruption. The awards breakfast was held May 30 in the College of Business. Award-winning local governments included the cities of Conway, Fayetteville, and Springdale, as well as Benton, Craighead, and Washington counties. Leaders from each recognized locality shared the influence *Access Arkansas* has had in motivating their localities’ improvement in web transparency, and applauded ACRE’s leadership in inspiring local governments to improve and excel. *Access Arkansas* is published every two years. The next edition of the report and the next round of Sunshine Awards will occur in 2025.



“

ACRE’s transparency project has been a game changer! The assessment of our page has caused us to evaluate our website and review the suggestions that are given by ACRE and try to implement them into our site. We look forward to the transparency report and try to improve in our ranking each time. We also review the top ranked sites and learn from their rankings and recommendations.

**LISA LAWRENCE, Craighead County Administrator**

# 2023 ARKANSAS LEGISLATIVE SESSION

**THE ARKANSAS GENERAL ASSEMBLY** convened for the 2023 general session on January 9, 2023. Over the weeks and months that followed, the Legislature considered bills on a wide variety of issues affecting individuals and businesses in Arkansas. Researchers at ACRE were hard at work since the last legislative session conducting basic research in our primary policy areas of government transparency, labor market regulations (especially occupational licensing), and fiscal policy (both tax and spending issues).

Based on this research, ACRE put together a list of its Top 10 Policy Goals for the 2023 legislative session. These policy goals encompass major reforms that legislators could implement which ACRE's research and the research of other academics suggest will improve the economic fortunes of Arkansans.

# Summary of Top 10 Policy Goals

## **Occupational Licensing**

1. Universal recognition of licenses from other states
2. Lowering barriers to obtaining licenses such as unnecessary educational and training requirements
3. Using less restrictive regulations than occupational licensing, such as registrations and certifications

## **Taxes and Spending**

1. Structural changes to the state budget, such as a “tax and expenditure limit” which puts a limit on state government growth
2. Continuing the reductions in personal and corporate income taxes that began in 2015
3. Targeted spending reforms, especially by learning from other states that spend more efficiently than Arkansas
4. Reducing state spending on targeted economic development incentives

## **Government Transparency**

1. Expanding transparency at the local level
2. Fiscal transparency for first-class cities in Arkansas, following successful transparency reforms for counties in Arkansas in recent years
3. Transparency for federal influxes of funds, such as the various federal assistance plans passed during the pandemic





ACRE Policy Analyst Zachary Burt provides testimony before Senate State Agencies and Governmental Affairs Committees.

## Legislative Wrap-up

Several bills in the legislative session addressed ACRE’s key areas of concern.

### Occupational Licensing

Act 457 of 2023 made significant improvement in interstate cooperation and lowered barriers for professionals who wish to move to Arkansas. This act provides for automatic license recognition for any out-of-state license holder who moves to Arkansas, allowing them to get to work after moving here much more quickly. License holders will be granted Arkansas licenses upon moving to the state as long as they have held the license in their previous state for one year and are in good standing. The bill was weakened to some extent from its original form, changing from saying licensing boards “may” administer an Arkansas-specific exam to an out-of-state , but the final bill says that they “shall” administer the exam. This change takes away flexibility from the licensing boards and slows down what would have been a more efficient recognition process, but the reform is still good and significant overall.

Three bills this session joined Arkansas to existing licensing compacts. These compacts are a related, but distinct, concept to universal licensing recognition. Act 257 joined Arkansas to the

Occupational Therapy Licensing Compact, Act 260 joined the state to the Counseling Compact, and Act 301 joined us to the Audiology and Speech Language Pathology Interstate Compact. These three acts are excellent steps towards getting more qualified healthcare and mental healthcare professionals to move to Arkansas.

In addition to these good steps forward, Arkansas also created or expanded at multiple occupational licenses, such as a new license for behavioral analysts (note: Governor Sanders vetoed this bill) and an expansion of the existing auctioneer license. These licenses will only add to the burden of licenses in Arkansas, and is especially worrying given that according to a recent report from the Archbridge Institute, Arkansas already has the most occupational licenses in the nation.

## Taxes and Spending

(Left to Right)

ACRE Director Jeremy Horpedahl provides testimony before the House State Agencies and Governmental Affairs Committee.

ACRE Analyst Joseph Johns provides testimony before the House Revenue & Taxation Committee.

Changes to tax and spending policy can take both large and small forms. This session saw a number of small reforms pass with regard to state income taxes, but there were also some major reforms of local sales taxes.

ACRE's big idea for tax and spending reform on our Top 10 list was a "tax and expenditure limit" (TEL), a policy that about half of US states, including all of Arkansas's neighbors, already have. While a big change like this can take a long time to build public support



– as it should for a major change – there was an important first step. Rep. Wayne Long proposed a constitutional amendment that would establish a TEL in Arkansas, which he called the Arkansas Taxpayer Bill of Rights. The legislature did not refer that amendment to the voters this year, but we are optimistic that it will start future conversations about this kind of tax and spending reform.

