

The Briefing

June 1998

<http://www.gsu.edu/~wwwsps/>

School of Policy Studies Assists Russian Fiscal Reform Efforts

Thanks to the tax expertise of its faculty, the School of Policy Studies (SPS), under the direction of Dr. Jorge Martinez, has recently been awarded a three-year, \$19.6 million contract from the U.S. Agency for International Development (USAID) to support the Russian Federation in a variety of fiscal reform activities. SPS was chosen as the prime contractor for the project after a rigorous competitive process and will coordinate other U.S. government-funded tax reform assistance in the country. SPS will be working closely with the Russian Ministry of Finance, the Duma, the State Tax Service and other Russian government agencies to revamp the country's tax structure. The contract, originally held by Harvard University, is the largest grant ever received by Georgia State University and was won by SPS due to its extensive work in fiscal analysis in more than three dozen countries, including many from the former Soviet Bloc.

"This is the opportunity of a lifetime to make a difference in a large country like Russia, a country in a critical period of transition from planned socialism to a market economy," said Dr. Martinez. "It is an exciting job and we are very proud that GSU has been selected by the governments of the United States and Russia to undertake this vital project"

Specifically the School of Policy Studies will provide counsel as Russia further develops its tax code and will be working with policy-makers to forecast tax revenues. Economists from SPS will also be assisting in the development of improved tax administration procedures and systems for registration of taxpayers, assessment, collection, and audits.

"One of the most important impediments to the transition to a market economy in Russia has been a distorted tax structure and an inadequate level of revenue collections. A fair system of intergovernmental fiscal relations will be the glue that will help hold the Russian economy together and persuade further economic growth," says Dr. Martinez.

The contract also provides for assistance in the area of intergovernmental fiscal relations, helping to implement federal and local policies to determine how tax monies are shared among governments. In addition, SPS will develop a

"A fair system of intergovernmental fiscal relations will be the glue that will help hold the Russian economy together ..."

training program for the State Tax Service, tax courts, and other agencies in the areas of accounting and audits, management of case loads, and appeals.

A Moscow office was opened last January with a resident team led by Georgia State Professor Sally Wallace.

"This is a challenging job. It is very satisfying to work on a daily basis with Russian government officials from the Minister of Finance to the governors of the various regions," said Wallace.

SPS experts in Russia will be supported by tax experts here in the U.S., including analysts from Coopers and Lybrand, the International Tax and Investment Center, and the National Economic Association, all of whom are subcontractors on our project

In This Issue

Dean's Corner

Ozone Action Program

Alum Wrestles \$12.5 Billion Georgia Budget

Student News: Making a Difference

SPS To Work With Local Government Managers

Program For Rehabilitation Leadership Increases Employment Opportunities

Faculty Notes

Donor Profiles



Effective policy work benefits from an interdisciplinary approach, whether it's working with the Georgia legislature, consulting with an orchestra on strategies for enhancing revenues, helping transitional economies engage in fiscal reform, working with rural communities to improve the delivery of medical services, or establishing effective ways to have cleaner air. That, in a nutshell, is why the School of Policy Studies (SPS) engages in joint work with other units in the university, the System, and the larger research community.

In the twenty months since we've been in operation we've launched a number of joint initiatives. We've hired four faculty on joint appointments with other colleges and started two new joint degree programs. Ross Rubenstein, a joint appointment in Public Administration and Urban Studies (PAUS) and the Department of Educational Policy Studies in the College of Education is part of our educational reform initiative. Mike Foster, a joint appointment with PAUS and the College of Health and Human Sciences' School of Nursing, adds considerable strength to both Colleges' research, teaching and outreach initiatives with his focus on children in poverty. Melinda Pitts, a second joint appointment between Health and Human Sciences and SPS, joins the Department of Economics and the Department of Social Work this summer. Her work on the health of older Americans complements research being done in the Health Policy Center in SPS as well. Finally, Richard Chard, a joint appointment between the Department of Political Science in the College of Arts and Sciences and PAUS will join the faculty this fall. His interest in the politics of polling makes him a good fit for work with the Applied Research Center.

We've also done a great deal of joint work with the College of Law. First, the joint MPA/J.D. program was initiated. Currently 29 students are enrolled in the program. In addition, we are recruiting for a joint faculty appointment with law. We continue to have close ties with faculty and students in the College of Business Administration. SPS faculty staff all the MBA economics courses, and Ph.D. students in the college of Business take a number of classes from faculty in Economics and ask faculty to serve on dissertation committees.

