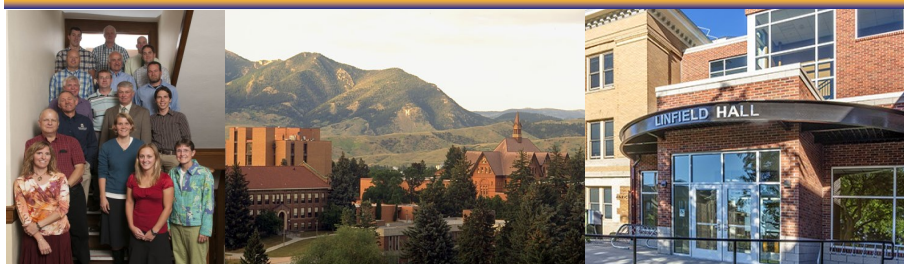


# Department of Agricultural Economics and Economics



**Spring 2016  
Newsletter**

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## Note from Department Head

Happy spring from the Department of Agricultural Economics and Economics (DAEE)! It has been another great year in the DAEE as we continue our tradition of excellence in research, teaching, outreach, and service.

Recent research highlights in the DAEE include publications on fertilizer use, risk management, financial education, retirement planning, and natural resources policies.

Faculty members disseminated their research findings to students, stakeholders, and other researchers through courses, outreach presentations, and professional conferences. Outreach highlights include programs on estate planning and workshops on U.S. agricultural policy.

Teaching highlights include the graduation of MSU's first Financial Engineering majors and this spring's AGBE 315: Agriculture in a Global Context which focused on specialty crops and pulses and will be traveling to Italy and France later this spring.

DAEE students continue to be impressive scholars, with students publishing and presenting their work in several outlets. Students graduating from the department this year are taking attractive jobs both inside and outside Montana, as well as accepting prestigious graduate school placements.

Congratulations to all our graduates and best wishes as you head out into the "real world."



*Wendy A. Stock*



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# Student News

## Announcing Outstanding Seniors

Each year the DAEE faculty members choose an outstanding graduate from among the graduating seniors in our majors. Because there were so many qualified candidates this year, we have selected four students as our outstanding seniors for 2016: **Abigail Cranston** and **Kelsey Rhinehart**, who are graduating with degrees in Agricultural Business, and **Alex Paterson** and **Sina Sandholt**, who are graduating with degrees in Economics. We asked each of the students to reflect on their time at MSU.

**Abigail Cranston:** Agricultural Business

### *What brought you to MSU?*

The mountains and the College of Ag. brought me here. It's a great place to explore opportunities in agriculture along with being in such a beautiful part of the country.

### *What have you enjoyed most about your time at MSU?*

I have enjoyed learning about myself and what my true passions are.

### *What have you enjoyed most about studying economics?*

I have enjoyed learning about how government policies affect both macro and micro economics. I also found commodities markets to be especially interesting.

### *What was your favorite class?*

My favorite class is a tie between Ag. Policy taught by Dr. Rucker, Advanced Ag. Marketing taught by Dr. Belasco, and Ag. Finance taught by Dr. Atwood. All classes taught me more about my interests and steered me into my current career path.

### *What are your post-graduation plans?*

I have accepted an offer with

Northwestern Mutual as a financial advisor.

### *What is your advice for incoming Ag. Econ. & Econ. students?*

My advice would be to stick with it, and learn to enjoy going to class. Once you are interested, getting the grades becomes much easier.



Abigail Cranston

**Kelsey Rhinehart:** Agricultural Business

### *What brought you to MSU?*

I grew up cheering for the Bobcats; during high school I was able to visit Montana State's campus through FFA and 4-H competitions. I fell in love with the city of Bozeman and found that the College of Agriculture was the perfect fit for me!

### *What have you enjoyed about most about your time at MSU?*

I have taken advantage of many opportunities offered at Montana State. I have enjoyed traveling with collegiate clubs to various conferences and I'm even going to Europe after graduation through my Ag in a Global Context course to learn about specialty grains. I also cherish all the great friendships I've made throughout college; the small class sizes promote camaraderie between students.

### *What have you enjoyed most about studying economics?*

Economics allows you to think about

everyday issues with a different mindset. I love how the underlying theories are applicable to other subjects. I look forward to using these principles in my future career to help agricultural producers efficiently utilize their resources given market conditions.

### *What was your favorite class?*

My favorite class was Ag. Finance and Credit Analysis taught by Dr. Atwood. I learned credit, interest, and tax fundamentals and how these issues affect different aspects of agricultural operations. This course used numerous real life scenarios as examples when teaching financial management concepts and illustrated how to apply them to daily life.

### *What are your post-graduation plans?*

After graduation, I will start my career with Northwest Farm Credit Services in Billings, MT. I will be a credit officer trainee, specializing in lending to young agricultural producers. I'm excited to use knowledge and skills gained in college to help farmers and ranchers start and expand their agricultural ventures!

### *What is your advice for incoming Ag. Econ. and Econ. students?*

My advice would be don't let upper level courses scare you; you will survive, it has been proven! Hard work and study groups will be a tremendous help to your college experience. Get to know your professors, they are a great resource. Lastly, good luck and may the curve be in your favor!