On state income taxes, the legislature passed another slight reduction in both personal and corporate income tax rates, lowering both by two-tenths of a percentage point (the top personal rate is now 4.7 percent). While this was a small reform, it is still important, and continues along the path that the legislature has taken in almost every session since 2015. Cumulatively, these small tax cuts have created large reductions in income taxes for middle class families of almost a thousand dollars per year.

One other major set of tax reforms was passed that will limit local sales tax increases. Through the passage of two bills this year, Arkansas both required local A&P taxes to be approved by the public (before this, no public vote was required) and set strict limits on when all local tax elections can be held. Cities, counties, and school districts will now have just two fixed dates each year (in May and November) to hold local tax elections. This reform was not on our Top 10 list, but it is one that ACRE has been working on for years. Additionally, another good corporate tax reform was enacted – repealing the throwback rule – which Arkansas has suggested for years beginning with our 2016 book on tax reform.

## Government Transparency

While none of ACRE’s proposed Top 10 ideas for government transparency were passed, this doesn’t mean that we weren’t busy in this area. To the contrary, there were several bills proposed during the session which would have reduced local government transparency, and ACRE followed all of these bills, testified before the legislature multiple times, and published an op-ed explaining why these bills would reduce transparency.

Even though no transparency bills were passed from the Top 10

ACRE Policy Analyst Dr. Joyce Ajayi provides testimony before the Senate City, County, and Local Affairs Committee.



list, towards the end of the session, two bills were filed that would have greatly expanded the political transparency of public meetings and the financial transparency for cities in Arkansas. Given how late the bills were filed, they didn't end up becoming law, but we look forward to similar bills being filed in future sessions that will establish the same transparency in Arkansas cities that ACRE helped establish for Arkansas counties in 2019.

The challenges with government transparency in Arkansas were demonstrated in many ways, including several attempts to limit Arkansas's FOIA law, which is generally regarded as among the best in the nation. ACRE's advice to policymakers doesn't always involve recommending new legislation, but often takes the form of preventing bad changes from happening.

## **Arkansas Special Session Roundup: Legislature Accelerates Tax Cuts**

Before the main legislative session in January 2023, the Arkansas Legislature also held a special session in August 2022 to focus exclusively on accelerating income tax cuts it passed during special session of late 2021. The legislature chose to move the tax cuts forward due to a historic state surplus of over \$1.6 billion as of June 30, 2022.

SB1 lowered the top marginal individual income tax rate to 4.9 percent beginning this tax year. This means that taxpayers earning over \$23,600 will have their top income tax rate lowered by 0.6 percentage points starting immediately (the tax cuts are retroactive to the beginning of 2022). Under the prior legislation, this change would have taken an extra three years to take effect. The passage of SB1 ensures that middle-income earners will keep more of their hard-earned income starting just next year. The legislation also provides a \$150 tax credit for inflation relief to single taxpayers earning up to \$87,000, and a \$300 credit for married couples filing jointly (with higher income limits). This acceleration from last year's tax cuts comprises more than half of the total savings to Arkansas families who will file next year.



ACRE Director Dr. Jeremy Horpedahl discussed state budget surplus and special legislative session on Arkansas Week

SB1 also hastens the reduction in the top corporate income tax rate from 5.9 percent to 5.3 percent, providing another 0.6 percent drop in corporate income tax burdens, effective in 2023.

A single filer in Arkansas earning the median household income of around \$50,000 who files next year can expect to save around \$214 from the adoption of SB1. Those who earn as much as \$84,500 will save around \$421 as a result of the legislature’s actions during the special session. These are permanent tax cuts and are in addition to the one-time \$150 credit that they will receive in 2022.

These changes are an important step forward, but more can be done to ensure Arkansas is keeping pace with its neighboring states. The bill also accelerated the income tax cut for Arkansans earning above \$84,500 to 4.9 percent.

The legislature also adopted a \$50 million school safety plan, utilizing only a fraction of the over \$1.6 billion surplus the state has generated over the past two years. The accelerated income tax reductions, the inflation relief credit, and the modified business deduction expensing changes will cost the state around \$500 million in FY 2023, making them the largest income tax reductions in state history. For future tax years, the Department of Finance and Administration, projected the accelerated income tax cuts would continue to decrease state revenues by \$166.6 million more in fiscal year 2024, and another \$96 million cumulative over the following three fiscal years, compared with the prior baseline of tax revenue.

SB1 also conforms Arkansas tax code to the current Section 179 of the federal tax code “which provides an income tax deduction for the expensing of certain property.” This change would increase the business property expense deduction, from its current \$25,000 under



Arkansas state law to \$1 million and allow for immediate expensing rather than depreciating the assets over time. By matching the federal tax code this will simplify taxes and decision making for businesses in Arkansas, while also encouraging capital investment.

In previous writings, ACRE Director Dr. Jeremy Horpedahl and ACRE Policy Analyst Joseph Johns discussed more actions that could be taken to return excess revenue collections to taxpayers during the special session as well as during the upcoming 2023 regular session. ACRE will continue these efforts to reform state budgeting rules that could provide a more prosperous economic future for all Arkansans.