We are working closely with Georgia Tech on a joint Ph.D. program in Policy. The degree, the first of its kind in the country, was approved by the Regents last July. The first class is in the process of being selected and will start coursework in the Fall.

There are many other examples of joint work that I could name: a joint training program sponsored by SPS and the World Bank in Vienna in March; a joint initiative with GoodWorks International to co-host a technical initiative and cooperative effort with Jamaica; an endowed chair in the College of Education and SPS to honor the late Dan Sweat. Ronda will discuss these and other joint initiatives in the future. Joint work is, after all, the essence of effective policy work.

Paula Stephan
Associate Dean

The *Briefing* is published two times a year by the Office of Communications for friends, faculty, staff, and alumni of the Georgia State University School of Policy Studies.

Georgia State University
Office of Communications
School of Policy Studies
University Plaza
Atlanta, GA 30303-3083

Georgia State University, a unit of the University System of Georgia, is an equal opportunity educational institution and is an equal opportunity/affirmative action employer.

Carl V. Patton
President
Georgia State University

Roy W. Bahl
Dean

Paula E. Stephan
Associate Dean

Jay Stevens
Communications Manager

Dianne Brackin
Director of Development

Adam Taylor
Photographer

Ozone Action Program

Georgia could be facing some serious consequences in the near future unless it begins to clean its air. Among these are adverse health effects from elevated levels of ozone, and the loss of millions of federal dollars for highway construction in the North Georgia area.

But steps are being taken to curb the problem before it gets out of control. Researchers in the Environmental Policy Program in the School of Policy Studies are assisting Georgia officials in the development of a program to fore-

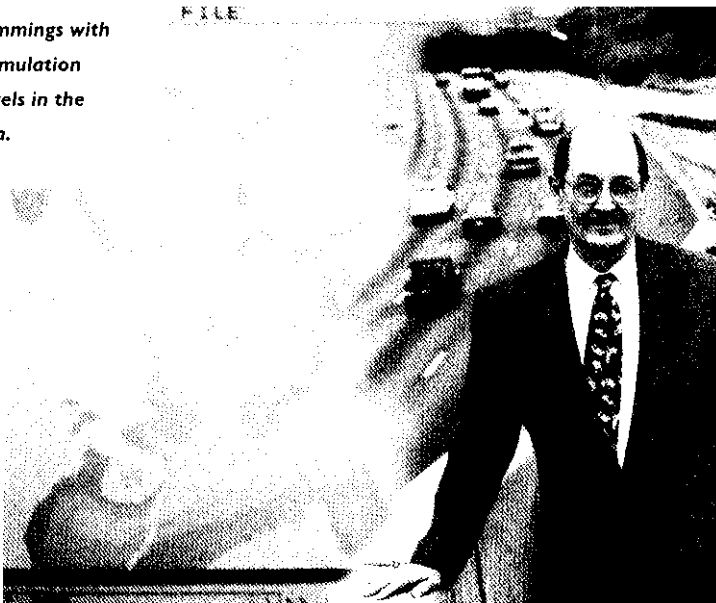
cast problem days and to elicit voluntary actions on the part of businesses and public sector organizations to reduce ozone-causing

emissions on those days. This program, the Voluntary Ozone Action Program, has been adopted by all state agencies in the Atlanta metropolitan area and will soon be adopted by many federal, county and city government agencies as well as by many private companies. The new program was initiated on May 1, 1998.

"Basically, we're trying to come up with ways to shave the peaks off the high ozone days in order to comply with federal regulations," says Ron Cummings, Noah Langdale Jr. Eminent Scholar and Chair of Environmental Policy. "But this concept is only a short term solution. The bottom line is that in the long run Atlanta residents will have to change their lifestyles and driving habits."

Atlanta's development patterns aren't unique. Cities all across the US are facing the same problem of urban sprawl as more and more residents demand homes in the suburbs and are willing to accept long commutes. However, Atlanta leads the nation in the average number of miles traveled per day per resident: more than 30 miles each day.

Dr. Ron Cummings with computer simulation of ozone levels in the Atlanta area.



FISCAL RESEARCH PROGRAM

Research from the Fiscal Research Program (FRP) in the School of Policy Studies is affecting fiscal policy from Atlanta to Washington.