Kelsey Rhinehart

# Student News, cont'd.

## Announcing Outstanding Seniors, cont'd.

**Alex Paterson:** Economics

***What brought you to MSU?***

I came to MSU to find a new place to snowboard that was outside of Salt Lake City, UT. Fortunately, I landed at a phenomenal university.

***What have you enjoyed most about your time at MSU?***

Over the past four years I've loved becoming a part of MSU's LGBTQ community. Demanding change, planning drag shows, and making life-long friends has been the highlight of my time in college.

***What have you enjoyed most about studying economics?***

The DAEE encourages and provides opportunities to students to do undergraduate research. I've conducted undergraduate research under Professor Sarah Janzen and Professor Wendy Stock who both enabled me to improve my understanding of economic concepts and gain valuable professional skills.

***What was your favorite class?***

Honors Economics taught by Professor Doug Young. His humor and passion for economics inspired me to pursue a degree!

***What are your post-graduation plans?***

After graduation I am headed off to Washington, D.C. Over the summer I will serve as a Government Affairs intern at the National LGBTQ Taskforce. In August, I will begin a yearlong Truman-Albright Fellowship at the Department of Health and Human Services in the Division of Economic Independence.

***What is your advice for incoming Ag. Econ. & Econ. students?***

Get to know your professors, enroll in plenty of math classes, and

maximize your utility by taking advantage of free food whenever available.



Alex Paterson

**Sina Sandholt:** Economics  
(Graduated Fall 2015)

***What brought you to MSU?***

I initially moved from Norway to Bozeman to ski for MSU's ski team, but the reason I ended up staying for four years was the economics program.

***What have you enjoyed most about your time at MSU?***

The great opportunity the university offers to combine studies with outdoor activities in and around Bozeman. It has been the perfect place for me to grow both as a student and as a person. Most importantly, the relationships I have made with DAEE staff, faculty, and students have made my years at MSU a great experience.

***What have you enjoyed most about studying economics?***

Learning about the endless possibilities the study of economics offers, and all the topics for which economic principles and thought processes are applicable. The wide variety of possible future directions was what made me change my major to economics when I took

Wendy Stock's 101 class during my freshman year at MSU.

***What was your favorite class?***

That's a hard choice. Vince Smith's Intermediate Macroeconomics and Mark Anderson's Cost-Benefit Analysis were my two favorites. In addition, I have learned a lot from taking classes taught by Carly Urban and Chris Stoddard.

***What are your post-graduation plans?***

I am moving to New York City for graduate school, where I will be studying economic policy and policy management at Columbia University's School of International and Public Affairs. [Sina was also accepted for graduate school at Tufts, Boston University, Georgetown, NYU, and the University of Denver].

***What is your advice for incoming Ag. Econ. & Econ. students?***

Take a variety of classes to explore some of the different directions you can go with economics, and say yes to opportunities if they present themselves, whether that involves being a Peer Leader, teaching or research assistant, or something completely different. Finally, get to know your economics professors - they care a great deal about your success as a student, and will help make sure you get the most out of your years at MSU.



Sina Sandholt

## Student News, cont'd.

### Congratulations DAEE Spring and Summer 2016 Graduates

#### Economics

- Kristyn Arlian
- Beau Bridgeman
- Marcus Cobell
- Ryan Frank
- Jacob Harmsen
- Mark Johnston
- KayCee Markle
- Aniko Nelson
- Alexander Paterson
- John Stoppler
- Cayden Witzel
- Changmin Yoon

#### Agricultural Business

- Anders Andreassen
- Logan Bouma
- Cole Chaltas
- Abigail Cranston
- Caitlin Creighton
- Jack Donelson
- Bradley Donner
- Andrew Gabrian
- Riley Joyce
- Simon McCann
- Casey Palmer
- Tyson Reese
- Kelsey Rhinehart
- Tanner Westling

#### Financial Engineering

- Austin Butcher
- John Owenhouse



### Congratulations Graduating Master's Students

- **Thomas Beatty**, "Characterizing the Effects of Military Base Closures on the American Education System." Chair: **Christiana Stoddard**
- **Zachary Bishop**, "Subsidizing Strippers: The Impact of Royalty Rate Reductions on Marginally Producing Oil Well Production." Chair: **Randal Rucker**
- **Portia Conant**, "Employment Effects of Prevailing Wage Laws." Chair: **Christiana Stoddard**
- **James Sears**, "A Reputation for the Good Stuff: User Feedback Signaling and the Deep Web Market Silk Road." Chair: **Mark Anderson**



# Student News, cont'd.

## Peer Leadership Students

Introduced in 2009, the DAEE Peer Leadership program continues to be a success in improving learning and retention for ECNS 101 and ECNS 202 students.

More than 1200 students take ECNS 101 and 500 students take ECNS 202 each year.

Under the mentorship of DAEE faculty members **Wendy Stock** and **Greg Gilpin**, DAEE Peer Leaders teach ECNS 105: Study Economic Way of Thinking and ECNS 206: Study Principles of Macroeconomics, small enrollment classes that meet weekly review ECNS 101 and ECNS 202 concepts, gain additional practice with economic problems, and complete in-class problem sets.