# ACRE'S ACADEMIC FOOTPRINT

From K-12 to graduate school, ACRE provides students and educators with tools, resources, and opportunities to expand economic knowledge and encourage scholarship. Economic education is foundational to ACRE's mission to promote Arkansas-focused economic solutions that respect the personal and economic freedoms of individuals, because protecting and expanding these freedoms has a proven record of improving the lives of people around the world and here at home.

## 2022–2023 ACRE Fellows

Our undergraduate research fellows produce real, publishable research in topics related to ACRE's mission such as occupational licensing, taxes, government spending, and more. These highly-competitive paid positions give students the opportunity to focus on research, get valuable feedback from ACRE staff and fellow researchers, and offer chances to present their research in academic settings.



**Claire Coon**

Claire Coon is from Batesville, Arkansas. She will graduate in December of 2023 with a major in Logistics & Supply Chain Management and a minor in Economics. Following graduation, she plans to pursue a career in the field of supply chain management. In conjunction with her faculty mentor, Dr. Collin Hodges, Claire is researching the impact of state-level economic freedom on opioid overdose deaths across the United States.



**Seth Schonauer**

Seth Schonauer is a senior Economics major (Biology minor) from Bentonville, Arkansas. He and his faculty mentor Dr. Jeremy Horpedahl are currently developing a model to estimate the lost tax revenue that results from the ban some Arkansas counties have on retail alcohol sales. After he graduates in May of 2023, Seth will attend law school.



**Takahito Orr**

Takahito Orr is a senior Economics major with a minor in Actuarial Sciences. Along with his faculty mentor Dr. Thomas Snyder, has been examining the impact of special interests on state-level occupational licensure reform in the United States. Takahito is currently working to obtain his actuarial certifications and after graduation will pursue a career as an actuary.

## ACRE Awards 70 Scholarships this Academic Year

Each semester, ACRE gives UCA students the opportunity to apply for scholarships by participating in one of its weekly reading groups, such as the economics group, law group, philosophy group and Biz@Bear group. This academic year \$28,700 was awarded for 70 reading group scholarships among 59 students.

“The goal of these groups,” explains ACRE Director and Associate Professor of Economics Jeremy Horpedahl, “is to get students thinking and talking about interesting ideas.” Students have an opportunity to learn from each other and interact with professors in a more casual environment. Students of all majors are encouraged to apply and those accepted are responsible for weekly readings and discussions.

Reading Group participants often receive opportunities to travel. This March, 13 UCA students in the ACRE Economics Reading Group participated in a summit at Southern Methodist University. UCA, SMU, and Northern Michigan students met with Economist Ed Glaeser from Harvard University. Dr. Glaeser authored several of the group's readings.

Past reading group topics include “Economics, Evolution and the Environment,” “Capitalism, Socialism, and Human Flourishing,” “Landmark Supreme Court Cases,” and “Dr. Seuss and Philosophy.”

In addition to its reading groups, ACRE also provides student scholarships to its annual colloquium, which brings together students and faculty from universities across Arkansas. ACRE provided \$3,500 in scholarships to this year's event, “The Terrors of the First Night: Taverns, Commerce, and the Violent Birth of British-American “Liberty” 1765 — 1766,” which was held at the Winthrop Rockefeller Institute. Seven UCA students received scholarships to attend, along with 13 students from other Arkansas universities.

## 2023 Spring Colloquium

Arkansas Center for Research in Economics Presents

THE TERRORS OF THE FIRST NIGHT:  
TAVERNS, COMMERCE, AND THE VIOLENT  
BIRTH OF BRITISH-AMERICAN 'LIBERTY,'  
1765-1766

Weekend Colloquium - March 31-April 2



Keynote Speaker:

**Vaughn Scribner**

Assistant Professor of History -  
University of Central Arkansas

For more information and to apply, visit

[www.uca.edu/acre/reading-groups-colloquia](http://www.uca.edu/acre/reading-groups-colloquia)

"Liberty" remains one of the most divisive--and muddled--ideologies in America. This lecture demonstrates how British-American tavern goers' violent protests against the Stamp Act Crisis (1765-6) revealed the commercially- and imperially-driven origins of American liberty, and how community, class, commerce, and coercion still fundamentally guide America's messy notions of liberty and political power.



The ACRE annual colloquium brings together students and faculty from universities across Arkansas to talk about a variety of readings and topics related to ACRE's mission. Some past topics have included "The Political Economy of Special Interest Groups" and "The Morality of Profit."

The Spring 2023 Colloquium, held March 31 through April 2 at the Winthrop Rockefeller Institute near Petit Jean State Park, welcomed keynote speaker Vaughn Scribner, Assistant Professor of History at the University of Arkansas. Dr. Scribner's presentation was "The Terrors of the First Night: Taverns, Commerce, and the Violent Birth of British-American 'Liberty' 1765 — 1766." Seven students attended from UCA, 13 from other Arkansas colleges and universities, and another 20 individuals including professors from across the state as well as ACRE researchers.





