

Open letter to the UC Regents seeking investigation of the UC Riverside – Beacon Economics relationship

We, the undersigned University of California faculty, staff and graduate employees, urge the Regents to investigate the use of the UC name and trademarks on research reports produced by a private company that pays the university to publish under the name “[UC Riverside School of Business Center for Economic Forecasting and Development](#).”

Since 2015, the company, [Beacon Economics, LLC](#), has had an [agreement](#) with the Regents that allows Beacon to operate as the Center for Economic Forecasting and Development and to use the UC Riverside logo and other trademarks on its research products. In exchange, Beacon pays UCR a 10 percent royalty on revenue from producing those products.¹ That revenue often comes from corporations and industry groups that sponsor research and use the findings to advance their interests. We do not know how much sponsorship revenue Beacon reaps, because as a private firm it can claim exemption from California’s Public Records Act.² In addition to avoiding disclosure of its finances, Beacon appears to conduct its research without meaningful faculty oversight:

- There is no faculty oversight committee for the Center for Economic Forecasting & Development, according to Beacon management.³
- Beacon co-owner and Center Director Christopher Thornberg identifies himself as a UCR [adjunct professor](#), but he does not appear in either the [UCR business school faculty directory](#) or in the UCR [profile directory](#).
- In fact, **none** of the [staff](#) of the Center for Economic Forecasting are UCR faculty according to the [UCR business school faculty directory](#) and UCR [profile directory](#).

Without funding transparency or real faculty oversight to enforce academic rigor, this arrangement has allowed corporations and industry groups to underwrite Beacon reports attacking proposals to improve the lives of working Californians.

We unequivocally support academic freedom and freedom of speech, and we note that Beacon Economics produces quality macroeconomic forecasts. We believe, however, that Beacon’s UC-branded, corporate-funded reports often fail to meet the high standards we strive to meet in our research, thus endangering the credibility of our work and harming the University of California’s good name.

Most recently, in a franchise-industry-funded [report](#),⁴ Beacon asserts that legislation allowing fast-food workers a say in setting their pay would mean fast-food price hikes of up to 20 percent or more.⁵ Fast-food companies are spending [tens of millions of dollars](#) to promote the findings of this report – which they funded. They are trying to convince voters that empowering fast-food workers – [most of them women and most of them Latino, Black, or Asian](#) – means a 20 percent “[food tax](#).”

Research into actual restaurant prices in cities and states that have enacted large minimum wage increases, however, tells a different story. For example, a [2019 study](#) by researchers from MIT and the Federal Reserve Bank of Boston found about a half-percentage-point menu price increase for every 10 percent rise in the minimum wage.⁶ Similarly, [Allegretto and Reich](#) found in 2018 that San Jose's 25 percent minimum wage increase raised restaurant prices by 1.45 percent.⁷

Beacon has produced other industry-backed research, prominently bearing the UC Riverside logo, attacking workers' gains in California. Examples include Lyft-funded [reports](#)⁸ supporting the repeal of ride-hail drivers' employee rights and a California Restaurant Association-funded paper [criticizing minimum wage increases](#).

As UC faculty, staff and graduate employees, we call on the Regents to ensure high standards for research products bearing the name of the university. Specifically, we urge the Regents to:

- Require the Riverside campus to establish meaningful faculty oversight of the Center for Economic Forecasting and Development.
- Investigate the arrangement allowing Beacon to license the UC Riverside name.
- Require Beacon to cease using UC trademarks while the investigation proceeds.

Respectfully,

(signers as of February 13, 2023)

Dylan Rodriguez, Professor and former Senate Chair, Riverside

Jonathan Ritter, Chair, Department of Music, and Associate Professor of Ethnomusicology,
Riverside