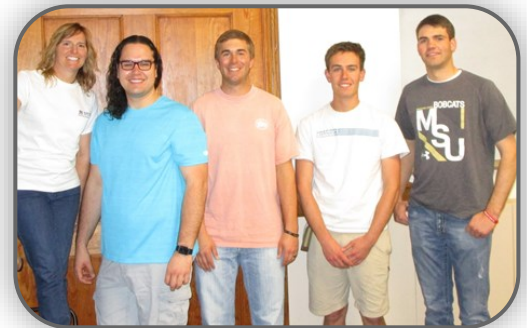
Thank you to this spring's Peer Leaders (pictured) and congratulations to next fall's Peer Leadership group:

### Fall 2016 ECNS 105 Peer Leaders:

- Benjamin Buford
- Dan Penoyer
- Cache King
- Brianne Lake
- Riley Shearer
- Hayley Siroky

### Fall 2016 ECNS 206 Peer Leaders:

- Jacob Ebersole
- Dylan Grubb
- Amber Roberts
- Montana Wilson



Dr. Stock and the spring 2016 ECNS 105 Peer Leaders Montana Wilson, Dylan Grubb, Riley Shearer, and Cache King. Not pictured: Alex Paterson



The Spring 2016 ECNS 206 Peer Leader Group (left to right): Beau Bridgeman, Jacob Ebersole, Dan Penoyer, Amber Roberts, Dr. Gilpin, and Max Schneider.



Dr. Gilpin and DAEE economics major & Peer Leader Jacob Ebersole doing "field work" during a spring mountain biking trip to Moab.

## Student News, cont'd.

### MSU's First Financial Engineering Majors Graduate

Congratulations to **Austin Butcher** and **John Owenhouse**, Montana State's first Financial Engineering Major graduates.

Introduced in 2013, Financial Engineering is a multidisciplinary major that emphasizes the creation of new financial economic instruments as well as the combining of existing instruments to manage risk, create strategic business opportunities, lower costs, and access new markets.

The objective of the program is to provide students with the necessary

tools to manage a business's financial risks.

Financial Engineering majors undertake rigorous training in financial economics, engineering mathematics, and actuarial methods.

Financial engineers are commonly employed in banking, corporate finance, securities, insurance, manufacturing, agricultural businesses, and other industries that require sophisticated financial management skills.

The Financial Engineering major is a joint program of the Department of Mechanical and Industrial Engineering and the Department of Agricultural Economics and Economics.



John Owenhouse

### Student Research Celebration

Several DAEE students presented their research at the annual MSU Student Research Celebration held in the SUB Ballrooms in April.

- **Alex Paterson** presented: "The Impact of Antidiscrimination Laws on Women's Likelihood of Marriage," under the guidance of faculty mentor **Wendy Stock**.
- **Colburn Field** presented: "Supply Chain Responses to Pulse Crop Cost Dynamics," under the guidance of faculty mentor **Anton Bekkerman**.
- **Riley Shearer** presented: "Discerning whether Unpasteurized Milk Consumption is a Factor in Public Health," under the guidance of faculty mentor **Mark Anderson**.



## Student Awards and Honors

### 2016 Udall Scholar-Montana Wilson

Established by Congress in 1992, the Udall Foundation awards scholarships, fellowships and internships for study in fields related to the environment, health care, and tribal public policy.

Udall scholars are awarded up to \$7,000 for academic expenses and also attend a four day conference where scholars work together on a case study, learn new ways to collaborate, and build community with

each other, Udall Alumni, and professionals working on environmental and tribal issues.

**Montana Wilson**, from the Fort Peck Indian Reservation and a member of the Gros Ventre, Assiniboine, and Sioux tribes, was one of the 50 scholars chosen from more than 450 candidates.

Congratulations Montana!



Montana Wilson

# Student Awards and Honors, cont'd.

## Awards for Excellence

DAEE students **Alex Paterson**, **Riley Shearer**, and **Montana Wilson**, along with DAEE faculty mentors **Mark Anderson** and **Wendy Stock**, were honored at the 34<sup>th</sup> Awards for Excellence Celebration in February.

The Awards for Excellence honor and recognize MSU's top seniors who exemplify outstanding records of achievement in academics, extracurricular activities and service to the MSU, local, regional, or global communities.

In turn, the students nominate a faculty or staff mentor who has been

inspirational or influential in the students' development.

Riley Shearer chose Mark Anderson. Alex Paterson and Montana Wilson both chose Wendy Stock.



Riley Shearer and Mark Anderson



Montana Wilson, Wendy Stock, and Alex Paterson

Congratulations students and mentors!

## Torlief Aasheim Award

Congratulations to **Riley Shearer**, one of eight MSU seniors to receive the 2016 Torlief Aasheim Community Involvement Award, the university's top award for student service.

Riley, from Lake Oswego, Oregon is pursuing majors in chemical engineering, chemistry, and economics, a minor in mathematics, and an honors degree.

Riley is an active member of Sigma Phi Epsilon fraternity, American Institute of Chemical Engineers, and Engineers Without Borders.