## Reading Group Highlights

### Spring 2023

“Cities, Local Government, and Local governance,” led by Dr. Collin Hodges & Dr. Thomas Snyder, was the theme for the Economics Reading Group. Students read and discussed works by economists, political scientists, and urban scholars – such as Nobel Laureate Elinor Ostrom, Edward Glaeser, Jane Jacobs, Gordon Tullock, Anthony Downs, and Richard Florida – that examine the economics of cities. Participants explored questions such as: Why are cities important? Why are some cities shrinking? Why are some cities growing rapidly? Is urban sprawl good or bad? What should local government do? What can the private, voluntary sector do that government normally does? Are many, small local governments better than one large one?

Reading Group participants often receive opportunities to travel. This March, 13 UCA students in the ACRE Economics Reading Group participated in a summit at Southern Methodist University. UCA, SMU, and Northern Michigan students met with Economist Ed Glaeser from Harvard University (below, right). Dr. Glaeser authored several of the group’s readings.

ARKANSAS CENTER FOR RESEARCH IN ECONOMICS

SPRING 2023  
ECONOMICS READING GROUP

**CITIES, LOCAL GOVERNMENT,  
AND LOCAL GOVERNANCE**

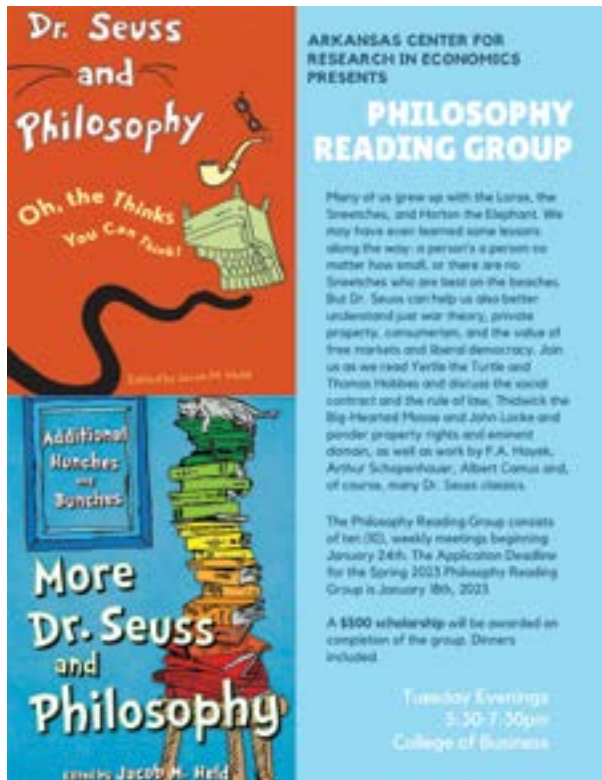
Co-led by Dr. Collin Hodges & Dr. Thomas Snyder

Apply today for early consideration.  
Application deadline is Wednesday, January 18th.

**ACRE** **MONDAY EVENINGS**  
**5:00-7:00 PM**  
**COLLEGE OF BUSINESS**

Open to all majors Dinner provided. A \$500 scholarship will be awarded to each student upon completion of the program. Join us for a semester of engaging discussion!  
Visit [uca.edu/acre/acre-reading-group](http://uca.edu/acre/acre-reading-group) or scan QR code more information.





Dr. Jacob Held, Professor of Philosophy and Assistant Provost at UCA, led the Spring 2023 Philosophy reading group in which students read Yertle the Turtle and Thomas Hobbes and discussed the social contract and the rule of law, Thidwick the Big-Hearted Moose and John Locke, and pondered property rights and eminent domain, as well as work by F.A. Hayek, Arthur Schopenhauer, Albert Camus and, of course, many Dr. Seuss classics. Topics included: John Rawls and distributive justice; Marxism, Alienation and Consumerism; Business Ethics, Milton Friedman, and the rights of stakeholders; authority, law, and civil disobedience; jus ad bellum, jus in bello, and the use of military force; egoism and the virtue of philanthropy; natural law and

natural rights; suffering, the absurdity of life, and existentialism.

Dr. Held has published over 30 essays on philosophy and popular culture. His books include *Dr. Seuss and Philosophy: Oh, the Things You Can Think!* (2011) and *More Dr. Seuss and Philosophy: Additional Hunches in Bunches* (2018), as well as *Wonder Woman and Philosophy: The Amazonian Mystique* (2017), *Stephen King and Philosophy* (2016), and *James Bond and Philosophy: Questions are Forever* (2006, with James B. South).



## Fall 2022

### “The Role of Government in a Free Society”

Participants in the Economics Reading Group, led by Dr. Collin Hodges and Dr. Thomas Snyder, read and discussed works by scholars such as Adam Smith, J.S. Mill, John Locke, and Karl Marx, as well as more contemporary works by Milton Friedman, Friedrich Hayek, Robert Nozick, and John Rawls. These works allowed students to examine what a variety of economists, political philosophers, and public policy experts have contributed to this topic.



(Top to Bottom)

Fall 2022 Economics Reading group participants with ACRE faculty and keynote speaker David Boaz from the Cato Institute.

Students in the ACRE Economics Reading Group participate in the 2022 Summit at Southern Methodist University.

