



September 11, 2006

Note From the Department Head

This is my first “Note from the Department Head” for our newly redesigned Department Newsletter. The redesign will make the Newsletter more attractive and informative. Aably assembled by Angie Dangerfield, the department’s new Administrative Supervisor, and more widely distributed, it will let more students, MSU faculty, and others in Montana know what the faculty and staff of the Department are up to—a great deal, as you will see below.

In April, a distinguished academic review team, assembled by the Provost, visited campus to review the programs in our Department. The Board of Regents recently required that over the next 7 years, every program at MSU be reviewed. We were delighted to be selected for the first external review. Our delight had correctly anticipated the highly positive assessment deliv-

ered. On teaching, the review concluded that “The quality of instruction offered to both undergraduates and Masters’ candidates is high. ... The result is that the students are well-trained and highly successful.” On research: “The quality and productivity of published research is exceptional for a department that does not maintain a large graduate program or offer a PhD.” And on outreach: “The outreach programs of the department are generally of high quality, timely, topical, visible, and well-received. They have high impact in the state.” The faculty has won many teaching awards, many research awards, and those who hear and read what they say have consistently respected their work. The report also suggested that we more effectively communicate to students, other faculty and Montana citizens, the high level of activity on all fronts that the Department’s faculty, strongly sup-



Rick Stroup, Department Head

ported by our staff, regularly performs. This expanded and upgraded newsletter, sent electronically to a much larger audience than before, is one response from the Department.

This first “Note from the Department Head” is likely my last as well. After 37 years with this

faculty, the last 3 as Interim and then Department Head, I have asked to step down in anticipation of retiring from the Department. Jane and I are moving to North Carolina, where Jane will lead the J. W. Pope Center for Higher Education Policy, and I will continue my research program at N.C. State University and probably do some teaching. I have been most fortunate to have as colleagues this truly amazing set of faculty, and have been honored to represent them to the Deans and to the upper administration for the past 3 years. It has truly been a privilege for which I am grateful.

Faculty leaders recognized by the Western Agricultural Economics Association

Gary Brester and Myles Watts were each recognized as leaders of the Western Agricultural Economics Association (WAEA) at the 2006 Annual Meeting in Anchorage, Alaska in June. The WAEA is the second largest agricultural economics association in the United States with approximately 600 members.

Gary Brester has been elected to serve as President of the WAEA for 2006-2007, and delivered his Presidential Address at the Annual Meeting. The title of the address was “Research and Publishing: Relevance and Irreverence”. The purpose of the address was to examine the relationship of research and publish-

ing to the primary purposes of universities which are to: (1) teach, and (2) generate new ideas. Research improves university professors’ ability to teach, think, and create new ideas. And, research provides the innovation that translates into technological progress. Technological progress is the

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engine that generates societal wealth and improves living standards. The process of publishing research improves our ability to explain complicated economic phenomena. Publishing is the means for professors to improve professional skills. Perhaps more importantly, the publishing process provides a mechanism for us to exercise the necessary activity of irreverence. The generation of new ideas requires hard work, critical thought, debate, and skepticism. Communicating these scientific results to other scientists provides an organized method of facilitating the exchange and development of creative thinking. Publishing provides an accessible method for others to understand the current state of a profession and provides a check on procedural correctness, competency, unbiasedness, and logical consistency. Failure to actively engage in research and publishing limits the scope of teaching and idea generation.



Professor Gary Brester

Myles J. Watts was awarded 2006 Distinguished

guished Scholar of the Western Agricultural Economics Association, the organization's highest award. Myles was recognized by the WAEA for his significant contribution to the association and the profession. The award was presented to him during the Awards Luncheon held at the Annual Meeting in Anchorage.

Congratulations to Gary and Myles on their well deserved acknowledgments.



"The process of publishing research improves our ability to explain complicated economic phenomena."

Department Seminars

Brownbag Lunches

The schedule for the department's 2006-2007 Brownbag Lunch Series is currently under construction. Brownbag lunches are very informal and last **an hour or less**; the topics are **WIDE** open, and could include anything from very preliminary research ideas to roundtable discussions of journal articles of interest or teaching-related topics. If you have suggestions for brownbags or would like to lead one, please contact Wendy Stock.