Most people haven't heard of bill HR 3533, but if it, or a similar bill put forth by Rep. Bill Archer, is passed, a large tax loophole will be closed. With assistance from the School of Policy Studies, Georgia Representative and Ways and Means Committee member Mac Collins (R-Ga 3rd) has introduced legislation that will end the tax advantages some companies have enjoyed as "paired-share" or "stapled" real estate investment trusts (REITs).

"Most REITs receive their income from passive sources and can't engage in active trade or business," explains Ken Hubbell, a visiting professor of economics and author of the briefing paper. "However, some REITs, known as stapled REITs, have been exempt from this rule."

Created in the 1960's, REITs combine the capital of many investors to own and, in some instances, to operate income-generating real estate such as office buildings, shopping centers, and apartment buildings.

"This bill will level the playing field between investors and businesses competing in similar real estate markets," said FRP Director and Professor of Economics David Sjoquist.

In addition to providing background material for HR 3533, the FRP has been called upon for economic analysis for the Ways and Means Committee member on other issues, from flat-tax proposals to marriage taxes.

"The research from the Fiscal Research Program of the School of Policy Studies is shedding light on some very important taxation issues and has been helpful in providing some of the tools I've used to craft legislation," said Representative Collins. "I look forward to their continued assistance in the future."

SPS Alum Wrestles Georgia's \$12.5 Billion Budget

Georgia State alum Tim Burgess is pleased. He recently got the stamp of approval on something he'd been working on for months: Georgia's \$12.5 billion budget.

As the Governor's top budget advisor, Burgess has been director of the Office of Planning and Budget since 1995, but he's held other positions in that office for over a decade.

Seasoned to the legislative approval process, Burgess had a good feeling at the onset of this year's session. He predicted smooth sailing in getting legislative approval on the budget. Despite a few waves, he was right on target.

"I remember joking with Gov. Miller that this was going to be a kinder, gentler budget," he said, pointing to the tight organization of the 1998 budget and the strength of the state's economy. "There was less of a caustic debate than we've seen in the last few years."

It wasn't that long ago that Burgess enjoyed an enriching albeit short part-time position at Georgia State. He taught a public budgeting

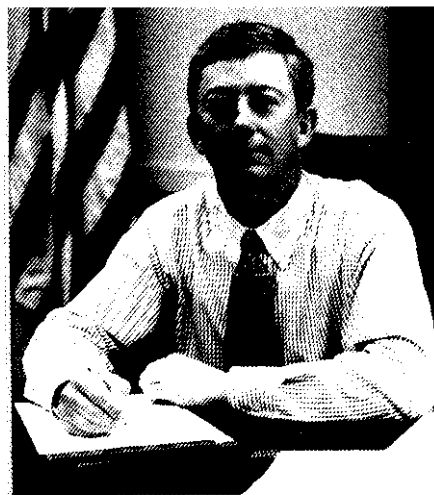
course in the Masters of Public Administration program for one quarter in the evening while working at the Office of Planning and Budget during the day.

"It was demanding, but a lot of fun," he said, adding that he hasn't entirely ruled out the possibility of teaching again, though not any time soon.

"...this was going to be a kinder, gentler budget."

"The students asked some tough questions and it made me really have to evaluate whether the way we were doing some things (at the Office of Planning and Budget) was valid," says Burgess.

Burgess received his masters of public administration degree from Georgia State in 1979 after graduating from The University of Georgia two years earlier with a bachelor of arts degree in political science.



Georgia State Alum
Tim Burgess

Alumni News

Cato Richard Rose (B.S. Urban Studies, 1995) is Vice President of Colosseum Park in Oslo, Norway.

Mark Thompson (Ph.D. Economics, 1994) was selected as the outstanding, non-tenured faculty member at Marshall University in West Virginia.

Wayne Plumly (Ph.D. Economics, 1983) won the award for the Outstanding Teacher in the Georgia University System this year. He is currently a professor at Valdosta State University, and was honored at the Board of Regents May meeting.

Samuel Goldman (Ph.D. HRD, 1996) was appointed Executive Director of Callanwolde, the nonprofit arts center in Atlanta.

Don Matthews (Ph.D. Economics, 1993), currently teaching at Brunswick College, is in distinguished company. His paper joins those written by two Nobel laureates and the Chairman of the Federal Reserve as one of the top ten essays published by the Journal of Private Enterprise.