### “Landmark Supreme Court Cases”

Over the course of ten weeks, students in the Philosophy and Law Reading Group (pictured below) led by Dr. Jacob Held and Dr. Anthony McMullen read major Supreme Court opinions covering topics such as economic freedom, federalism, equal protection, privacy, and intellectual property rights. Working through these decisions will help students develop an appreciation for the rule of law, Constitutionalism, and the role the judicial branch plays in our government and how it can affect businesses.



Fall 2022 Philosophy and Law reading group



### Women in Economics Field Study

Recently, ACRE Policy Analyst Dr. Joyce Ajayi and ACRE Program Coordinator Terra Aquia led an ACRE-sponsored travel opportunity to the Federal Reserve Bank of St Louis. Four UCA students from the UCA College of Business (Madison Peyton, Sophomore Economics Major; Brenna Dobson, Junior Data Analytics Major; Sydney Klein, Freshman Marketing Major; and Mariah Manning, Sophomore Economics Major) attended the Women in Economics Symposium. This annual symposium began in 2018 at the St. Louis Fed, along with the Women in Economics Podcast Series with the goal of connecting young women with accomplished women in the economics profession.

At the 2023 symposium, speaker Stephanie Aaronson, a Senior Associate Director, Division of Research and Statistics for the Federal Reserve Board of Governors and Daryl Fairweather, Chief Economist at Redfin, shared personal experiences of studying economics and then learning where they wanted to apply their knowledge in the workplace. They answered several questions from student attendees about graduate and PhD programs, finding entry level positions in economics fields, what skills and talents to highlight, and how to navigate salary negotiations.



## Speaker Series

Each fall and spring ACRE invites noteworthy academics to share their research and expertise with students and the larger community through the ACRE Speaker Series. These events provide opportunities for students and faculty alike to broaden their understanding of current research topics, a chance to meet leading academic minds, and experience economic liberty through sometimes unexpected points of view.

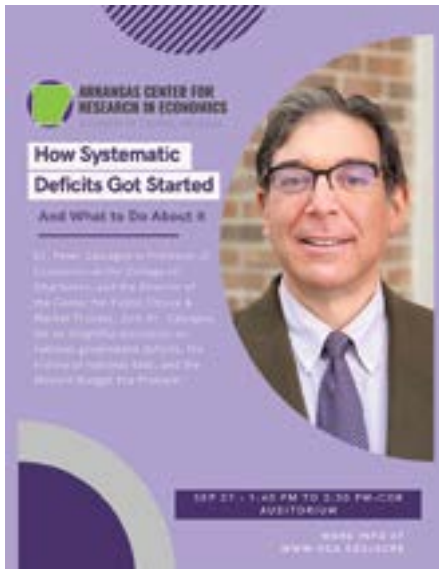
### Fall 2022

#### Kasia Tarczynska, “The Pitfalls of Targeted Economic Incentives”

Every year large companies extract about \$95 billion from state and local governments through so-called economic development incentive programs. These company “incentives” can take the form of tax breaks, cash grants, discounted land and many other types of public support. Unfortunately, not enough is known about whether companies are creating jobs or investing as they promised when they got the subsidies – or even, in many cases, which companies even received a subsidy. Ms. Tarczynska’s presentation discussed economic development subsidy programs, issues with those policies, and the need for greater transparency. The presentation also discussed our recent evaluation of state-level economic development programs in all 50 states plus DC.

Kasia Tarczynska is a Senior Research Analyst at Good Jobs First, a national resource center that promotes corporate and government accountability in economic development. Kasia joined Good Jobs First with experience in community development and organizing. At Good Jobs First, she performs various research on transparency and accountability of state and local economic development practices and programs, provides technical assistance to partner organizations, elected officials and journalists, and manages Subsidy Tracker





and Amazon Tracker databases. She has a Masters in Urban Planning and Policy from the University of Illinois at Chicago. Kasia is originally from Poland.

### **Dr. Peter Calcagno – How Systematic Deficits Got Started**

Dr. Peter Calcagno is Professor of Economics at the College of Charleston, and the Director of the Center for Public Choice and Market Process. He is a Public Choice and Public Policy Project Fellow with American Institute of Economic Research. Dr. Calcagno’s areas of research include applied micro-economics, public choice, and political economy. In addition to authoring numerous journal articles and book chapters, he is the editor of *Unleashing*

*Capitalism: A Prescription for Economic Prosperity in South Carolina*.

Dr. Calcagno’s presentation at UCA addressed questions such as

- Why has the national debt grown year after year?
- Why have attempts to stop the growth of the national debt failed?
- What strategies for controlling the national debt would be effective?

### **Spring 2023**

The Spring 2023 guest speakers included Nolan Gray, Marcus Witcher, and Meg Tuszynski.



### **Nolan Gray – How Zoning Broke the American City and How to Fix it**

From Los Angeles to Little Rock, conversations are underway across the country about how to remove zoning barriers that have made cities unaffordable, stagnant, inequitable and sprawling. In this talk, California NIMBY research director M. Nolan Gray surveyed the evidence and made the case for land-use liberalization.



