

Student Research

Dissertations

Some States Take the Lead: Explaining the Formation of Effective State Technology Policies

Robert D. Atkinson

In the face of recent economic restructuring in many regions of the nation, states have emerged as significant actors involved in formulating economic development policy responses. In particular, states have increasingly promoted technological innovation in an effort to stimulate employment and regional economic growth. These efforts are distinguished from more traditional economic development policies in that they attempt to target innovation in its various phases. Methods used include: support to higher education and research institutes, specialized labor training, promotion of high technology complexes, and encouragement of the diffusion of ideas.

However, while innovation policy is an appropriate response to economic restructuring, especially in areas with technology-based manufacturing economies, not all states have made significant efforts in this area. Working within a general theoretical framework of government economic policy making, this dissertation explains the relationships between the variables that characterize the process of innovation policy making at the state level and the production of rational or irrational policy objectives. The analysis determines the factors which enabled and/or prevented states from developing strong and well-designed policy efforts.

Six states were examined using a holistic, case study methodology. Primary data was obtained from documents and interviews with key public and private policy makers. In-depth interviews were conducted with business, government, labor, and university officials to determine the policy making process and the extent of policy rationality in their state. Secondary data from written accounts of policies and the policy process was also used.

Several important factors were found to contribute to state policy rationality. These include: increased activity by labor, business, and universities in support of a state technology policy effort; corporatist, rather than pluralist forms of interest intermediation; an administratively, rather than legislatively, initiated effort; a reduced role of the state budget office; a strong commitment to economic development by the governor and key "policy entrepreneurs"; reduced levels of industrial recruitment; and a strong, analyti-

cally guided planning effort on the part of the state. Finally, state political cultures conducive to non-partisan policy making and an activist state government role facilitated the development of effective technology policies.

The Role of Print Media in Influencing Public Opinion in Development Conflict Issues

Harold Hubbard

When development issues arise in which there is community conflict, there are many influences which shape public opinion. Studies have been conducted on the effect that friends, family, and community leaders have on the formation of public opinion. However, there are still many questions in the communications and planning fields concerning the extent to which the media influences citizens' attitudes on public affairs. Public opinion formation is an important topic to the planning profession because opinions are the prime force that influences the decision-making process in planning related issues.

Because of the local nature of development conflicts and the dominance of local issues in print media, the "press" will be the focus of the media investigation in this study. When a development conflict arises, there is often sufficient community opposition to a proposed development to make this controversy a regular issue in the press. It usually becomes a "touchy subject," discussed or acted upon before a body of elected officials. The objective of this research effort is to develop an understanding of the role that print media plays in influencing public opinion in these types of community conflicts.

Rural Development and Internal Migration in Bangladesh

James H. Fisher

This research focuses on the population implications of rural development programs. In particular, the question of whether rural development slows or accelerates migration out of villages is examined.

Conceptually, development programs are divided into those which are person-oriented and those which are place-oriented. Person-oriented programs act primarily

through human capital building, while place-oriented programs take the form of fixed capital construction or improvements. Migration is defined as any inter-household mobility which occurs over periods greater than one month. The hypotheses form an analytic model which associates development programs with participation. This in turn influences separable processes of person and place development.

Field work was conducted in Bangladesh from November, 1984 to May, 1986. Sponsorship for the research was provided by the United States Fulbright Scholarship Program. Residential histories for 140 males and 140 females were collected through intensive interviews in four villages in Bangladesh. The respondents constitute a random sample of the adult population of the villages. Subsidiary data on communities and subdistricts were also collected.

The findings indicate that individual development programs have had a greater impact on the lives of the poorest population groups. It was expected that adding to human capital would encourage migration to urban areas; however, these person-oriented programs have not provided sufficient skills development, such as literacy training, to encourage migration of adults. A greater impact is likely to ensue on the part of younger participants. Small scale place-oriented programs, in general, are found to act to retain population through increased employment opportunities.