He has served as a Peer Advising Leader for the College of Engineering and been involved in various research projects across campus. Off-campus, Riley has volunteered with Eagle Mount's Alpine Ski Program, Bozeman Deaconess Hospital, and Big Brothers Big Sisters.

He has also participated in Science Outreach activities in the Belgrade and Manhattan Schools and various philanthropy events through Service Saturdays and Sigma Phi Epsilon.

Congratulations Riley!



Riley (back row right), along with other "Torlief Award" winners and representatives from the Aasheim family.



# Alumni Spotlight

This newsletter spotlights two alumni with continuing close ties to the DAEE, **Monique Dutkowsky** and **Holly Fretwell**, longtime instructors in the DAEE undergraduate curricula.

## Monique Dutkowsky

### *When did you graduate from MSU and what was your major?*

I graduated from MSU in 2009 with an M.S. in Applied Economics. Prior to studying at MSU, I earned an undergraduate degree in Economics from Clemson University.

### *Describe your current career.*

I am currently an instructor in the Ag. Economics and Economics Department at Montana State University. In addition, I have a small consulting business – Dutkowsky Consulting – in which I work with a variety of companies using the knowledge I gained at MSU. Projects have ranged from creating models to predict threats due to wildfire to the creating and implementing incentive programs aimed at growing new business sales. Currently, I am working with a company to both price and market a new product using a variety of pricing schemes to maximize profit and grow market share.

### *Have you held other jobs since graduating, and what were they?*

After graduation I worked at the Department of Natural Resources in the Water Resources Division in Bozeman, MT. My tasks included issuing water rights for both wells and ponds, facilitating change applications and working on a major state-wide adjudication project to define water rights in Montana with the express purpose of easing water sales in Montana.

### *How are you using what you learned at MSU?*

My degree at MSU has certainly served me well. Put bluntly, there isn't anything I do that isn't a direct result of the knowledge I gained from the rigorous classes I took in MSU's graduate program. Whether it's guiding students down the path towards understanding how economics can better their life or selling my skill set on the open market, I am always capitalizing on my degree.

### *What advice would you give to students currently in the DAEE as they ponder their academic paths and future careers?*

Students often ask me what they can do with a degree in economics and my answer is always the same: "What can't you do?" I love that a degree in economics affords me flexibility. I will

never be stuck in only one industry or one job title. A degree in economics is about seeing the world in a different and more useful light. When others might see employees underperforming, we see a chance for incentive programs to improve outcomes. When others wonder why African rhinos in some areas are on the verge of extinction, we see a chance for property rights to improve outcomes. From the very first economics course I took, I loved it because it finally had the potential for answers rather than just debate. So to any student looking to both do a lot of good in the world and do well, you will find that economics provides you with a set of tools to allow you to do just that. Although I have a Master's degree, I think it is important to also mention how useful I found undergraduate training in economics. After completing my undergraduate degree, I started work at a Fortune 500 company with over 7,000 employees worldwide. I used my basic understanding of opportunity cost and cost-benefit analysis to climb the corporate ladder, and now I hold a national position in which I consult for companies like Pepsi Cola. Students always assume that my success was only because I had a Master's degree, but I found that my undergraduate degree in economics served me well right away.



Monique Dutkowsky



Monique enjoying Montana in the winter



# Alumni Spotlight, cont'd.

## Holly Fretwell

### ***When did you graduate from MSU and what was your major?***

I graduated from MSU in 1987 with a bachelor's degree in political science and minors in both marketing and economics. I completed an M.S. in Applied Economics from MSU in 1993.

### ***Describe your current career.***

I am currently an adjunct instructor of economics and a research fellow at the Property and Environment Research Center (PERC). I have taught courses from entry level economics, both micro and macro, to intermediate microeconomics and natural resource and environmental economics. I love seeing students become better critical thinkers, moving outside the box, tearing down personal bias, and looking at the world from a new perspective. I am fortunate to be able to do this through my on-campus teaching, online teaching, and PERC research and output. I have worked at PERC for 20 years, focusing most of my research on public land issues. Given the current proposals to transfer

federal lands to the states and the National Park Service's 100<sup>th</sup> anniversary this summer, it is an exciting time to be a part of the discussion. I am also a faculty member with the Foundation for Teaching Economics where I help provide K-12 teachers tools to bring economic principles into the classroom. This mix of jobs has been a great way for me to continue to explore and share economic ideas while also allowing time to pursue other interests including raising a family, exploring the great outdoors, and continuing research on environmental quality, property rights and liberty.

### ***Have you held other jobs since graduating, and what were they?***

After earning my undergraduate degree, I worked as a broker for a brokerage firm here in Bozeman, as a marketing assistant at Bridger Bowl, and for an economic consulting firm in Vancouver, Washington. Each of these jobs provided great learning experiences, pushing me to further my education. Post-graduate school and before my time at PERC, I ran a small travel business coordinating adventure vacations in Montana.

### ***How are you using what you learned at MSU?***

I teach what I've learned every day and I learn every day from what I teach. One great benefit of being a teacher is the great discourse with students and the multiple perspectives we explore together.