### Dr. Marcus M. Witcher — Black Entrepreneurship: Building the Foundation for Freedom

In this talk, Dr. Witcher discussed the efforts by black businessmen and businesswomen, entrepreneurs, mutual aid societies, and voluntary organizations in creating networks of black Americans who contributed to the success of the Civil Rights Movement (CRM) in the 1950s and 1960s. He argued that without entrepreneurship and civil society it is unlikely that the CRM would have been successful. He discussed the efforts of Booker T. Washington, W.E.B. DuBois, Madam C.J. Walker, The National Negro Business League, the NAACP, the Black Elks, John Johnson, TRM Howard, and others in this talk -- largely taken from chapter six of his book, *Black Liberation Through the Marketplace* (co-authored with Rachel Ferguson).



### Dr. Meg Tuszynski – Economic Freedom: What It Is, and Why It Matters

What is the proper role of government in a free society? Should it act as an umpire, or an active participant in the economic game? According to Meg Tuszynski, managing director of the Bridwell Institute for Economic Freedom, flourishing societies require governments to protect property rights and enforce contracts, but refrain from doing much else. This isn't just conjecture. Dr. Tuszynski and her team at the Bridwell Institute work each year to update the *Economic Freedom of North America* and *Economic Freedom of the World* indices, and conduct research exploring the benefits of free societies. In this talk, Dr. Tuszynski discussed the cornerstones of the indices, detail recent trends in economic freedom at both the country- and state-level, and examined some of the broader impacts of economic freedom.







ACRE Director Jeremy Horpedahl, Dr. Andrew Holt, and UCA Professor of Economics Joe McGarrity.

Three former ACRE/Economics Finance, Insurance, Risk Management students delivered presentations as part of the Spring Speaker Series or paper workshops, which occur during the series. Each former student now hold PhDs and academic jobs — Marcus Witcher, Hannah Musso, and Andrew Holt. Congratulations to these alumni for their achievements. We at ACRE are honored to be a part of their story.

## A Big Year for K-12

In 2018, ACRE expanded its educational programs and learning opportunities to Arkansas K-12 audiences. Since then, ACRE has worked with hundreds of educators to incorporate economic topics into their classrooms using engaging lesson plans, activities, games, discussion guides, and other hands-on resources—all developed by Arkansas university scholars. ACRE provides regular professional development events for educators as well as a variety of student competitions and programs like the Arkansas Economics Challenge and Biz@Bear Jamboree.

2022-2023 has been an exciting year for the ACRE Social Studies Library, hosting a variety of fun in-person events for Arkansas educators and students, while continuing to provide virtual opportunities like the Economics Nobel Prize webinar series and a 1-hour professional development series with UCA professors for secondary social studies educators.

# BY THE NUMBERS

26 Professional Development workshops

890 PD Hours Awarded to AR educators

20 New Hands On Activities play-tested in AR Classrooms

3000 Visitors to the Social Studies AR website

250 ACRE Curriculum & Activity Kits sent to Arkansas Classrooms

7 ACRE in the Classroom sessions



## ECON CHALLENGE 2023 LIVE @ THE UCA COB MARCH 14, 2023

- 24 high school students from
- Arkansas School for Math, Science, and the Arts
  - Bentonville West High School
  - Heas Hall Academy
  - Ozark High School



## NEW ADDITIONS TO THE ACRE CURRICULUM LIBRARY

### Fall 2022:

**Budget Building Basics**  
Dr. Kathryn Carroll

**Federal Spending: Taxation, Debt, & Deficits**  
**Student Activity Guide**  
Terra Aquia



### Spring 2023:

**College & Career Readiness**  
Dr. Mike Casey

**The Basics of Taxation**  
Dr. Mike Casey

**Teaching Economics with the Works of Adam Smith**  
Terra Aquia



## ACRE Receives Grant

In Summer 2023, ACRE and Economics Arkansas partnered on a new series of educator professional development workshops, Arkansas Delta's Economic Heritage: A Summer Tour. These workshops were provided all around the state thanks to a generous \$10,000 grant from the Arkansas Humanities Council & the National Endowment for the Humanities. Workshops were led by ACRE Program Coordinator Terra Aquia. Attending K12 teachers learned about the economic history of the Arkansas delta as well as the present day industries that contribute to the economy of our state. Teachers also received a variety of ACRE & EA curriculum and resources to take back to their classrooms. Kudos to ACRE's K12 Programs Coordinator for her leadership on this project.



**SUMMER 2023  
PROFESSIONAL  
DEVELOPMENT  
OPPORTUNITIES**

**DELTA HERITAGE  
SITE SERIES:**

- JUNE 8, 2023  
DYESS, AR**
- JUNE 14, 2023  
PIGGOT, AR**
- JUNE 21, 2023  
LAKE VILLAGE, AR**
- JUNE 27, 2023  
HELENA, AR**
- JULY 6, 2023  
TYRONZA, AR**
- JULY 13, 2023  
TILLAR, AR**

**ECON DAY AT UCA  
JUNE 2, 2023**

**ECONOMICS  
ARKANSAS REAL  
CONFERENCE  
JULY 19-20, 2023**

**PERSONAL FINANCE  
DAY AT UCA  
AUGUST, 2023**

THIS SERIES WAS MADE  
POSSIBLE THROUGH A  
GENEROUS GRANT FROM THE  
ARKANSAS HUMANITIES  
COUNCIL



# ACRE ACCOLADES

## **Horpedahl Receives Double Honors**

### **UCA College of Business Societal Impact Award**

ACRE Director Jeremy Horpedahl is well known in the region for sharing his expert testimony with the Arkansas Legislature, as well as with the general public in the newspapers and on television. On Twitter, he helps citizens understand how to tell fact from fiction and often dispels incorrect statistics and rumors. He is also a regular contributor to Economist writing every day. This new award was created to encourage societal impact, such as Dr. Horpedahl's impact on countless students and citizens.