Location Theory: The Location of Squatter Settlements in the Urban Areas of Developing Countries
Aly Karam

One of the noticeable consequences of urbanization in developing countries is the growth of squatter settlements in urban areas. Squatter settlements are problematic for the following reasons. First, they are illegal settlements which threaten private and public property rights. Second, they do not pay property taxes, and therefore, do not contribute to the municipality's revenues. Third, squatter settlements pose health and fire hazards because they are densely built of flammable material and lack both sewer systems and potable water.

Squatters locate in central or peripheral areas of the urban setting. The proposed study is designed to develop a more comprehensive model for determining squatter settlement location. It will be a basis for understanding the dynamics of the squatter settlement within the urban area and the iterations that take place between the squatter settlements and the urban setting. This model will enhance our ability to relocate squatters to serviced locations in cases where it is not feasible to service the existing settlements. Not only will this lead to successful relocation projects, but it will also improve life for the squatters.

Equity Based Model of Commercial Mortgage Default
Robert A. Simons

This dissertation examines the determinants of mortgage default among non-residential properties and seeks to evaluate the role of borrower equity and, to a lesser degree, borrower income in the default decision.

The research draws upon microeconomic theory which indicates that the default decision is a rational, wealth-maximizing one. The mortgage instrument is recognized to contain an implicit put option which permits the borrower to return the property to the bank if the net equity in the property is negative. The other primary determinant of default is theorized to be a deficiency in borrower income which may be attributed either to excessive costs or weak cash flow.

A quasi-experimental research design will be employed, using twenty defaulted loans paired with a similar number of non-defaulted loans. Statistical tests are planned to determine if either of the above hypotheses can help explain the default decision. A pooled time series cross-sectional design will be employed.

The loans used in the research are from state lending agencies in the northeastern United States. The agency data will be supplemented by secondary information from local assessor's offices, appraisals, and financial market information.

Policy implications of the research involve the utilization of financial subsidies in public lending programs and the more effective use of public funds to meet stated policy objectives and assist in deterring loan default.

Departmental Papers

Home Ownership Assistance for Low Income Persons: Is This the Dream for Everyone?
Teri Beckman

Chapel Hill, North Carolina is completing the last phases of the Tandler Homeownership Program, the town's first publicly assisted home ownership project. This program assists low and moderate income people in purchasing a new home with a subsidy from Chapel Hill. This paper evaluates the program and makes recommendations for future home ownership programs. Town staff, members of the private development team, lenders, homeowners, and people who investigated the program were interviewed. One of the questions addressed in this paper is whether the program design met the stated goals of the project. Further, this paper analyzes the home buyers, the marketing effort, the lender's experience, and builder's experience with the program. The evaluation of the Tandler program was requested by the town and completed under the supervision of Professors Michael Luger and Michael Stegman.

Negotiating the Review and Approval Process for Master-Planned Communities: A Case Study of Treyburn, A Project in Durham County, North Carolina
Irving Boykins

Project review and approval have become critical aspects of the development process. They can no longer be taken for granted. This is particularly true for large-scale, mixed-use projects which require multiple year build-outs. There has been a proliferation of such projects over the last decade. In fact, they have become the dominant form of suburban and exurban development.

In negotiating approvals for these projects, developers face a dilemma: how to vest their rights, while simultaneously ensuring flexibility to adapt to changing market conditions over the course of the build-out. Local officials, on the other hand, must negotiate this arrangement without unreasonably binding future legislatures. This paper examines how the master developer of Treyburn, a fifty-two-thousand-acre planned community in Durham County, North Carolina, resolved this dilemma.

A Project Evaluation of the Durham County Habitat for Humanity
Jonathan Soulen

This paper evaluates the Durham County Habitat For Humanity. Founded by Millard Fuller in the mid-1970s, Habitat For Humanity seeks to eliminate substandard housing in America. The organization's membership has increased over the past few years due to successful projects, as well as the participation of former President Jimmy Carter.

The affiliate in Durham, North Carolina has been in operation since 1985. Since that time, it has built seven houses; six more are on the way. By using volunteer labor and donations from individuals and corporations, the Durham affiliate is able to sell two and three bedroom houses for around \$31,000.