Faculty/Graduate Student Seminars

Departmental faculty/graduate student seminars are held Wednesday afternoons at 3:15 p.m. in the Linfield Hall Conference Room 306. Volunteers and suggestions for upcoming speakers for the semester—either MSU faculty members or visitors—are encouraged. Please contact Randy Rucker with seminar suggestions.

Falascchetti returns to MSU after assignment to the White House

Professor Dino Falaschetti recently returned from a year in Washington, where he served the Executive Office of the President as a Senior Economist for the Council of Economic Advisers. His issue areas (financial services and regulation) let



Professor Dino Falaschetti and his wife Suzanne with the President and First Lady

him inform important debates, such as those on pension reform, retirement security, energy futures markets, counter-terrorism strategies, and Gulf Coast redevelopment (following Hurricane Katrina). The Department of Agricultural Economics and Economics excels at motivating students to *scientifically* consider social phe-

nomena. Indeed, it is this very capacity that let Professor Falaschetti offer policy leaders clear insight to what otherwise appear as overwhelmingly complex problems. He's looking forward to advancing his public service in this regard, especially in the area of counter-terrorism strategies, and sharing with his students both the enduring value of thinking like a social scientist and new research on how political forces influence economic performance.

Great Expeditions: Money and Music

The MSU Honors Program Great Expedition course of 2006, "Money and Music," had a successful trip to Austria and Germany in May. The course is offered every-other year and focuses on the interface of creativity, technology, and economic incentives in the creation of music. Students who participated in the course studied German-speaking composers including Bach, Strauss, Brahms, Mozart, and Berg. They met as a class once a week during spring semester and then traveled for two weeks to Vienna, Salzburg, and Munich to explore the history and music that they had examined throughout the course. Students gained a unique learning experience while

visiting historical musical sites and attending concerts and musicals throughout their trip.

"Money and Music" was co-taught by Agricultural Economics professor Vincent Smith and Greg Young, Music professor and Vice Provost for Undergraduate Education.



MSU Honors Program Great Expedition course "Money and Music"

Follow the Grain 2006 a Success

This year's Follow the Grain course was conducted by Ag Economics professor Dave Buschena and Plant Sciences and Pathology professor Phil Bruckner, with assistance from Ag Economics Professor-Emeritus Jim Johnson. The course is held every other year and this year marked the



Follow the Grain students in Taipei

fourth year of the course. The students participating in the course literally "followed the grain", by meeting grain industry professionals and discovering first hand what goes into producing and marketing Montana wheat and barley around the world. They traveled to Taiwan and Japan in March, where they visited with different

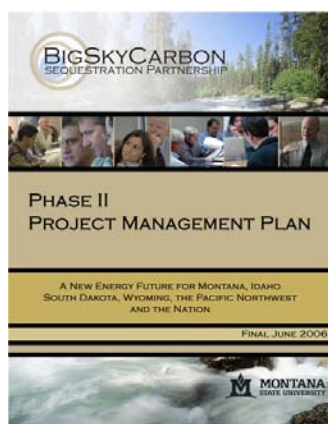
groups in the industry. One of their experiences included meeting with the Taiwan Flour Millers Association where they learned much about Taiwan's wheat industry. They also visited the U.S. Embassy in Tokyo, where they were informed about Japanese consumers' food preferences. Overall, the course was a success and the students gained an appreciation for Montana's role in the global grain markets.

Big Sky Carbon Sequestration Partnership Update

The Big Sky Carbon Sequestration Partnership (BSCSP), directed by Susan Capalbo is nearing completion of year one of a carbon sequestration research project funded by the U.S.

Department of Energy, National Energy Technology Laboratory (NETL). The overall partnership management is overseen by the BSCSP Senior Management Team that includes the BSCSP Director, Associate Directors, Project Manager and Administrative support. A partnership planning meeting was held in December 2005 and a required Project Management Plan was implemented and is being overseen by the BSCSP's Project Manager, John Talbott. The partnership research is comprised of five major research components that include Geological and Terrestrial Sequestration, Eco-

economic & Risk Analysis, Outreach, Education and Regulatory Compliance, and GIS/Carbon Atlas. At the conclusion of year one, each of the research teams has held individual strate-



gic planning meetings to determine how to meet the required schedule of deliverables (grant requirements) and to identify potential problems and identify solutions.