Chikako Takeshita, Associate Professor, Riverside

Tanya Nieri, PhD, Associate Professor, Riverside

Ellen Reese, Professor of Sociology, Riverside

Marissa Brookes, Associate Professor, Riverside

Richard Hunt, Lecturer, Riverside

Jorge N Leal, Assistant Professor, History Department, Riverside

Carlos Varon Gonzalez, Assistant Professor, Riverside

Paul Fine, Ph.D, Professor of Integrative Biology, Berkeley

Clair Brown, Professor of Economics, Berkeley

James Vernon, Professor, Berkeley

Michael Burawoy, Professor, Berkeley

Barbara A. Barnes, Lecturer, Gender & Women's Studies, Berkeley

Shalle Leeming, Lecturer, Berkeley

Miriam Greenberg, Lecturer, Berkeley

Leslie Salzinger, Chair and Associate Professor, Gender and Women's Studies, Berkeley
Colleen Lye, Associate Professor, Berkeley
Brit Kelley, Lecturer, Davis
Drew Halfmann, Associate Professor of Sociology, Davis
Stacy Fahrenthold, Associate Professor, Davis
Trevor Griffey, Vice President of Legislation, UC-AFT, Irvine
Walter Julio Nicholls, Professor, Irvine
Virginia Parks, Professor, Irvine
Keith Danner, Lecturer, Irvine
Martha S. Feldman, Distinguished Professor, Irvine
Annie McClanahan, Associate Professor of English, Irvine
Hun Kim, Assistant Professor, Irvine
Laura Hamilton, Professor and Chair of Sociology, Merced
Charlie Eaton, Associate Professor of Sociology, Merced
Edward Orozco Flores, Associate Professor of Sociology, Merced
Michael Calderon-Zaks, Lecturer, San Diego
Lilly Irani, Associate Professor, San Diego
Edward Yelin, Emeritus Professor, San Francisco
Eileen Boris, Hull Professor and Distinguished Professor of Feminist Studies, Santa Barbara
Nelson Lichtenstein, Distinguished Professor of History, Santa Barbara
Fariba Enteshari, Lecturer, Religious Studies, Santa Barbara
Chris Benner, Professor and Director, Institute for Social Transformation, Santa Cruz
Matthew Lasar, Lecturer (retired), Santa Cruz
Noah Zatz, Professor of Law, UCLA
Tobias Higbie, Professor of History and Labor Studies, UCLA
Gerald F Kominski, Professor Emeritus, UCLA
Cody Trojan, Lecturer, Political Science, UCLA
Anne Blackstock-Bernstein, Lecturer, UCLA
Claire Lavagnino, Lecturer, UCLA
Robin D. G. Kelley, Gary B. Nash Endowed Chair in U.S. History, UCLA
Sanford M. Jacoby, Distinguished Research Professor, Management, UCLA
Kent Wong, Director, UCLA Labor Center, UCLA
Jacob Lang, Lecturer, UCLA
Amber West, Continuing Lecturer, UCLA
Marques Vestal, Assistant Professor, UCLA
Laurel Lucia, Specialist, Berkeley
Juan M Vazquez, Postdoctoral Fellow, Berkeley
Tim Kodalle, Postdoctoral Fellow, Berkeley
Krzysztof M. Kozak, PhD, Assistant Project Scientist, Berkeley
Adam Caparco, Postdoctoral Fellow, San Diego
Nazune M Menka, Supervising Attorney, Berkeley
Gillian Edgelow, Research Program Administrator, Berkeley
Timothy Vollmer, Librarian, Berkeley
Nathan T Spannaus, Executive director, CMES, Berkeley