Dana Russell (MPA, 1987) has been appointed Commissioner of the Georgia Merit System of Personnel Administration.

Richard Hawkins (Ph.D., Economics, 1997) paper "The Knowledge Production Function: Lessons from Biotechnology," co-authored with Paula E. Stephan and David B. Audretsch, is forthcoming in the International Journal of Technology Management.

Holly "Dair" Brown (M.S. Urban Studies, 1997), recipient of the 1998 William R. Gable Award, is a researcher with Girls Inc., an Indianapolis, Indiana nonprofit organization.

Ellen Hill (MPA, 1997) is the Project Officer for Queensland Health in Wacol, Queensland, Australia.

MPA Candidate Margaret Fowke instructs Grady Hospital patient on how to check her blood sugar levels.



Who says one person can't make a difference?

Meet Margaret Fowke.

She's a second-year MPA student who urged her legislator to introduce a bill this year to make supplies for treating diabetes more accessible to patients. She made her point with research that details projected benefits

if the program were implemented.

The result: A new state mandate requiring that most health insurance companies offer optional coverage to diabetes patients for treatment supplies and equipment.

Fowke, 34, says she owes a lot to a public sector economics class she took last Fall that was taught by Professor Sally Wallace. Fowke combined what she learned from that class with her experiences over the last ten years as a registered dietician. That combination, she says, is opening new doors for her to work more effectively in addressing nutrition problems.

At the Grady Health Systems Diabetes Clinic, Fowke is part of a team seeing roughly 5,900 diabetes patients per month. The team, she says, preaches power in prevention from a nutrition standpoint: Eat smart, get exercise and cut down on the diabetes medication. The main challenge is getting these patients to rethink their diet to lower their risk of diabetes, she says,

"The key is cutting down on fat and simple sugars and getting more exercise," said Fowke, who recently helped develop "The Healthy Choice Eating Pyramid," which breaks down in simple terms the right dietary choices diabetes patients should make.

In the evening, Fowke continues her studies in the MPA program. It's convenient, she says, since she only has to walk a few blocks for class. Fowke is in the urban governance track in the MPA program and expects to finish next Spring.

Riché Daniel, a graduate student in Urban Studies and a GRA in the Office of Community Outreach and Partnerships (OCOP), has been accepted to Emory University's Ph.D. program in Cultural Anthropology beginning in the Fall of 1998.

Steve Everhart, Ph.D. candidate in economics, has accepted an appointment at The World Bank for economic management work related to Europe and Central Asia.

Steven Maguire, Ph.D. candidate in economics, will present "The Supply Decision of Sports Franchises" at the Western Economic Association Meetings in Lake Tahoe, June 29 - July 2.

Kathleen Mahoney has been accepted to the Ph.D. program in economics at the University of North Carolina.

James Murphy, Ph.D. candidate in economics, has accepted an assistant professor position at Western Carolina University.

David R. Bennett, who will receive a Master of Public Administration degree in the summer of 1998, has accepted the position of Policy Analyst for the Office of Planning and Budget. Prior to this new position, David was an Environmental Review Associate Planner in the Historic Preservation Division of the Georgia Department of Natural Resources.

Michael Tropauer, who will receive a Master of Public Administration degree in the Summer of 1998, has accepted a position as an Evaluator with the General Accounting Office in Washington, DC. For the past four years, Michael has been employed by C.A.R.E. as a Donor Representative/Community Affairs Specialist.

**News
To Use**

SPS Faculty to Work With Local Government Managers

City and county managers and other local government officials will soon learn how to be more effective in their jobs as a result of an exciting partnership between the Department of Public Administration and Urban Studies, the Applied Research Center and the International City/County Management Association (ICMA). Under the guidance of Professor Greg Streib and ARC Research Associate Mark Rivera, SPS won the competition to develop assessment instruments for local government managers. The competition was national, with proposals submitted by a number of research universities and consulting firms.

"We're constantly striving to give our members the tools to improve their skills," says Barbara Moore, Associate Director at ICMA. "And we're confident that these assessment instruments will do just that."