As we begin the second year of this four year grant, several key components of the research will move from feasibility analyses to implementation. A pilot test well will be drilled to evaluate the potential to inject CO₂ in Mafic rock that underlies most of the Pacific Northwest. Second, flue gas from a coal-fired power plant in Wyoming will be treated to remove the CO₂ for

injection in an existing oil field in the Powder River Basin and used as a means to enhance oil recovery while sequestering the CO₂ in deep sedimentary rocks. Third, improved methodologies for measuring soil carbon will be employed to test different cropping approaches for sequestering CO₂ in soils. Finally, we expect to complete much of the GIS work for construction of a national Carbon Atlas that will allow states to begin to site power plants in areas where it is economically preferable to sequester CO₂.

The Partnership has raised nearly \$1.5 million in cost share from various energy and non-profit partners. Before the grant is completed, the Partnership will have raised over \$3.4 million in outside funding and in-kind cost share to supplement the grant.

For more information regarding this partnership, please visit <http://www.bigskyco2.org/> or contact Angie Solvie, Project Administrator at (406) 994-3755

Presentations

Doug Young presented an invited paper, *Alcohol Prices and Traffic Safety*, at a Transportation Research Board (TRB) Conference in Newport Beach, CA, in June. The TRB is a branch of the National Academies.

Wendy Stock presented, *Gender-Differences in Graduate School and Job Placement Outcomes for Economics Ph.D.s* at the American Agricultural Economics Association meetings in Long Beach in July. The presentation summarized gender-related outcomes from her extensive work on graduate economic education.

Doug Young presented, *Growth in the Gallatin* to Gary Stern, President of the Federal Reserve Bank of Minneapolis, at a meeting in Bozeman in July. The presentation focused on how the local economy and public finances have been affected by the recent rapid growth in Gallatin County.

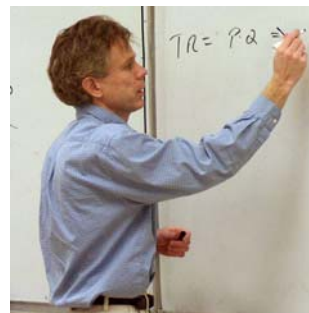


Myles Watts presented at the annual Montana Woods Products Association (MWPA) Convention in Missoula in August. The theme of the convention was "Montana's Economic Engine." Myles participated in a panel discussion and specialized on Montana's agricultural economic outlook. Other panelists ranged from hard-rock mining, coal mining, energy, oil and gas, and agriculture. MWPA is a non-profit organization that seeks to promote wise long-term management of Montana's forests.

Myles Watts will be presenting at the Western Environmental Trade Association's (WETA) 30th Annual Meeting in Bigfork in September. WETA serves as a representative to farmers, ranchers, and other industry professionals on legislative affairs and public policy issues, and encourages economic growth in an environmentally

responsible way. Myles' presentation will focus on how Montana's Natural resources drive the state's economy.

Joe Atwood served as a moderator for two sessions at the American Agricultural Economics Association annual meeting in July in Long Beach, California. He also co-authored one paper.



Andy Hansen presented his paper, *Why Understanding Smoking Bans is Important for Estimating Their Effects: California's Restaurant*

Smoking Bans and Restaurant Sales, at the Presidential Session of the Western Economics Association annual meeting in June in San Diego, California. He also presented his paper, *Déjà Vu All Over Again: Representative Government, Private Property, and the History of Eminent Domain*, at the same meeting.

Publications

Wendy Stock's paper, "The Labor Market Effects of Sex and Race Discrimination Laws" (with David Neumark), appeared as the lead article in the July 2006 issue of *Economic Inquiry*. The paper examines the effects of state sex and race discrimination laws that were passed prior to federal anti-discrimination legislation, arguing that because equal pay constraints raise the relative price of female labor, they may be expected to reduce the relative employment of females. The paper finds robust evidence that state equal pay laws for women reduced relative employment of both black women and white women. *Economic Inquiry* is among the top-35 economics journals worldwide.