### **Steve Horwitz Award for Public Scholarship**

Dr. Horpedahl received the first Steve Horwitz Award for Public Scholarship from the Society for Development in Austrian Economics. This award recognizes scholars who demonstrate a sustained series of contributions aimed at bringing sound economic reasoning to a broader audience than academic research or teaching alone.

### **ACRE Analysts' Research Published in *Southwest Business and Economics Journal***

"Developing a Guide for the One-Time Influx of COVID-19 Relief Funds in Local Governments: Lessons from Arkansas," written by ACRE analysts Joyce Ajayi, Joseph Johns, Mavuto Kalulu and co-writer Ashley Phillips was published in Vol. 28.

### **ACRE Analyst Joyce O. Ajayi Successfully Defends Dissertation**

Joyce Ajayi defended her doctoral dissertation within the UCA Graduate School and Department of Leadership Studies on November 13. The title of her dissertation is "Power, Actor Interaction, and Transparency in Public Sector Systems from a Complexity Leadership Approach."



## Dr. Mavuto Kalulu Receives Faculty Position

Dr. Mavuto Kalulu, ACRE Policy Analyst, took on a new role within the Department of Economics, Finance, Insurance and Risk Management (EFIRM) in 2022-23. His new position as Assistant Professor of Economics is well-earned and he continues to be a source of expertise to ACRE’s policy research.

## Speaking Engagements

- ACRE Director Dr. Jeremy Horpedahl presented at the Southern Economic Association in November 2022, as well as to students at Samford University in Alabama in March 2023.
- In May 2023, Dr. Horpedahl spoke to attendees of Arkansas Boys State at UCA. Boys State is a very well-known leadership and civic education program for high school juniors. Dr. Horpedahl spoke about “What Economics Can Teach You About Politics.”
- ACRE Policy Analyst Joseph Johns and Program Coordinator Terra Aquia led presentations before students at Ball State University this spring.
- The Arkansas Political Science Association held their annual conference at the UCA College of Business, and featured a wide array of subject matter experts and topics ranging from economics to history. ACRE Policy Analysts Joseph Johns and Dr. Joyce Ajayi, Professor of Economics and ACRE Scholar Dr. Thomas Snyder and ACRE Fellow Takahito Orr were among those presenting at the well-attended event.

ACRE Program  
Coordinator  
Terra Aquia



ACRE Policy  
Analyst  
Joseph Johns



Dr. Thomas Snyder

## ACRE Says Farewell to Policy Analyst Zachary Burt



Zachary Burt began his career with ACRE in 2019 as a program assistant. Since then he has taken responsibility for leading the organization's research and analysis of occupational licensing and property rights. He graduated from the University of Arkansas Little Rock with a BA in anthropology and a minor in history, and a Master of Public Administration. Zachary has authored numerous opinion pieces in his area of expertise and provided invaluable testimony during the Arkansas Legislative Session. Zachary's presence at ACRE will be missed, but we wish him success in his next chapter.



# MEDIA AND OUTREACH

**ACRE EXPERTS SPOKE OUT** on a number of topics related to the legislative session, current economic concerns, transparency, and education. From blog posts and op-eds, to interviews on television, radio and in print, ACRE was sought out as a trusted source of public information. The examples below illustrate the scope of ACRE's input into issues affecting Arkansans.



## The Wall Street Journal

ACRE Director Dr. Jeremy Horpedahl and his co-author's work, "The Cost of Thriving Has Fallen" was highlighted in the most circulated newspaper in the U.S.: *The Wall Street Journal*. The article discusses two estimates/perspectives on whether the cost of thriving is higher or lower now than in the 1980s. (*June 2023*)

## Arkansas Week, Arkansas PBS

ACRE Director Dr. Jeremy Horpedahl - Debt ceiling (*May 2023*), economic outlook (*Feb 2023*), student loans (*Sept 2022*), recession and special legislative session (*Aug 2022*).