Using several books that describe evaluation techniques for neighborhood development organizations, Soulen creates an evaluation framework for the Durham Habitat. Interviews with board members, local planning officials, community leaders, and volunteers provide the base of information.

The factors that seem to be important in the success of the Durham affiliate include a full-time work supervisor, support and direction from the national Habitat headquarters in Georgia; and the ability to attract and manage both money and volunteers. The attributes that influence the affiliate change from month to month, as do the issues that challenge this neighborhood development organization.

Measuring Development Potential
Tim West

In order to develop policies which will improve a region's competitive position, it is essential to first understand the basic factors which drive the region's development. This paper examines such regional development fundamentals, as well as development potential in the Tennessee Valley labor market areas.

Based on a framework of concepts developed by Professor Emil Malizia, this study shows that productivity and innovation potential are two of the most relevant factors influencing a region's development. These two fundamental development requirements are measured by educational and occupational attainment levels. To investigate these factors, the study focuses on five labor market areas. A major conclusion is that rural and urban contributions to development vary across labor market areas. A similar research design could be used to assess the development potential of any given area.

A Case Study of the Management and Disposition of City-Owned Property in New York City
C. Duncan Yetman, Jr.

Much of the vacant land and abandoned housing in distressed areas of our nation's cities is now in municipal ownership. Cities have taken these properties for the non-payment of real estate taxes. What are the institutional forms through which cities manage and dispose of these properties? How do these arrangements affect the availability of land for redevelopment and the pattern of land use? How do these emerging patterns of land use affect the economy, efficiency, and equity of a city?

This paper addresses these questions by providing an in-depth look into how New York City, plagued by tax delinquency and neighborhood disinvestment, has handled the management and disposition of vacant, city-owned property. The paper outlines the disposition process in New York in a detailed, step-by-step fashion and covers the five means of disposing the properties: unrestricted auction, restricted auction, request for proposal, negotiated disposition with a single party, and assignment to another city agency.

The last part of the paper examines some controversial dispositions in the City, evaluates the current disposition policy and process, and offers some recommendations. The recommendations focus on changing the basic objective of city government from facilitating private ownership of these parcels to maximizing the efficiency of public ownership.

Projects

Eastern North Carolina Buyer/Supplier Linkage Project (Funded by the North Carolina Rural Economic Development Center)
Jay Szklut and Barbara Modelski

This project explores methods to strengthen and expand small and medium-sized businesses in eastern North Carolina by building upon markets provided by major industries in the region. Because of time constraints and traditional methods of purchasing, many firms are not aware of opportunities for purchasing products and services locally. As a result, buyers suffer reduced flexibility and control over the quality of the products they need while paying a premium for transportation and storage. Local firms often produce these items at a better price while providing better service. Moreover, local businesses often miss lucrative opportunities because they are too young or too small to hire marketing staff. Based on a strategy called "import replacement," this project examines the potential for connecting businesses with local suppliers of the goods and services they purchase. This innovative economic development strategy

gives existing businesses an opportunity to take advantage of market opportunities, thereby creating or preserving local jobs and stimulating economic diversity.

Specific aims of the project include: (1) identification of the characteristics (annual sales, ownership, and type and diversity of product line) of participating buyer firms; (2) identification of potential markets provided by major buyers for locally produced goods; (3) identification and ranking of the relative importance of buyers' purchasing criteria (product quality and cost, technical support; supplier responsiveness); (4) identification of purchasing patterns (distance from suppliers, characteristics of supplier firms, relationship with suppliers) of buyer firms; (5) identification of the characteristics (annual sales, ownership, competitive advantage, and factors limiting expansion of sales) of potential supplier firms; (6) identification of sales and purchasing patterns of supplier firms (marketing area, type and diversity of product line, degree of dependence on major customer); (7) identification of the characteristics of operations/production (management philosophy, technology, flexibility, capacity, "human capital" requirements); and (8) recommendations for public and/or private programs to enhance the possibility of local buyer/supplier linkages.

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