

**Dennis L. Hoffman**

ADDRESS: Seidman Research Institute                      PHONE: Office: (602) 965-5362  
            PO Box 874011  
            Arizona State University                              Home: (602) 838-5562  
            Tempe, Arizona 85287-4011

BORN:                      March 1952                              MARITAL STATUS: Married

EDUCATION:

Graduate:                      Michigan State University  
    Ph. D., Economics, 1978  
    M.A., Economics, 1977

Undergraduate:                      Grand Valley State Colleges  
    B.S., Mathematics/Economics, 1974

EXPERIENCE:

University Economist, Arizona State University, 2005 to present

Director of the L. Wm. Seidman Research Institute, 2004 to present

Associate Dean for Research, 2004 to 2008

Director W. P. Carey PHD Programs, 1998-2008

Faculty Director, Center for Competitiveness and Prosperity Research, 2004 to present

Associate Dean for Graduate Programs, 1999 to 2004

Faculty Director ASUMBA Day Program 1998 to 2004

Deans Council of 100 Distinguished Scholar, 1996 to present

Fulbright Senior Lecturer: Economics, University of Lund, Sweden, March 1993-June 1993

Fulbright Senior Lecturer: Economics, University College, Galway, Ireland, March 1993

"Distinguished Research Professor of Business," Arizona State University, July 1992-June 1993

Professor of Economics, Arizona State University, July 1988 to present

Associate Professor of Economics, Arizona State University, July 1983 to June 1988

Visiting Associate Professor of Economics, Michigan State University, Summer 1987

Assistant Professor of Economics, Arizona State University, July 1979 to June 1983

Assistant Instructor of Economics, Michigan State University, September 1978 to June 1979

Teaching and Research Assistant, Michigan State University, 1974-1978

**FIELDS:**

Econometrics

Applied Macroeconomics

**RESEARCH:**

**1. Books and Monographs**

Aggregate Money Demand Functions: Empirical Applications in Cointegrated Systems, with R.H. Rasche, Kluwer Academic Publishers, 1996.

**2. Journal Articles**

"Testing Restrictions Implied by the Rational Expectations Hypothesis," with P. Schmidt, Journal of Econometrics, February 1981, pp 265-287

"Technology Transfer to the USSR: Western Capital and the Shape of the Production Function," with J. Brada, De Economist, Vol. 130, No. 3, 1982, pp 420-427

"An Econometric Investigation of the Monetary Neutrality and Rationality Propositions: An International Perspective," with D. Schlagenhauf, Review of Economics and Statistics, November 1982, pp 562-71

"Rational Expectations and Monetary Models of Exchange Rate Determination," with D. Schlagenhauf, Journal of Monetary Economics, April 1983, pp 247-260. Reprinted in Exchange Rate Economics, Vol. I edited by R. McDonald and M. Taylor, Edward Elgar Publishing Co., 1991.

"An Applications of the Profit Transformation to Tourist Survey Data," Journal of Travel Research, Fall 1981, with S. Low, pp 35-38

"Rationality, Specification Tests and Macroeconomics Models," with D. Schlagenhauf, Journal of Econometrics, April 1983, pp 367-386

"Recent Evidence on the Relationship Between Government Deficits and Monetary Growth," with S. Low and Hubert Reineberg, Journal of Macroeconomics, Spring 1983, pp 223-231

"Rationality and the Decision to Invest in Economics," with S. Low, Journal of Human Resources, Fall 1983, pp 480-496

"The Productivity Differential Between Soviet and Western Capital," with J. Brada, Quarterly

Review of Economics and Business, 1984, Vol. 25, No. I., pp 6-18

"Hiring Decisions, Labor Flows, and Short-Run Productivity," with A. E. Blakemore, The Southern Economic Journal, April 1984, pp 993-1004

"Tests of Rationality, Neutrality and Market Efficiency: A Monte Carlo Analysis of Alternative Test Statistics," with S. Low and D. Schlagenhauf, The Journal of Monetary Economics, 1984, pp 339-363

## **2. Journal Articles (continued)**

"Rational Expectations, the Role of 'News' and Exchange Market Efficiency," with D. Schlagenhauf, Journal of Money, Credit and Banking, August 1985, pp 328-346

"Real Interest Rates, Anticipated Inflation and Unanticipated Money Shocks: A Multi-Country Study, with Don Schlagenhauf, Review of Economics and Statistics, March 1985, pp 284-96

"Discrimination, ECOA Compliance, and Bank Behavior: The Case of Consumer Credit," with W.J. Boyes and S.A. Low, Journal of Money Credit and Banking, May 1986, pp 211, 219

"Two-Step GLS Estimators in Multi-Equation Generated Regressor Models," Review of Economics and Statistics, May 1987, Vol LXIX pp 336-346.

