SPENCER MCCLOY
smccloy@fsu.edu
+1 502-558-0932
spencermccloy.com

FSU | FLORIDA STATE UNIVERSITY

Dear Dr. Bryan, Dr. Ganguli, and Dr. Myers,

I am writing to apply for the NBER Innovation Research Boot Camp. In addition to the attached application packet, please expect a reference letter from Dr. Shawn Kantor (skantor@fsu.edu), who serves as the chair of my dissertation committee.

I am a doctoral candidate in Economics at Florida State University. My primary research interests are in innovation, health, and economic history. My research focuses on the effect of health infrastructure on regional economies. Specifically, I investigate how "health- generating" institutions, like hospitals, influence the scale and direction of innovation, growth, health outcomes, and dynamics in the medical labor market. I aim to use an extensive, federally funded expansion in health facilities during the mid-20$^{th}$ century to provide insights into how public policy can stimulate innovation, economic growth, and reduce health disparities, especially in rural areas.

The boot camp is an ideal context to support my growth as a researcher in the field of the economics of innovation. While my academic program at FSU has provided a robust foundation in econometrics and applied research in general, the absence of a dedicated innovation course leaves me eager for a more structured exploration of the field. The exposure to foundational principles and cutting-edge research offered by the boot camp would directly improve my research by offering new perspectives and methods as I develop my research on the impacts of local health care infrastructure on innovation. Moreover, the opportunity to connect with fellow researchers specializing in innovation is a compelling aspect. The professional relationships fostered during this training period will undoubtably lead to personal professional improvement and intellectual growth and potentially foster relationships with future collaborators.

The NBER Innovation Research Boot Camp offers a professional springboard aligning with my commitment to advancing economic research and fostering connections critical for future success.

Thank you for considering my application. I am eager to contribute to and benefit from the vibrant intellectual community at the boot camp.



Spencer McCloy

Ph.D. Candidate
Department of Economics
Florida State University

**Current Work:** My research exploits previously untapped historical data to examine the causal effects of public investment in hospitals on localized health care innovation and economic growth, using the Hill-Burton Act of 1946 (HB) as a quasi-experimental setting. From 1947 to 1971, HB funded 10,748 medical facility construction projects, making it one of the largest public investments in health infrastructure in U.S. history (Starr, 2017). It also played a pivotal role in extending unprecedented health facility access to minorities and low- and middle-income individuals (Rice & Jones, 1994). The recent literature uncovering the causal foundations of knowledge production in the health care economy is expanding, but the role of hospitals in innovation remains underexplored (Thune & Mina, 2016). Studies have focused on hospitals as consumers, rather than producers, of new knowledge. In reality, however, hospitals are hubs of innovation, organizing myriad sources of scientific, clinical, technical, and commercial knowledge; bridging basic and applied research, experimentation, and technological adaptation; and connecting public and private actors. I aim to bridge this gap in the literature using insights from HB.

**Future Work:** Building on this foundation, I plan to investigate how public investment in health facilities shapes the labor market for medical professionals, researchers, and inventors. Specifically, I will examine how these investments influence the mobility of medical professionals and their contributions to medical innovation and local economic growth, complementing existing work on the geography of inventors (Verginer & Riccaboni, 2021). A key aspect of this analysis will be understanding spillover effects into neighboring regions, contributing to research on how public R&D investments drive local and regional innovation (Jaffe et al., 1993; Kantor & Whalley, 2014, 2019). By leveraging HB as a historical case study, I aim to explore these broader economic implications and assess how public R&D investments interact with local labor markets. More broadly, my research seeks to inform public policy discussions on how investment in public health infrastructure can stimulate innovation and economic growth that reduces disparities in health outcomes.