In recent years the ICMA membership has carefully defined a variety of specific skills which they've determined are essential for effective local government management. At the same time, ICMA members have agreed to commit themselves to at least 40 hours of professional development activities each year in an effort to improve those skills. The PAUS/ARC task is to develop a set of instruments by which progress can be measured. The principal tool will be designed for man-

agers themselves to complete. In addition, the research team will develop a so-called "360-degree" instrument to give those who work with professional managers mayors, civic leaders, staff, and others a chance to assess the manager's perfor-

"This project is a great opportunity for the School of Policy Studies."

mance. The results will then be used by managers to improve their professional skills and to guide subsequent professional development efforts.

"This project is a great opportunity for the School of Policy Studies," said Professor Streib. "Not only does it allow us to contribute to the improvement of local government management, but it gives all PAUS faculty an excellent data base for developing a better understanding of management."

6

Program for Rehabilitation Leadership Increases Employment Opportunities

Georgia State's Program for Rehabilitation Leadership, led by Jim Stephens, is working hard to improve employment opportunities for people with disabilities.

A recent grant from the U.S. Department of Education to the School of Policy Studies and the College of Human Ecology at the University of Tennessee has resulted in the formation of the Regional Continuing Education Program for Community Rehabilitation Providers (CRP-RCEP).

The CRP-RCEP is designed to address the broad range of learning needs shared by community rehabilitation organizations located throughout the Southeast by focusing on improving the skills of personnel and increasing organizations' effectiveness in their communities.

"We expect that this new project will have a significant impact on the quality of community rehabilitation services provided throughout the region," Deon Locklin, CRP-RCEP Project Director said. "This means increased employment opportunities and greater independence for persons with disabilities in the community. We're very excited about the benefits of the project, both for the communities and individual citizens."

Over 700 community rehabilitation organizations provide employment-related services to persons with disabilities throughout the Southeast. These organizations employ individuals who play a crucial role helping persons with disabilities find employment.

"Our agency's experience with the Program for Rehabilitation Leadership has been extremely productive over the years," said Peggy Rosser, Director of Rehabilitation Services for the State of Georgia. "The training opportunities and support this program will provide will ultimately increase the number of persons who are employed, and that is significant."

Established in September of 1997, the CRP-RCEP receives \$500,000 per year for five years from the Rehabilitation Services Administration of the U.S. Department of Education.

Faculty News

Roy **Bahl**, after a national search, has been appointed Dean of the School of Policy Studies.

Ron Cummings and **Laura Taylor's** paper, "Unbiased Value Estimates for Environmental Goods: A Cheap Talk Design for the Contingent Valuation Method" has been accepted for publication in the *American Economic Review*,

Felix Rioja traveled to the Business Association of Latin American Studies Conference (April 1-4) in South Padre Island, TX, where he presented a paper (also published in the Conference Proceedings) and served as chair for another session. The paper dealt with the effects of public infrastructure on private investment and welfare in Latin America.

Amy Helling's paper, "Collaborative Visioning: Proceed with Caution! Results from Evaluating Atlanta's Vision 2020 Project," is forthcoming in the *Journal of the American Planning Association*,

Dr. John Thomas, second from right, being sworn in as member of the Georgia Commission on Child Support.

Keith **Ihlanfeldt's** paper "Customer Discrimination and Employment Outcomes for Minority Workers" (co-authored with Harry Holzer of Michigan State University) has been accepted for publication by the *Quarterly Journal of Economics*. The results of this paper were included in the bi-weekly policy brief prepared by the Council of Economic Advisors for the President of the United States.

Julie Hotchkiss' paper (co-authored with David Sjoquist and Stephanie Zobay), "Employment Impact of Inner-city Development Projects: The Case of Underground Atlanta," is forthcoming in *Urban Studies*.

William M. Kahnweiler and **M.A. Thompson's** paper "Levels of Desired, Actual, and Perceived Control of Decision Making: An empirical investigation," is forthcoming in *Journal of Business and Psychology*.

John Thomas was appointed by Governor Miller to the Georgia Commission on Child Support, headed by Supreme Court Justice Hunstein.

Ross Rubenstein was awarded the American Education Finance Association's Jean Flanigan Outstanding Dissertation Award. He was honored at the AEFA's annual conference in Mobile in March where he presented the findings from his dissertation.

Atef Ghobrial attended the first meeting of the newly-established Aviation Policy Group in Washington DC, February 1998, hosted by George Washington University. The group, which includes researchers from top universities and officials from US Department of Transportation and GAO, will examine current aviation policy issues.