"An Econometric Analysis of the Bank Credit Scoring Problem," with W.J. Boyes and S.A. Low, The Journal of Econometrics, January 1989, Vol 40, No 1

"Seniority Rules and Productivity: The Macroeconomics Implications," with A.E. Blakemore, Economica, August 1989, pp. 359-371.

"Post-sample Prediction Test for Generalized Method of Moment Estimators," with A. Pagan, Oxford Bulletin of Economics and Statistics, Vol. 51, No. 3, pp. 333-334.

"Two-Step GLS and Related Estimators: An Analysis of Small Sample Properties," Vol 9, No. 1, January 1991, pp 51-62. The Journal of Business and Economic Statistics.

"Intertemporal Asset Pricing Relationships in Barter and Monetary Economics: An Empirical Analysis," with M. Finn and D. Schlagenhauf, Journal of Monetary Economics, 14, September 1990, pp. 431-451.

"Long-Run Income and Interest Elasticities of Money Demand in the U.S.," with Robt. H. Rasche, Vol L XXIII, No. 4, pp. 665-674, The Review of Economics and Statistics, 1991.

"Money Demand in Morocco: Estimating Long Run Elasticities for a Developing Country," with C. Tahiri, to The Oxford Bulletin of Economics and Statistics, Vol. 56, No. 3, August 1994, pp. 305-324.

"The Stability of Long-Run Money Demand in Five Industrialized Countries," with R.H. Rasche and M.A. Tieslau, Journal of Monetary Economics, Vol. 35, April 1995, pp. 317-339.

The Long-Run Relationship Between Nominal Interest Rates and Inflation: The Fisher Equation Revisited, □ with William Crowder, Journal of Money, Credit & Banking, Vol. 28, No. 1, February 1996, pp. 102-118.

Assessing Forecast Performance in a Cointegrated System, □ with R.H. Rasche, Journal of Applied Econometrics, 1996, Vol. 11, No. 5, pp. 495-518.

“Identification, Long-Run Relations and Fundamental Innovations in a Simple Cointegration System,” with W. Crowder and R.H. Rasche, Review of Economics and Statistics, 1999

Results of a Study of the Stability of Cointegrating Relations Comprise of Broad Monetary Aggregates, with J.B Carlson, BD. Keen, and R.H. Rasche, Journal of Monetary Economics, 2000

A Vector Error-Correction Forecasting Model Of the U.S. Economy, with R. Anderson and R.H. Rasche, Journal of Macroeconomics, 2002

Sunbelt Growth and the Knowledge Economy: An Exploratory Approach, with T. Hogan, Journal of Regional Analysis and Policy, 38(2) pp. 176-188, 2008

### **3. Policy Papers**

[Benefits From Improving Educational Attainment in Arizona](#) (PDF), August 2012

Discusses the individual and community benefits associated with educational attainment and reviews the educational attainment of Arizonans. Assesses the public policies necessary to enhance attainment and estimates the economic benefits from an increase in attainment.

[Ensuring That Arizona State Government's Budget Stabilization Fund Serves Its Purpose](#) (PDF), June 2012

Simulates the functioning of the budget stabilization fund under differing specifications and presents recommendations to improve the operation of the fund.

[An Assessment of Arizona's Economic Competitiveness](#) (PDF), May 2012

A summary of Arizona's competitiveness position following legislative actions in 2011 and 2012.

[The Societal Benefits of Higher Education](#) (PDF), April 2008

A short summary of the societal benefits specific to Arizona, including an estimate of the benefits of increasing the percentage of university graduates.

[Quantitative Examples of the Financial and Economic Benefits of Higher Education](#) (PDF), March 2008

Looks at individual financial benefits, social financial benefits, and economic benefits of university research.