**Benefit of Attending the Boot Camp:** My academic program at Florida State University has equipped me with a strong foundation in econometrics, both in theory and methods, providing me with the essential tools for research in applied microeconomics. However, the absence of a dedicated course on the economics of innovation has left me eager for a structured exploration of this field. The boot camp presents a unique opportunity to delve into concepts, methodologies, and research avenues that extend beyond the scope of my studies. A week of intensive exposure to foundational principles and cutting-edge research at the boot camp would significantly enhance my understanding of the economics of innovation and equip me to contribute to this exciting field. The knowledge gained through formal lectures and informal conversations at the boot camp would be invaluable as I refine my research.

The prospect of connecting with fellow researchers specializing in innovation is a compelling aspect of the boot camp. While my advisors at FSU offer valuable insights, the absence of peers focused on innovation research has been a notable gap. The boot camp will introduce me to both early-career and veteran researchers in the field. I consider the chance to engage in conversations with participants from diverse backgrounds and with unique perspectives, share feedback on ongoing projects, and refine research ideas collectively one of the primary benefits of the boot camp. The opportunity to attend the Summer Institute Innovation Policy meeting is a remarkable chance to meet peers and accelerate my understanding of cutting-edge research in innovation.

SPENCER MCCLOY
smccloy@fsu.edu
+1 502-558-0932
spencermccloy.com

Bellamy Building
113 Collegiate Loop
Tallahassee, FL 32304

Placement Director: Luke Boosey lboosey@fsu.edu 850-644-7087

## Education

**Florida State University**
Ph.D. Economics, 2026 (expected)

**Florida State University**
M.S. Economics, 2021

**Union University**
B.S. Economics (honors), 2020

## Fields

Primary: Health Economics, Economic History
Secondary: Law and Economics

## References

Professor Shawn Kantor
skantor@fsu.edu

Professor Carl Kitchens
ckitchens@fsu.edu

## Working Papers

"Hospital Expansion and Health Outcomes: Evidence from the Hill-Burton Program"

This study analyzes the effects of healthcare capital stock expansion and modernization on health outcomes, specifically focusing on the impact of the Hill-Burton Act of 1946 on mortality rates at the county level between 1947 and 1971. Using an instrumental variable approach, I find that counties that received Hill-Burton funding experienced a statistically significant reduction in mortality per thousand in population, with a decrease of between 2.1 percent and 2.3 percent. Infant mortality experienced a larger decrease, falling by between 7.1 percent and 8.8 percent. My results suggest that public investment in the construction and modernization of health care facilities can have a positive impact on population health, highlighting the importance of ongoing efforts to improve healthcare infrastructure.

## Fellowships & Awards

Michael J. Piette Dissertation Fellowship, *Florida State University*, 2024
Irvin & Peggy Sobel Award for Best Graduate Student, *Florida State Universit*y, 2023
Early-State Dissertation Grant, *Economic History Association*, 2023
Values & Capitalism Young Scholar Award, *American Enterprise Institute*, 2019

## Teaching

| | | | |
|---|---|---|---|
| Intermediate Macroeconomics | Instructor | Florida State | Summer 2023 |
| Principles of Macroeconomics | Instructor | Florida State | Summer 2022 |
| Analysis of Economic Data | TA | Florida State | Spring 2022 |
| International Trade | TA | Florida State | Fall 2021 |
| Money and Banking | TA | Florida State | Summer 2021 |

| | | | | |
|---|---|---|---|---|
| | Game Theory | TA | Florida State | Spring 2021 |
| | Personal Finance | TA | Florida State | Fall 2020 |
| | Principles of Microeconomics | TA | Florida State | Fall 2020 |

**Research** Research Assistant, Florida State University, Professor Shawn Kantor, 2022-present

**Presentations**
Southern Economic Association, *Annual Meeting*, 2024
Florida State University, *Quantitative Workshop*, 2024
Southern Economic Association, *Annual Meeting*, 2023
Florida State University, *Quantitative Workshop*, 2023
American Enterprise Institute, *Values and Capitalism Young Scholars Conference*, 2020