### ***What advice would you give to students currently in the DAEE as they ponder their academic paths and future careers?***

Take your studies seriously. When you are bored, kick it up a notch. It is up to you to get the most out of your education. Visit with professors to ensure you are on track and to take your studies to the next level. When you're frazzled, get outdoors and clear your mind. We live in an amazing place. There is so much to explore not only in nature but also intellectually.



Holly Fretwell



Holly Fretwell enjoying fishing

## Publications

### Does Participation in Public Works Programs Encourage Fertilizer Use in Rural Ethiopia?

[www.foodandagriculturejournal.com/vol4.no2.pp101.pdf](http://www.foodandagriculturejournal.com/vol4.no2.pp101.pdf)

**Laura Villegas** (DAEE M.S. alum, now pursuing a Ph.D. in Agricultural and Resource Economics at North Carolina State University), **Vince Smith**, **Joe Atwood**, and **Eric Belasco** have published a new study in the *International Journal of Food and Agricultural Economics*.

Based on Villegas' M.S. thesis research, the paper, "Does Participation in Public Works Programs Encourage Fertilizer Use in Rural Ethiopia?" evaluates the impact of food aid programs on agricultural productivity via changes in participants' input decisions. It also identifies the main determinants of participation in public works programs and fertilizer use and examines whether these decisions affect one another.

Using a unique cross-sectional sample of households from rural Ethiopia that

permits an examination of the relation between fertilizer use and participation in a recently established safety net program, the authors used novel econometric techniques to examine the impacts of important policy innovations. The results provide evidence that participation in a public works program positively influences participants' use of fertilizer, but the results also raise important questions about the performance of the Ethiopian Safety Net Program, the largest development aid program in Ethiopia.

Specifically, the findings question whether the safety net program is efficiently targeting the poorest households in rural Ethiopia, and whether the timely delivery of the payments affects production and consumption decisions of the beneficiaries.



Laura Villegas



Joe Atwood



Vince Smith



Eric Belasco

### Targeted Social Protection in a Pastoralist Economy: Case Study From Kenya

**Sarah Janzen**, along with co-authors Nathan Jensen of Cornell University and Andrew Mude of the International Livestock Research Institute, wrote "Targeted social protection in a pastoralist economy: Case study from Kenya," forthcoming in a special issue on the future of pastoralism in *OIE Scientific and Technical Review*.

The paper compares the observed impacts of two different social protection schemes on pastoralist households: 1) a targeted unconditional cash transfer program designed to support the poorest and 2)

an index-based livestock insurance program serving as a productive safety-net to help stem a descent into poverty and increase resilience.



Sarah Janzen

Both types of social protection schemes have been shown to decrease poverty, improve food security, and protect child health. However, theory and empirical evidence show that investment varies with the type of protection and the household's unique situation.

The authors argue that differential targeting increases program efficiency and discuss Kenya's current approach to implementing differentially targeted social protection.

## Publications, cont'd.

### Does Webinar-Based Financial Education Affect Knowledge and Behavior?

[www.ioe.org/ioe/2016february/rb2.php](http://www.ioe.org/ioe/2016february/rb2.php)

Joel Schumacher and Carrie Johnson, (South Dakota State University) published a research paper, "Does Webinar-Based Financial Education Affect Knowledge and Behavior?" in the *Journal of Extension* in February.

Using webinar delivery for Extension financial education programs allows educators to reach a broader range of clientele.

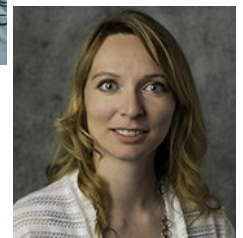
It can, however, be difficult to gauge participants' learning of concepts in an online environment.

Evaluations of two webinar series, one in Montana and the other in South Dakota, sought to determine the effectiveness of using webinar-based financial education.

Online retrospective pre-post and follow-up evaluations of the programs showed that participants increased their knowledge and performed positive financial behaviors as a result of participating.



Joel Schumacher



Carrie Johnson

### Forecasting a Moving Target: The Roles of Quality and Timing for Determining U.S. Wheat Basis

[www.waeonline.org/UserFiles/file/JAREJanuary20162Bekkermanpp25-41.pdf](http://www.waeonline.org/UserFiles/file/JAREJanuary20162Bekkermanpp25-41.pdf)

Anton Bekkerman, Gary W. Brester, and Mykel Taylor's (Kansas State University and DAEE M.S. alum) paper, "Forecasting a Moving Target: The Roles of Quality and Timing for Determining Northern U.S. Wheat Basis" was published in the January 2016 issue of the *Journal of Agricultural and Resource Economics*.

The paper notes that while nearly instantaneous commodity futures price information provides price forecasts for national markets, many market participants are interested in forecasts of local cash prices. Expected basis estimates are often used to convert futures prices into local price forecasts. This study considers basis patterns in the northern U.S. hard red spring and hard red winter wheat markets. Using

data on basis values across 215 grain-handling facilities in Montana, North Dakota, and Washington, the authors empirically test the forecasting capabilities of numerous basis models.



Gary Brester



Anton Bekkerman

Contrary to basis models developed for other U.S. regions, the research shows that recent futures prices, protein content, and harvest information are

more important for accurate basis forecasts than historical basis averages.