Harvey Newman presented "Contradictions in Southern Urban Culture" at the Urban Affairs Association Annual Meeting in Ft. Worth, TX, on April 24. He also moderated a panel on "Cultural Heritage and Urban Civil Society."

7

THE EDITORS



In keeping with the mission of furthering scholarly research, five members of the school's faculty edit or co-edit academic journals. Moreover, during the last year, SPS faculty served on the editorial boards of 26 journals and reviewed for more than 100 journals, foundations, and publishers.

Gary Henry is Editor-in-Chief of *New Directions for Evaluation*

Bill Kahnweiler has been appointed Associate Editor of *Organizational Development Journal*

Bruce Kaufman is Co-Editor of *Advances in Industrial and Labor Relations*

John Thomas is Co-Editor of *American Review of Public Administration*

William L. **Waugh, Jr.** is Co-Editor of *Policy Studies Review*

(Top, left to right) Gary Henry, John Thomas, Bruce Kaufman
(Bottom, left to right) Bill Kahnweiler, Bill Waugh

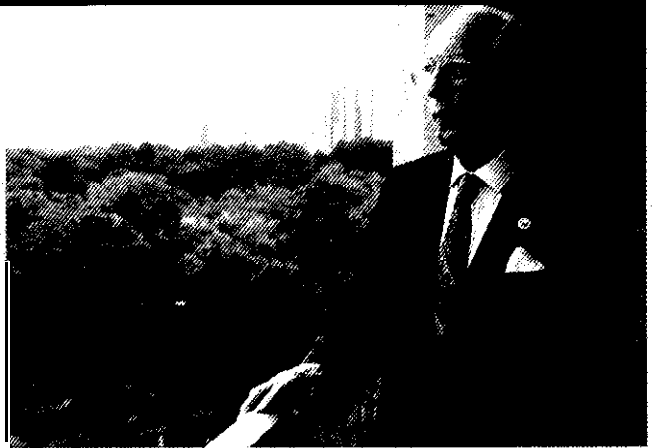
Donor Profiles

RALPH MOOR

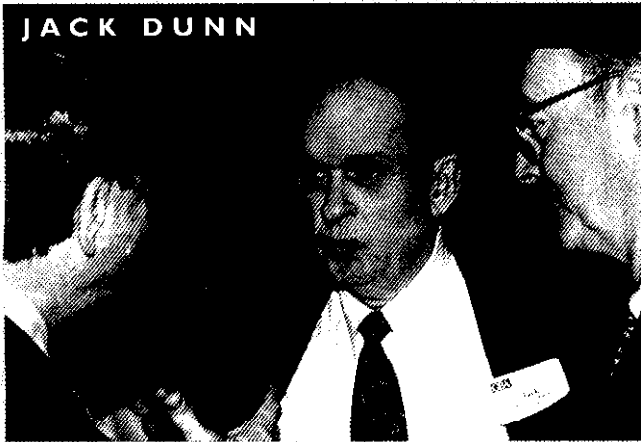
Have you ever wanted to know the difference between full-service and discount brokers? Whether it is better to lease or buy a new car? Or even the advantages and disadvantages of personal bankruptcy?

Beginning next year, you won't have to look very far to find the answers. The School of Policy Studies will offer a unique class in personal economics this fall to help students make the important financial decisions that we face through life. And thanks to a generous gift from Mr. Ralph Moor, regular classroom activities will be supplemented with guest speakers and experts in the various financial areas.

"I am concerned with many of the social problems and many of them boil down to personal finances," said Mr. Moor. "People live paycheck to paycheck and make bad fiscal decisions. I want to make sure today's students know how to handle tomorrow's financial problems."



JACK DUNN



To honor the distinguished career of retiring Georgia Banking Commissioner E. D. (Jack) Dunn, members of the Georgia Bankers Association have endowed a graduate fellowship in the School of Policy Studies. The fellowship is to be awarded annually to an outstanding master's or doctoral student pursuing studies in banking and financial sector policy. Additional funds, as they are received, will be used to support research on the relationship between banking, public financial policy and development.

"After serving in the U.S. Navy during World War II, I started classes at Georgia State University in the Summer of 1946," stated Mr. Dunn. "I learned a lot during my time there, and thanks to the Georgia bankers, less fortunate students will have the same opportunities that I was given."

School of Policy Studies
University Plaza
Atlanta, GA 30303-3083

First Class
U.S. Postage
PAID
Permit #152
Atlanta, GA

