

Some Paper Ideas

Commercial v. Recreational Fishing
Shrimp stock v. catch
Global warming
Mandatory seatbelt use
Private v. public charity
Publicness of education
Plagiarism
Payday lending
Religion
Congestion (HOV lanes, immigration)
Franchising
Drugs (development, pricing)
Network goods
Regulation of the insurance industry (history, theory & evidence)

Increasingly, scarcity of fisheries pit commercial use against recreational fishing. Optimal allocation of the fishery should follow the equi-marginal principle. The division of claims should be such that the last unit has the same marginal benefit to one group as another. Consider the tuna fishery. Attempt to measure or at least define in principle the correct measurement of the marginal benefits to each group. It is important to do an extensive review of the literature because many issues have been addressed, although I do not think that this one has received appropriate attention. Here are some points that should be addressed: (1) For commercial fishing, costs are costs. For recreational fishing, costs represent a component of the benefits. When a recreational fisherman buys a new fishing rod, it reflects the enjoyment that he gets from the sport. When a commercial fishing boat buys a new winch, it is an expense that lowers the marginal value of the last fish caught. (2) How should the units of the fishery be measured? Commercial fishing is measured in tons of product taken to market. However, this overlooks by-catch which is the caught, killed, and discarded aquatic life. Some, maybe much of this would be valuable product to recreational fishermen.

A practical question of fisheries management involves shrimping along the eastern coast of the United States. As they say, "Friends don't let friends eat imported shrimp," which is to say that the local shrimp industry is being put out of business by imported, farm raised shrimp. (The Clemson ag. people raise shrimp in a saltwater green house out near the golf course.) One question raised by imported shrimp is whether a natural equilibrium will unfold where the reduced domestic shrimp fleet will result in a larger shrimp population that will lower the cost of shrimping thus maintaining a competitive presence in the market. The second issue is how is such an equilibrium promoted or disrupted by regulation.

Global warming is a hot topic. (hummm....) Several economists have addressed the issue of benefits v. costs of global warming. That is, regardless of whether the fact of global warming is within the control of mankind, if it occurs will it result in increased or decreased social welfare. A metric of social welfare must be defined and discussed. After that, an assessment or method of

assessment of the benefits and costs must be done. I believe that all of this has been addressed in the literature, so this paper is intended to be a quality review of the literature.

A popular argument in the opinion press is that mandatory seat belt use is efficient. Alternatively, an argument often attributed (probably apocryphally) to Armen Alchian is that instead of seat belts, the steering column should have a dagger that will dispatch quickly bad drivers. Both arguments are extreme on some margins and have merits on others. Develop the case for and against mandatory seat belt use. Be sure to address the following: (1) Those in favor of mandatory seat belts allude to an externality effect in terms of insurance. Elaborate on this argument and its merits. (2) Society tends toward protecting people from their own bad habits. What are the efficiency characteristics of this desire?

Parking at universities is always contentious. There are many issues: Why are students not allowed to compete against faculty for the best parking? Why do they tow people after they receive and pay a given number of tickets? Wouldn't a rational scheme allow people to continue to park legally or illegally so long as they pay the associated fines? Why do they even give tickets if capacity is not fully utilized? Develop a model of the optimal allocation of parking capacity. Collect data on how parking is handled school by school. Do an econometric analysis of parking policy and tuition. The general quality of the education provided by the school can probably be accounted for by SAT. Maybe weather, partying, etc., should be included.

Is education a public good? That is, does a better educated polity create benefits that are over and above those internalized by the individual educated person? There is no doubt that education is a charity good, and by that, public in nature. When I give money to educational institutions, it helps people, which makes me happy, i.e., charity. Charity is a public good. But the bigger question is whether there are production externalities from education. Does a better educated citizen population increase productivity in a way that is not captured by market participants? Develop a model that answers this question. The immigration question must come into play as part of the conclusion because typically foreign immigrants reduce the literacy of the population.

Develop a model of the economics of plagiarism. Who wins, who loses, who cares, who should care? Put plagiarism in a demand and supply context. Think about it like this: How much of the time that I spend teaching this class should be devoted to policing plagiarism?

Payday lending is an industry that is exploding. Payday lenders make loans of \$100-\$600 to people on a two-week term. They charge \$10-\$20 per \$100 for the loan. The collateral for the loan is a check made out to the lender in the amount of the payoff and post-dated by two weeks. There are many nuances of the sub-prime credit industry. Develop a model of the costs and benefits of regulation of credit. Start with the notion of usury including an historical review of usury laws. Some discussion of informal credit markets world wide is appropriate as well. Ultimately the question is whether informal and sub-prime credit markets increase or decrease social problems. Address this theoretically and then empirically.

Economists are increasingly interested in the organization of religious institutions. There are many facets of this inquiry that I find interesting: Church and state; religious schism; franchising; church property. The church and state issue is one that seems to have received less attention than

it should. There is a famous exchange between Adam Smith and David Hume recounted by Smith in the Wealth of Nations. Also, it is interesting that in the Protestant schism, while there was a break in the organization of the production of religion with the papacy, it was almost universally true that a state monopoly on the supply of religion continued. Develop a model of state monopoly supply of religion and then test it using case studies of the schismatic Protestant political jurisdictions.

Congestion is a thorny problem. It has often been argued that the restriction on the number of taxicabs in NYC is a monopoly income program. However, the number of taxis is also restricted in Bermuda where the claim is the restriction is motivated by the congestion problem.

What is the optimal endowment of taxicabs? How does seasonal fluctuation affect this?

What determines the optimal toll for the expressway?

Are HOV lanes efficient?

Time series of land values, congestion, and traffic flows.

Case study on Greenville quarry.

Franchising is a solution to an organizational problem. It blends the efficiency of local claims to residual profit with the benefits of multiple-outlet brand name recognition. Many industries have a mix of companies that operate using franchises or, alternatively, company-owned outlets. Payday lending seems to be one. Advance America has only company-owned outlets. Some other companies seem to be franchised. The same is probably true for the more conventional lenders such as Franklin Finance, etc. Develop the model of the franchising v. company-owned outlets and then test the theory by surveying companies in one or more industries.

The drug industry is the focus of so much political controversy these days. Many issues are interesting. One that has not been modeled very effectively is direct-to-consumer advertising. Another is the practice of paying doctors to learn about drugs. A model and empirical methodology for addressing these issues would be useful. How are these issues related?