The preferred basis models are used to develop an automated, web-based basis (and price) forecasting tool that is accessible:

<http://wheatbasis.montana.edu>

## Publications, cont'd.

### Producer Insurance and Risk Management Options for Smallholder Farmers

Vince Smith's paper, "Producer Insurance and Risk Management Options for Smallholder Farmers," is forthcoming in the *World Bank Research Observer*.

The study surveys the theoretical and empirical literature on the viability, scope, and availability to poor farmers of alternative risk management and risk coping strategies for addressing short-term and longer-term food security crises. The evidence indicates that, because it is too costly, making commercially priced index insurance available to smallholder farmers has

little or no impact on their risk management practices.

Subsidizing index insurance for smallholder farmers seems unlikely to be an efficient and effective use of scarce domestic government or aid agency resources targeted towards increasing those households' resiliency to catastrophic events in terms of their food security.

Other more traditional programs for enabling smallholder farmers to be more productive and food secure seem likely to be more effective.



Vince Smith

### You Can't Drag Them Away: An Economic Analysis of the Wild Horse and Burro Program

<http://ageconsearch.umn.edu/bitstream/230764/2/JARE%2cJanuary2016%2c%231%2cElizondo%2cpp1-24.pdf>

"You Can't Drag Them Away: An Economic Analysis of the Wild Horse and Burro Program," by **Randy Rucker**, DAEE M.S. alum **Vanessa Elizondo**, and former DAEE faculty member Timothy Fitzgerald, was published in the January 2016 edition of the *Journal of Agricultural and Resource Economics*.

Since 1971, wild horses and burros living on federal land have been legally protected, limiting removal from the range and stipulating restrictive conditions for transfer to private ownership.

Periodic gathers prevent overpopulation, though in this paper we find both political and biological influences on the probability and size

of gathers. Attempts to convey removed horses to private owners are often unsuccessful because of the relatively low quality of some animals and contractual restrictions.

The authors consider alternative policy regimes promoting the transfer of additional animals and find that one relatively simple reform could have reduced program costs by as much as \$452 million over the past 25 years.



Randy Rucker



## Publications, cont'd.

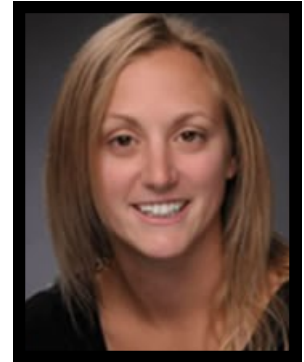
### The Role of Information on Retirement Planning: Evidence from a Field Study

**Carly Urban's** paper, "The Role of Information on Retirement Planning: Evidence from a Field Study," joint with J. Michael Collins, is forthcoming at *Economic Inquiry*.

Many households neglect the pivotal task of planning for retirement. Proposals to stimulate employees to save for retirement in the workplace include tax subsidies, which are costly, and using automatic defaults, which may not complement the heterogeneous preferences of savers.

This randomized field study shows that an information-based intervention increases reported retirement plan participation, emergency savings, and using a budget.

Employees offered access to education increased actual retirement deferrals by \$26 per month. These results suggest retirement education programs may be an effective strategy to increase retirement planning and saving behavior.



Carly Urban

### Property and Environmental Research Center's New Series on "Divided Lands"

**Holly Fretwell** is co-author of the Property and Environment Research Center's (PERC) new series of reports on, "Divided Lands."

Given the recent interest in a possible transfer of public lands, these reports ask questions about how our public land would be managed by the states if the land were transferred.

The first report, "Divided Lands: States vs. Federal Management in the West" by Holly Fretwell and **Shawn Regan** (DAEE M.S. alum), compared the revenues and expenditures of federal and state trust lands in the West. To access this report:

[www.perc.org/sites/default/files/pdfs/150303\\_PERC\\_DividedLands.pdf](http://www.perc.org/sites/default/files/pdfs/150303_PERC_DividedLands.pdf)



Holly Fretwell

**Hannah Downey** (DAEE B.S. alum) joined as co-author for the latest report, "Access Divided: State and Federal Recreation Management in the West," which drills down on recreation.

To access this report:

[www.perc.org/sites/default/files/pdfs/DividedAccess\\_PERC\\_April2016\\_web.pdf](http://www.perc.org/sites/default/files/pdfs/DividedAccess_PERC_April2016_web.pdf)

Neither report advocates for or against a federal land transfer. Each provides comparisons of the institutional structure of the varying public land agencies.

The new report on recreation access does not try to answer which agencies provide the best recreational opportunities. It compares various approaches to recreation taken by public land agencies across the West and explores the ability of these different agencies to resolve competing recreational demands. Whether federal lands are transferred or not, state land agencies can offer lessons on how to resolve conflicts over recreational uses on federal lands.

# Awards and Accomplishments

## Kathy Griffith Employee Excellence Award

This spring, DAEE Administrative Assistant **Tamara Moe** earned the Kathy Griffith Employee Excellence Award from the College of Letters and Science!

The award annually recognizes up to two employees whose work performance is exceptional.

Tamara was presented with the award at the CLS Awards Ceremony in April.

Congratulations Tamara!