[Educational Attainment in Arizona Compared to All States](#) (PDF), November 2005

A summary of educational attainment nationally and by state, with a particular focus on those active in the labor force.

[Higher Education Enrollment and Finance in Arizona Compared to All States](#) (PDF), October 2005

An analysis of public support for higher education nationally and by state.

[The Value of Higher Education: Individual and Societal Benefits](#) (PDF), October 2005

An in-depth look at the benefits to individuals, the economies where educated individuals work and live, and society in general of enhanced educational attainment.

[Preparing for an Arizona of 10 Million People: Meeting the Infrastructure Challenges of Growth](#) (PDF), November 2008

A shorter version of the background report (see below), this report was distributed at the infrastructure conference held at Arizona State University on November 17, 2008.

[Preparing for an Arizona of 10 Million People: Meeting the Infrastructure Challenges of Growth – Background Report](#) (PDF), October 2008

Arizona's infrastructure needs are placed into national and historical contexts, the changing conditions in infrastructure provision that make building Arizona's infrastructure in the future a more problematic proposition than in the past are identified, and projections of the possible costs of providing infrastructure in Arizona over the next quarter century are provided.

[The Contribution of Universities to Regional Economies](#) (PDF), March 2008

Presented to the National Association of State Universities and Land-Grant Colleges, this report addresses three ways that a university contributes to its local community: traditional economic impact, benefits to individuals and society, and creation of knowledge.

[Targeting Federal Laboratories as a Catalyst for Private Investment in Research and Development](#) (PDF), January 2008

A brief discussion of how the attraction of a federally funded research and development center would aid economic development, particularly private-sector research and development.

[University Research and Local Economic Development](#) (PDF), August 2006

A review of studies that examine the extent to which university research contributes to economic growth and development.

[Lessons From the Irish Miracle](#) (PDF), June 2005

An analysis of Ireland's dramatic improvement in economic growth and prosperity, with comparisons to Arizona.

[Supply and Demand of "STEM" Occupations in Arizona](#) (PDF), November 2008

Employment, degree production, and migration of individuals in science, technology, engineering and mathematics.

[Sunbelt Growth and the Knowledge Economy: An Exploratory Analysis](#) (PDF), June 2007

Looks at education and income characteristics of migrants (proxies for the knowledge economy) to the Sunbelt, and the economic performance of the Sunbelt.

[Jobs, Income and Growth in Arizona: Individual Versus Aggregate Measures of Economic Performance](#) (PDF), March 2005

Compares Arizona's mediocre performance on per employee and per capita measures to its fast growth on overall measures.

[Ensuring That Arizona State Government's Budget Stabilization Fund Serves Its Purpose](#) (PDF), June 2012

Simulates the functioning of the budget stabilization fund under differing specifications and presents recommendations to improve the operation of the fund.

[Creating Jobs in Arizona by Building and Renovating Physical Infrastructure](#) (PDF), October 2011

Following an analysis of economic conditions, this paper examines actions that can be taken by state governments to stimulate the economy. The only action that results in a significant near-term effect is to accelerate spending on physical infrastructure that has already been identified as needed.

[Capital Gains in Arizona and the Effect on State Government General Fund Revenues](#) (PDF), July 2011

Reviews the cyclicity of capital gains and the impact of these fluctuations on general fund revenues. Includes a short-term forecast of capital gains.

[Tax and Expenditure Limitation Proposals in Arizona](#) (PDF), February 2011

Analyzes several proposals to create a new state government revenue or expenditure limit in Arizona, and compares the proposals to Colorado's TABOR.

[Arizona Constitution: Specified Duties of State Government](#) (PDF), November 2010  
([version with color graphs](#))

Functions of state government that are specified in the Arizona Constitution are examined in this paper. A decades-long history of state government funding for these functions is analyzed. Particular attention is given to education, which is discussed in the most detail in the Constitution.

[Roadmap to Arizona's Economic Recovery: A Package to Create Jobs, Improve the State's Economic Competitiveness, and Balance the Budget](#) (PDF), January 2010

A plan to balance the state government's budget in the near term and longer term, to create jobs in the near term, and to improve the state's economic competitiveness in the longer term.

