

The Mercatus Center at George Mason University is a faculty research center as defined by section 1.3.10 of the faculty handbook. I am the Holbert L. Harris Professor of Economics at Mason as well as the faculty director of Mercatus; I have been a tenured professor at Mason since 1989 and director of Mercatus since 1998. In my role as faculty director, I report to the provost and send an annual written report to his office, as well as meet with him from time to time to brief him on Mercatus activities.

The Mercatus Center is proud of our almost 40 years of support of faculty research and graduate education at Mason. In our time at Mason, we've helped attract more than a dozen faculty members, including two economists who received the Nobel Prize in Economics while at Mason. (The entire state of Virginia has had only three Laureates in total.) We've supported hundreds of graduate students who have gone on to prestigious careers both inside and outside of academia. The economics department has gone from unranked to #26 in the world by the Shanghai rankings, and is one of Mason's most highly ranked academic units, if not the most highly ranked.

Mercatus is the largest supporter of graduate education at Mason. Information about all of our fellowships, including application information, is available at mercatus.org/content/fellowships. No ideological litmus test is applied to student fellowships.

This academic year, we supported 247 students. Of these, 68 were PhD and MA students in economics at Mason, 18 were Mason undergraduate fellows, and 161 were graduate and professional students at other universities, many of whom came in to receive instruction from Mason faculty.

We maintain strict independence of research and conflict of interest policies, which are available at Mercatus.org, along with an explanation of the peer review process to which our research is subject. Research first published directly by Mercatus is subject to review internally by a team led by a scholar with an economics PhD and a JD. Research first published externally, for instance in journals, goes through no internal review except when requested by the author.

Mercatus is privately supported by almost 3,000 donors and receives no public support. While the percentage varies year-to-year, approximately 55 percent of our support comes from foundations, 40 percent from individuals, and 5 percent from companies. We are located in Buchanan Hall on the Fairfax Campus and Smith Hall on the Arlington Campus, pursuant to public space agreements with the university.

With regard to the faculty agreements in question, Mercatus helped create these faculty positions in order to help grow Mason's already strong programs in economic history. This was done at the request of the economics department chairman at that time, Don Boudreaux, and with the advice of Nobel laureate and affiliated Mercatus scholar Douglass North.

The qualifications of the candidates hired for these lines, all of whom were endorsed by the economics department and approved by the dean and provost and the board of visitors, are beyond question. They publish in top journals and with major university presses, lecture frequently at universities across the world, and are recognized by their colleagues in their fields and subfields with major awards and the presidencies of professional organizations. Contra some news reports to the contrary, Mercatus played no role whatsoever in decisions

about faculty retention, promotion, and tenure. This is abundantly clear from a plain reading of the agreements or a look back at the paperwork connected with those processes. We have also worked with Mason to counter more lucrative and/or prestigious offers from other universities for highly productive faculty members in economics and elsewhere in CHSS.

Mercatus maintains affiliations with numerous faculty members at Mason, not just in the economics department but in the policy school, the law school, and in several departments in the College of Humanities and Social Sciences, and at universities across the country. Affiliated scholars typically have bios at Mercatus.org. Approximately 26 Mason faculty members are affiliated with Mercatus but many more work with us on a project-by-project basis.

We host visiting fellows at Mason from universities around the world; in recent years, visiting faculty have come from the London School of Economics, Syracuse University, Duke University, the University of Illinois at Chicago, the University of Arizona, and Tulane University, among others. Visitors typically give a public lecture at Mason, teach colloquia, present research, and mentor graduate students.

There is wide methodological, intellectual, and ideological diversity among Mercatus affiliated faculty; I view this as one of our core strengths. To give a simple example, I have myself been critical of the recent Republican tax plan and also I have called for a carbon tax. Mercatus affiliate Alex Tabarrok was recently widely written up for his research showing that government regulation, in his data set, does not appear to lower the rate of economic growth across sectors. One of our professors hired under the agreements, Noel Johnson, will soon be publishing a book with Cambridge University Press on how, throughout history, a centralized state has protected the rights of women and minorities. Along another dimension, the “Econ Duel” series at Marginal Revolution University, which Professor Tabarrok and I direct, highlights disputes in academic economics for a student audience in an accessible but serious way.

The graduate students Mercatus supports are similarly diverse, and include not only economics students but students in law, political science, sociology, the humanities, social work, urban planning, and many other disciplines. The name Mercatus—similar to the Greek *Agora*, encompassing not only commerce but aspects of the public square, rational debate, the arts, and common understanding—reflects a shared commitment to Enlightenment institutions and values.

To be clear, we already shared much of this information, and more, with members of the Faculty Senate, in discussions over the years. Numerical updates aside, this is not “new news” and this reflects our policy of openness.

Tyler Cowen

Holbert L. Harris Professor of Economics

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