Tamara Moe and College of Letters and Science Dean Nic Rae at the Awards Ceremony.

## 2015 FFA Foundation Golf Tournament

**Gary Brester's** golf team took second place in the 2015 FFA Foundation Golf Tournament in September, 2015. The annual fund raising event was held at Mountain Sky Golf Course near Emigrant, MT. In addition to Gary, the team was comprised of Todd Olson (owner of Northwest Appraisal Service Inc., a former FFA member, and a graduate of the DAEE), Kent Levi (retired President of Rocky Mountain Bank), and Dick Wark (CEO of New Generation Supplements).

## Arthur H. Cole Grant

In April, **Mark Anderson** received an Arthur H. Cole Grant from the Economic History Association for his project, "Technological Innovation and Health: Evidence from the Refrigeration Revolution."

The United States experienced a dramatic reduction in mortality due to infectious diseases at the turn of the 20<sup>th</sup> century. Much of this reduction has been ascribed to efforts on the part of public health officials. For instance, researchers have estimated that nearly half the reduction in overall mortality from 1900 to 1936 was attributable to the adoption of clean water technology such as filtration and chlorination. In contrast to clean water technology, the refrigeration revolution was almost entirely driven by private market forces.

On the demand side, consumers were willing to pay a premium for clear ice without any suspended particles. On the supply side, the ice industry was completely transformed by a series of technological innovations that eventually put all but a handful of natural ice purveyors out of business.

Dr. Anderson's project will examine the effect of the refrigeration revolution on mortality by cause (e.g., mortality due to typhoid) using data on over 500 cities from the U.S. Census Bureau's annual *Mortality Statistics* for the period 1900-1922. These data will be matched with city-level information on ice plants and their capacity from the *Ice and Refrigeration Blue Book and Buyers' Guides* for the years 1904, 1909, 1911, 1915, and 1919.

Although there is ample anecdotal evidence that the introduction of mechanical ice had a profound impact on how Americans lived and what they ate, no previous study has attempted to estimate its impact on health outcomes.



Mark Anderson

## Awards and Accomplishments, cont'd.

### \$100,000 to Study Women's Empowerment in Nepal

**Sarah Janzen** and collaborators at the University of Georgia and Nepā School in Nepal were recently awarded \$100,000 to study women's empowerment in Nepal as part of the Gender, Agriculture and Assets Project (GAAP) of the International Food Policy Research Institute.

As part of the grant, Dr. Janzen attended an inception workshop in Nairobi, Kenya in January where



Dr. Janzen with Neena Joshi of Heifer Nepal in Nairobi at the GAAP inception workshop held at the World Agroforestry Centre.

leaders of a variety of similar projects came together to discuss methods for measuring women's empowerment. The grant allows her research team (including DAEE graduate student, **Savannah Noray**) to employ the Women's Empowerment in Agriculture Index this summer as part of their study evaluating the impacts of Heifer International's program activities.

### 2016 Oliver E. Williamson Prize

**Carly Urban** was awarded the 2016 Oliver E. Williamson prize for best paper in the *Journal of Law, Economics, and Organization* (JLEO) for "Negative Advertising and Political Competition," joint with Amit Gandhi (UW-Madison) and Daniela Iorio (University of Bologna).

The paper, also highlighted in the London School of Economics' United States Politics and Policy Blog (<http://blogs.lse.ac.uk/usappblog/2016/01/07/why-a-viable-third-party-might-lead-to-less-negative-political-advertising-in-campaigns/>), studies the

incentives to go negative in political contests.

The two-party system resembles duopoly competition between political candidates in a general election, whereas there are few duopolies in the consumer product market. There is a rationale for why duopolies are more likely to go negative: when the number of competitors is greater than two, engaging in negative ads creates spillover benefits for those opponents who are not the object of the attack. In contrast, positive ads benefit only the advertiser.

For example, if Candidate A attacks Candidate B, Candidate C benefits from this attack without having to pay for it himself. Our main finding is that duopolies have more than **double** the likelihood of airing a negative ad when compared to non-duopolies.



Carly Urban

### Partnership with Montana Office of Public Instruction Awarded \$252,000

In partnership with Montana's Office of Public Instruction, DAEE professors **Christiana Stoddard** and **Carly Urban** were recently awarded \$252,000 to study whether students who were exposed to financial education in high school are more likely to make better financial aid and loan decisions as they head for college.

Their research will examine whether students exposed to financial

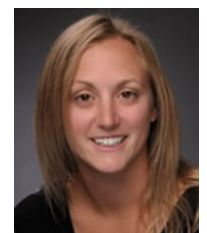
education take out more appropriate loans, figure out other ways to finance their education, and are more likely to fill out the FAFSA (Free Application for Federal Student Aid) to apply for financial aid.

As Stoddard notes, "If we find that students who take financial education classes are making better decisions later on in terms of their financial aid,

then that tells all schools that this is a great policy."



Chris Stoddard



Carly Urban

# Awards and Accomplishments, cont'd.

## 2016 Outstanding Professional Award

In April, **Marsha Goetting** received the 2016 Outstanding Professional Award from the Montana Association of Family and Consumer Sciences (MAFCS).