Tanner Frank, PhD Candidate, Berkeley
Jacquelyn Galvez, PhD Candidate, Berkeley
Katherine Magoullick, PhD Candidate, Berkeley
Aleksey Maro, PhD Candidate, Berkeley
Valeria Ramírez Castañeda, PhD Candidate, Berkeley
Maya Samuels-Fair, PhD Candidate, Berkeley
Kwasi Wrensford, PhD Candidate, Berkeley
Mason Chock, Ph.D. Student, Berkeley
Helen Bergstrom, National Science Foundation Fellow and PhD Candidate, Berkeley
Georgia Gillan, MPP Candidate, Berkeley
Angela Rolon, GSI/Student, Berkeley
Elizabeth Piotrowski, Graduate student researcher, Berkeley
Shawn Costello, Graduate Student Researcher, Berkeley
Connor D Luellen, Graduate student researcher, Berkeley
Will Toasperm, Graduate Student Researcher, Berkeley
Patty Angus, Graduate Student Instructor, Berkeley
Alex Pinigis, Graduate Student Instructor, Berkeley
Nicholas Heller, Graduate Student, Berkeley
Mia W Antezzo, Graduate Student, Berkeley
Tommaso Bernardini, Graduate student, Berkeley
Aaryaman Singhal, Graduate Student, Berkeley
Lucy Andrews, Graduate Assembly President, Berkeley
Emily Jacobson, Grad student; tutor, Berkeley
Dalton Stanley, Grad, Berkeley
Isaac W Krone, Doctoral Candidate, Berkeley
Daniel Luna-Barnum, TA/PhD Student, Irvine
Frances Beresford, Stats Grad Student, Irvine
Charles Gunn, PhD Student/TA, Irvine
Louise McCune, PhD Student & TA, Irvine
Leslie Panyanouvong, PhD student, Irvine
Youjin Bori Kim, PhD Candidate, Irvine
H.G. Gorback, Graduate Teaching Assistant, Irvine
Jessie Altieri, Graduate Student Researcher, Irvine
Olivia Silke, Graduate Student Fellow, Irvine
A May, Grad Student, Irvine
Joe Gallegos, Doctoral Student, Irvine
Stephanie Martinez, Doctoral Student, Irvine
Ian Baran, Doctoral Candidate, Irvine
Raj Chaklashiya, Graduate Student Researcher, Santa Barbara
Tam J Guy, Teaching Fellow, UCLA
Sammy Feldblum, PhD candidate, Geography, UCLA
Rebecca Saavedra Swint, Grad Student, Urban Planning, UCLA
Justin G McBride, Doctoral Student, UCLA

Notes

¹ The contract limits Beacon's use of the UCR trademarks to products and services related to the Inland Empire or produced for persons or firms "in the Inland Empire," defined as Riverside or San Bernardino counties. However any person or firm that "conducts any business in the Inland Empire or otherwise has a presence in the Inland Empire" qualifies as "in the Inland Empire." Affiliation Agreement between Regents of the University of California and Beacon Economics, LLC, September 2015, para. 2(a). https://drive.google.com/file/d/1tooH_9ROEoAy1-ULAe4dy3DzT8xse3JU/view?usp=share_link

² In response to a CPRA request seeking information on payments from an industry group to the Center for Economic Forecasting and Development, a UCR representative wrote, "... the records you are requesting are not held at UC Riverside. The UCR Center for Economic Forecasting and Development is operated by an outside company, Beacon Economics, which has a licensing agreement for use of the UCR name. This arrangement extends to Beacon representatives, such as Christopher Thornberg, serving in volunteer capacities so as to utilize UCR email addresses." Email from UCR public records staff member, September 26, 2022.

³ Telephone conversation with Beacon principal Sherif Hanna.

⁴ The report, "[How Increases in Worker Compensation Could Affect Limited-Service Restaurant Prices](#)," UCR Center for Economic Forecasting & Development, August 2022, states on page 2: "This research was supported by the International Franchise Association."

⁵ See Christopher Thornberg, "[How Increases in Worker Compensation Could Affect Limited-Service Restaurant Prices](#)," UCR Center for Economic Forecasting & Development, August 2022, p. 4.

⁶ Daniel Cooper et al., "[The Local Aggregate Effects of Minimum Wage Increases](#)," MIT Open Access Articles, May 29, 2019, p. 17.

⁷ Sylvia Allegretto & Michael Reich, "[Are Local Minimum Wages Absorbed by Price Increases? Estimates from Internet-Based Restaurant Menus](#)," ILR Review, June 2017.

⁸ The linked report states on p. 2. "Prepared by the Center for Economic Forecasting and Development with research costs covered by Lyft." There are other pro-Prop 22 reports with the same statement at https://ucreeconomicforecast.org/wp-content/uploads/2020/10/Prop22_JR_Rebuttal_Response_10_9_2020.pdf and https://ucreeconomicforecast.org/wp-content/uploads/2020/09/Cornell_Response_CEFD_9_2020.pdf