**Academic Service** Referee, *Environmental Challenges*

**Software Skills**
Advanced: R, Stata, LaTeX
Basic: ArcGIS, Julia, Mathematica, Matlab, Python, SPSS

## Completed PhD Courses

### Economic Theory Courses

- Microeconomic Theory 1: Product Markets & the Theory of the Firm
- Microeconomic Theory 2: Imperfect Competition, Factor Markets, and Income Distribution (i.e., Game Theory)
- Macroeconomic Theory 1
- Macroeconomic Theory 2

### Econometrics Courses

- Mathematical Economics
- Econometrics 1
- Econometrics 2
- Methods for Panel Data
- Limited Dependent Variables
- Time Series Analysis
- Structural Econometric Methods
- Empirical Methods in Applied Economics

### Field Courses

- Law and Economics
- Public Choice
- Public Economics
- Public Goods
- Population Data
- Introduction to Research Methods

***Note: The courses listed above are all completed. No courses are currently underway.***

FSU | COLLEGE OF SOCIAL SCIENCES & PUBLIC POLICY

January 30, 2025

Dear Colleagues:

I write to offer my enthusiastic support for Spencer McCloy's application to participate in this summer's Innovation Bootcamp; in fact, I have strongly encouraged him to apply. Mr. McCloy is in his fifth year of the PhD program in Economics at FSU this academic year and I have served as his main mentor as he has been working on a project analyzing various economic consequences of the Hill-Burton Act of 1946 (H-B). H-B generated the largest federal public investment in health-care infrastructure in the postwar era.

In his dissertation project Mr. McCloy seeks to understand how health-care infrastructure, like hospital capacity in a local area, affects a local economy. Mr. McCloy plans to examine health outcomes, local labor markets for health care personnel, and health-related innovative activity. Of course, health-care capital stock is not an exogenous variable, so finding the appropriate methodology to glean causal inferences is key in this type of effort. Mr. McCloy proposes to use Hl-B's funding and construction of hospitals across the country, appropriately instrumented, as his source of exogenous variation in local hospital capital stock. In this regard, Mr. McCloy is adopting the IV approach of Chung, Gaynor, and Richards-Shubik (REStat, 2017) who use a locale's so-called "priority rankings" as an instrument for H-B funding locally. While states were supposed to prioritize under-served and rural areas, the actual rankings have enough noise in them that the realized allocation of H-B funding was far from formulaic or deterministic. My hunch is that politics mattered, which makes for a reasonable instrument. Mr. McCloy realizes that some readers may be skeptical of an IV approach, so he has proposed a variety of alternative empirical approaches, such as a simple Callaway and Sant'Anna (2021) staggered difference in difference specification or a Callaway, Sant'Anna, and Goodman-Bacon (2021) staggered timing continuous treatment specification.

With respect to the innovation angle of his work, specifically, the question of what local conditions contribute to the success of public R&D interventions is becoming an important topic as policymakers debate the worthiness of so-called place-based policies to jumpstart lagging regions. I believe that there is much that Mr. McCloy can contribute to the innovation literature by linking local health-care capital stock to ensuing innovations locally. One benefit of Mr. McCloy's data collection is that he will be able to determine how different types of health care facilities contribute to new ideas and their diffusion.

From a variety of angles, I am very excited about Mr. McCloy's research. He is a serious student, he is tenacious and committed, and I have every confidence that he will produce an outstanding dissertation. I strongly endorse his application to attend the Innovation Bootcamp. Mr. McCloy has moved beyond data-collection mode and beginning to formulate his ideas for the innovation research he will pursue, so having exposure to the Bootcamp at this time will offer significant value added to his doctoral education. My hope is that this element of his dissertation ultimately becomes his job market paper.

Sincerely yours,



Shawn Kantor
L. Charles Hilton Jr. Distinguished Professor & NBER

*Department of Economics, Florida State University, P.O. Box 3062180, Tallahassee, FL 32306-2180*
*Email: skantor@fsu.edu*