[Addendum: Revenue Forecast Details](#) (PDF), March 2010

Discusses the baseline revenue forecast used in *Roadmap to Arizona's Economic Recovery: A Package to Create*

*Jobs, Improve the State's Economic Competitiveness, and Balance the Budget.*

[The Tax Burden in Arizona](#) (PDF), May 2009

A review of studies that assess the tax burden by state. The tax burden of individuals is contrasted to the business tax burden.

[A Summary of the Arizona State Government Fiscal Situation](#) (PDF), March 2009

A summary of five reports -- the three volumes of *Public Finance in Arizona, Education Funding in Arizona: Constitutional Requirement and the Empirical Record*, and *The Economic*

*Effects of Government Spending Reductions Relative to Other Options*. New and updated material are included.

[Abbreviated Version of a Summary of the Arizona State Government Fiscal Situation](#) (PDF),  
March 2009  
Formatted as a PowerPoint presentation.

[The Economic Effects of Government Spending Reductions Relative to Other Options](#) (PDF),  
February 2009  
Presents the results of economic modeling of the effects of spending reductions and tax increases in Arizona in order to resolve the Arizona state general fund budget deficit.

[Education Funding in Arizona: Constitutional Requirement and the Empirical Record](#) (PDF),  
January 2009  
An examination of public funding for elementary and secondary education and higher education in Arizona from historical and interstate perspectives, in light of the funding mandate expressed in the Arizona Constitution. An evaluation of public education in Arizona is included.

[A Response to the Goldwater Institute's Proposals for Closing the State Government Budget Deficit](#) (PDF), December 2008  
Illustrates the consequences of the spending reductions recommended by the Goldwater Institute to close the budget deficit, and discusses the philosophy embodied in the recommendations.

Public Finance in Arizona, December 2008  
A series of three reports that discuss government finance in Arizona.

[Volume I: Facts](#) (PDF)

Analyses of Arizona state government finance, using data of the Arizona Joint Legislative Budget Committee, and of the combined finances of all state and local governments within Arizona, using data of the U.S. Census Bureau. A historical perspective is provided for both datasets. For combined state and local government finance, comparisons are made to other states and to the national average. In addition, other measures of the tax burden by state are examined.

[Volume II: Concepts and Issues](#) (PDF)

Addresses the conceptual and empirical relationships between taxes, government revenue, and economic growth. Also discusses current issues specific to Arizona state government finance. This is a revised version of the report "Tax Reductions, the Economy, and the Deficit in the Arizona State Government General Fund," incorporating new and updated material.

[Volume III: Options for Managing the Arizona State General Fund](#) (PDF)

Presents options and offers recommendations for managing the Arizona state government general fund. The near-term budget deficit is addressed as well as ways to prevent budget deficits from recurring every time economic growth slows.

[Tax Reductions, the Economy and the Deficit in the Arizona State Government General Fund](#) (PDF), November 2008

The effects of the tax law changes implemented in Arizona since the early 1990s, the relationship between taxes and economic growth, and the current state government budget deficit are discussed.

[Tax Law Changes in Arizona Since 1989 and the Impact on Government Revenues and Economic Growth](#) (PDF), June 2008

Using data from the Joint Legislative Budget Committee, an analysis of the change in state government revenues and the relationship of such tax law changes and subsequent economic growth.

[Public Investment Using Debt Financing and the Effect on Economic Activity: Perspectives for the State of Arizona](#) (PDF), January 2008

A discussion of the use of long-term debt by governments to finance long-lasting infrastructure projects, including an empirical analysis of the relationship between debt burdens and economic growth.

[Changes in State Government Spending Compared to Changes in Income in Arizona Since 1990](#) (PDF), March 2007

Using data from the Joint Legislative Budget Committee, an analysis of the change in state government expenditures and gains in income.

[A Brief Analysis of Issues Associated With Debt Financing for the State of Arizona “Students First” School Capital Funding System](#)(PDF), March 2007

Compares the existing system of financing the construction of new schools through current expenditures from the general fund with the alternative of using long-term debt financing.

[Taxpayer's Bill of Rights](#) (PDF), February 2005

Examines efforts to limit the growth of state and local governments through tax and expenditure limitations, analyzing the effect of such a measure in Colorado, and discussing possible effects of a similar measure in Arizona.