## KTHV

- Dr. Horpedahl – Federal government debt default (*May 2023*)
- Dr. Horpedahl – Construction workers shortage (*May 2023*)
- Dr. Horpedahl – Possible rail strike (*November 2022*)
- Dr. Horpedahl – Candy inflation at Halloween (*October 2022*)
- Dr. Horpedahl – Impact of inflation on teachers (*August 2022*)
- Dr. Horpedahl – New business in Little Rock (*August 2022*)
- Dr. Horpedahl – Inflation at grocery stores (*September 2022*)

## KARK

- Dr. Horpedahl – Candy inflation at Halloween (*October 2022*)

## Dave Elswick Show, 101.1 FM

- ACRE Director Dr. Jeremy Horpedahl – Legislative session, transparency (*March 2023*)

## Financial Times (*April 2023*)

- Dr. Horpedahl – Millennials and financial security

## Newsweek (*February 2023*)

- Dr. Horpedahl – Government spending in new administration

## THEHILL.COM (*January 2023*)

- Dr. Horpedahl – National GDP

### Flavor Magazine English/ Spanish (November 2022)

- Dr. Horpedahl – Inflation, interest rates, and recession

### University of Arkansas, Arkansas Public Policy Center

- ACRE research is cited in article about special election legislation (March 2023)



### Op-Eds

#### *Arkansas Democrat Gazette*

- What matters: Public meetings must be transparent – Dr. Joyce Ajayi (April 2023)
- No. 1, sadly: Occupational licensing burden – Dr. Thomas Snyder (March 2023)
- December federal deficit hits \$85B – Dr. Jeremy Horpedahl (January 2023)
- Better deserved: Panel needs to look at licenses anew – Zachary Burt (December 2022)
- Losing workers: Universal licensing can help state – Dr. Thomas Snyder (October 2022)
- Be transparent: How were covid funds used in state? – Dr. Joyce Ajayi (September 2022)
- Separate duties: Safeguard government assets – Dr. Mavuto Kalulu (August 2022)
- Give it back: Arkansas taxpayers deserve a break – Dr. Jeremy Horpedahl (July 2022)

### ACRE Newsletter

Prior to the 2023 legislative session, ACRE reactivated its external e-newsletter. The publication typically reached around 160 subscribers and delivered legislative updates and ACRE events such as the Spring Speaker Series. Topics covered in the newsletters were expanded upon in the ACRE Review.



Jeremy Horpedahl, an economist at the University of Central Arkansas who writes frequently on generational wealth comparisons, notes that broken out per capita, millennials are tracking preceding generations, and that student debt distorts the picture “by overstating liabilities and understating assets. Over their lifetime, that human capital will give them even greater earning potential,” he writes. “Much like Gen X basically tracked boomers until their mid-40s, until their student loans were paid off, and their degrees ... really started to pay off in the labor market.”





### ACRE Review Blog Posts

- Arkansas Center for Research in Economics Awards 70 Scholarships this Academic Year (*May 2023*)
- Transparency at the Local Level: Report Shows Progress, but Work Still Needed (*April 2023*)
- Legislative Session Wrap-Up: ACRE's Top 10 Revisited (*April 2023*)
- A Taxpayer Bill of Rights in Arkansas? (*April 2023*)
- What's Happening with Corporate Taxes in Arkansas? (*March 2023*)
- Shedding Light on FOIA: Celebrating Sunshine Week and Promoting Transparency (*March 2023*)
- Occupational Licensing-related Bills will Benefit Arkansans (*March 2023*)
- UCA Undergraduates Attend Women in Economics Symposium (*March 2023*)
- ACRE's Mid-Session Legislative Update (*February 2023*)
- Expanding Government Transparency in Arkansas: Why House Bill 1399 Matters (*February 2023*)
- Where Does Arkansas Stand on Universal Licensing Recognition and How Can it Improve? (*February 2023*)
- State Solutions to Local Tax Burdens (*January 2023*)
- Does School Choice Hurt Students Left Behind in Traditional Public Schools? (*January 2023*)
- Taxes and Inflation in Arkansas (*January 2023*)
- Recent Tax Cuts in Arkansas Haven't Cut Into the State Budget (*January 2023*)
- ACRE's Top 10 Policy Goals for the 2023 Arkansas Legislative Session (*January 2023*)
- Shining the Light on COVID-19 Relief Funds for Arkansas (*October 2022*)
- Arkansas Celebrates Historic-Low Income Tax Rates (*October 2022*)
- Arkansas Special Session Roundup: Legislature Accelerates Tax Cuts (*August 2022*)
- What Should Arkansas Do With Its Budget Surplus? Better Budget Rules Are Needed in the Future (*August 2022*)

# ACRE: Our People



**Jeremy Horpedahl, PhD**

**Director**



**Joyce Ajayi, PhD**

**Policy Analyst**



**Terra Aquia, MAT**

**Program Coordinator**



**Zachary Burt, MA**

**Policy Analyst**



**Joseph Johns, MA**

**Policy Analyst**



**Suzanne Massey**

**Administration**



**Michelle Stoll**

**Communications Manager**

## ACRE-AFFILIATED UCA ECONOMICS FACULTY



**Rania Al-Bawwab, PhD**

**ACRE Visiting Professor**



**Jacob Bundrick, MS**

**ACRE Affiliated Scholar**



**Collin Hodges, PhD**

**ACRE Undergraduate Research Fellows Coordinator**



**Mavuto Kalulu, PhD**

**ACRE Affiliated Scholar**



**Thomas Snyder, PhD**

**ACRE Affiliated Scholar**



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