Wendy Stock, Christiana Stoddard, and Katie Genadek (a former MSU Master's student) had their paper, "Divorce Laws and the Labor Force Participation of Women with and without Children" (with), accepted by the

Journal of Human Resources. The paper examines how changes in divorce legislation that make divorce less costly (i.e., no-fault divorces) are associated with relative increases in labor force participation among women with small children. The JHR is widely considered the top journal in labor economics, and is often ranked among the top-25 economics journals worldwide.

Wendy Stock's paper, "Where Are They Now? Tracking the Ph.D. Class of 1997" (with John Siegfried), has been accepted for publication by the *Southern Economic Journal*. The paper examines panel outcomes for a cohort of economics Ph.D.s at the time of their graduation and six year afterward. Particular emphasis is placed on job mobility and a "tied mover" effect among female economics Ph.D.s. The Southern Economic Journal is among the top-60 economics journals worldwide.

"The paper finds robust evidence that state equal pay laws for women reduced relative employment of both black women and white women."

Wendy Stock's papers, "Time-to-Degree for Economics Ph.D.s", "Attrition in Economics Ph.D. Programs", and "Matriculation in U.S. Economics Ph.D. Programs: How Many Accepted Americans Do Not Enroll?" (with John Siegfried and Al Finegan) appeared in the May 2006 issue of the *American Economic Review*. The three papers formed a session at the AEA meetings focused on graduate economic education, and are among the last of a set of papers generated as part of a grant from the Ford Foundation.

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Agricultural Economics/Economics

www.montana.edu/econ



Not pictured: YungBen Yelvington, Chase Cook, and Tyler Wiltgen

Graduate Students

2006 - 2007:

Joe Newcomb

Brenna Grant

YungBen Yelvington

Chase Cook

Tyler Wiltgen

Cale Davis

Destiny Iorg

Aaron McNay

Joe Vanek

Olzhas Zhorayev

Joe George

Rawley Heimer

We are seeking more news about our current students and alumni. Please share your news and accomplishments with us at angie.dangerfield@montana.edu.

Other News

Wendy Stock attended the 3-day Teaching Innovations Program in Santa Fe, New Mexico in June. The program, sponsored jointly by the American Economic Association Committee on Economic Education and the National Science Foundation, is designed to help economics instructors develop an interactive learning pedagogy for their classes.

In June, **Wendy Stock** was interviewed by James Reese of Radio Economics to discuss her research on graduate education and job placement in economics. Radio Economics has been selected by Apple iTunes as one of the top 100 podcasts and one of the top three business podcasts worldwide. Her interview had over 5,000 downloads by July 1, 2006.

Wendy Stock has been appointed as the Director of the American Economic Association's Graduate Studies in Economics website. The website provides a cen-

tralized location for obtaining objective and comprehensive information about graduate training in economics and about academic and non-academic careers of those with a Master's or Ph.D. in economics. The website should be available this Fall.

Doug Young, his wife Laura, and daughter Nicole helped orient next year's Fulbright lecturers who are headed for China. The orientation took place in Washington DC in June. Laura and Nikki explained what life is like in China through a song they wrote, sung to the tune of "My Home is Montana." The chorus is, "Yippie - Yi - Tie - Yea, We're Going to Beijing." Long time State Department staffers declared it to be the best part of the orientation in 10 years. Note: Doug didn't sing.

Committee Elections 2006-2007

Advisory Committee: *(Advises the Department Head on most important matters)*

Gary Brester

Dino Falaschetti

Jamie Brown

Myles Watts (At-Large)

Graduate Affairs Committee: *(Responsible for matters related to graduate education)*

Dave Buschena (Chair)

Randy Rucker

Joe Atwood

Resident Instruction Committee: *(Responsible for matters related to undergraduate education)*

Vince Smith (Chair)

Jamie Brown

Chris Stoddard