#### 4. Recent Presentations

*Arizona Chapter, International Association of Assessing Officers*  
*Arizona Association of School Business Officials*  
Arizona State Board of Equalization  
ASU Fulton Center Colloquium  
ASU Law School Conference (two participants)  
City of Scottsdale Administration  
*Economic Club of Phoenix (several events)*  
Flinn-Brown Civic Leadership Academy (two participants)  
Ryle Fund, Faith Leaders Seminar  
*Scottsdale Leadership*  
Western Economic Association  
Arizona School Boards Association  
*Arizona Society of Certified Public Accountants*  
ASU Alumni Association  
*Salt River Project*  
Scottsdale City Council  
Spirit of the Senses  
*State Board of Equalization*  
Urban Land Institute  
Valley Interfaith Project (two events)  
Westmarc

5. **Profile:** Dennis L. Hoffman is a Professor of Economics at Arizona State University where he has published numerous academic articles and a book in the area of macroeconomics and econometrics. He has received both teaching and research awards from ASU. He received the Distinguished Faculty Research Award in 1992 and has held the title of Dean's Council of 100 Distinguished Scholar since 1996. He served as a visiting research scholar at the Federal Reserve Bank of St. Louis during the summer of 1996. In 1997, Dr. Hoffman was named the Arizona Professor of the Year by the Carnegie Foundation.

In addition to his academic appointment, Dr. Hoffman has held several administrative appointments; Associate Dean for Graduate Programs, 1998-2004, Associate Dean for Research; 2004-2008, and is Director of the Seidman Research Institute, 2004-present. Dr. Hoffman is also director of ASU's Office of the University Economist.

Professor Hoffman's extensive grantsmanship has enabled him to sponsor several graduate students. These students have been assigned academic research tasks or been used in policy analysis conducted for State Government. The experience has afforded students the opportunity to gain valuable experience in applying the tools for academic research to applied problems.

Dr. Hoffman's sponsored project efforts include the construction and maintenance of the tax revenue forecasting model used by the Executive Budget Office of the State of Arizona each year since 1982 – serving 7 different Governors. Dr. Hoffman headed groups of economists who measured the economic impact of several fiscal initiatives for the State of Arizona in 1989 and in 1990. The 1989 study was commissioned by Governor Mofford as an input to fiscal initiatives that were contained in her State of the State speech in 1989. The 1990 study was requested by the Joint Select Committee on Fiscal Reform of the Arizona Legislature. In 1996 Dr. Hoffman was appointed to the Joint Select Committee on Economic Incentives of the Arizona Legislature. Dr. Hoffman has conducted considerable contract research over the last several years. This includes projects, the Arizona Department of Transportation (1982,1986,1989), the Arizona Public Service Corporation (1987,1989, 2006, 2011), the American Express Corporation (1990), the Arizona Department of Environmental Quality (1991), the Economic Analysis Corporation (1992), the Greater Phoenix Leadership (1992,1994), the Arizona School Boards Association (1994, 2010), Boeing Corporation, (2006, 2008), the Arizona Hospital Association (2006), the Arizona Department of Health Services (2007-2008), Science Foundation Arizona: SFAz (2007-2011), the Arizona Investment Council (2007). In 2003, Dr. Hoffman served as lead presenter for the series on State fiscal policy conducted by the inaugural Arizona Campus. He also served as technical advisor for Governor Napolitano's citizen's fiscal reform committee (2004). As Director of the Seidman Research Institute, Dr. Hoffman has maintained administrative and research oversight for dozens of projects undertaken at the request of Arizona businesses and government agencies

Dr. Hoffman has closely studied the regional economy in Arizona. His extensive experience with the state and local economy positions him for his current research interests that include defining and measuring the role of research universities in regional development, quantifying the value of education investments to the economic prosperity of a region, and measuring the impact of various fiscal initiatives on regional development. These current research interests align with Dr. Hoffman's administrative assignment, Director of the Office of the University Economist, undertaken as a strategic university initiative at the direction of Arizona State University President Michael Crow. Dr. Hoffman is the faculty director of the Center for Competitiveness and Prosperity Research where he directs the Productivity and Prosperity Project <http://economist.asu.edu>