Jennifer Peabody, president of MAFCS noted, "*Marsha has traveled 10's of thousands of miles across Montana to provide family economics education to our rural communities.*"

*She has worked with thousands of Montanans to better their financial and economic lives. Her work in the topic of estate planning has been outstanding, not only in the state of Montana, but in many other states.*

*She has been a leader in financial education and has convened bankers, educators, and community leaders to address the need for high school, middle and grade school financial*

*literacy through public and private schools and 4-H programming.*



Marsha Goetting, Karen Durbin, an FCS teacher in Lewistown, and Jennifer Peabody, President of MAFCS.

*She has been diligent for a long period of time to encourage financial literacy programs for Montana's youth.*

*Her reputation with Extension agents and Montana citizens is stellar and she is known to be responsive to Montana's needs and she is a steady and reliable professional.*

*Her attention to detail in her programs and publications make her a trusted expert in family economics in the state and the nation.*

*She has been a loyal supporter of extension and family and consumer sciences in general.*

*Her dedication to her career, the profession, and the people of the state of Montana earns her our undying respect and gratitude."*

## Spencer Foundation Award

**Christianna Stoddard** and **Carly Urban** were awarded \$35,000 from the Spencer Foundation for a one-year study building on their research on how borrowing affects academic performance among students.

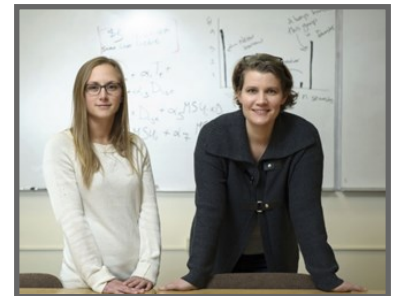
Drs. Stoddard and Urban will be examining how financial aid decisions affect a student's college performance and completion, and things like choice of a major. Key to the project will be working with several Montana government agencies to coordinate their data on individual students.

"The interesting thing is that no one has standardized data on student loan financial aid packages for individual students in any administrative sense

anywhere in the nation," Urban notes. "The Department of Education has access to it, they just haven't put it together. Our plan to put it together will be a big contribution to this area of research."

With the U.S. Department of the Treasury, the Consumer Financial Protection Bureau and other stakeholders keeping an eye on their research, Stoddard and Urban are continuing to follow the data to learn more about the impact of financial aid education on borrowing, and how debt loads affect student success. "Our ultimate objective is to help students make better decisions so they're more likely to finish college or less likely to default on their loans," Stoddard said.

"So, it's figuring out the ways that policymakers or universities or high schools can influence the decisions students make. We don't want to discourage students from going to college or taking out student loans, but we do want them to learn to make the optimum decision."



Carly Urban and Chris Stoddard



## Outreach/Presentations

### Annual Society of Economics Educators Meetings

**Wendy Stock** presented, "Seussonomics," at the annual Society of Economics Educators meetings in February. Inspired by the economic concepts woven throughout Dr. Seuss' works, Dr. Stock showed other leading economics educators that Seuss' tales can be used to teach many of the fundamental concepts in economics, including thinking at the margin, the problem of sunk costs, specialization and trade, markets and discrimination, the tragedy of the commons, negative externalities, the free rider problem, comparative economic systems, and the economics of information.

### Organization for Economic Cooperation and Development (Paris, France)

Professor **Vincent Smith** gave an invited workshop on the evolution and current structure of U.S. Agricultural Policy to economists and policy experts at the Organization for Economic Cooperation and Development in Paris, France, on April 1.

He also gave an invited speech to French agricultural and agribusiness leaders and French and European

Community policy makers at the Institut Louis Bachelier, located in the historic

Bourse, the original home of the French Stock Exchange.

The presentation focused on the U.S. federal agricultural insurance program and implications and lessons for potential agricultural insurance programs in France and Europe.



Vince Smith

## SCC-76 "Economics and Management Risks in Agriculture and National Resources"

**Joseph Atwood** presented "Is Dynamic Hedging Potentially Useful as a Reinsurance Tool for RMA's Revenue Insurance Products?" at the annual SCC-76 "Economics and Management of Risks in Agriculture and Natural Resources" meetings in Pensacola Beach, Florida in March.

The paper is joint work between Dr. Atwood and **Erik Rupert**, a DAEE financial engineering student.

Given that futures prices play a substantial role in Risk Management Agency (RMA) revenue insurance products, a natural question is whether the futures market can be useful in hedging crop insurance companies' liability exposure.

This presentation examined dynamic hedging's potential usefulness in hedging RMA's revenue insurance products.

It showed that a major potential pitfall of hedging revenue products includes the sensitivity of the procedures to the price-yield dependency structure and the effects of price-yield dependency upon estimated delta hedging positions. The presentation also used a hypothetical book-of-business using NASS yield and RMA summary of business data to construct a set of historical out-of-sample simulations examining the effectiveness of dynamically hedging the "books" after-SRA performance over the 1990-2014 time period.

The results indicated that attempting to hedge RMA revenue product using dynamic hedging and futures markets would have been ineffective and even increased risk over this time period, primarily due to the poor cross-hedging performance with respect to yields. The results are contrasted to those obtained from an alternative product in the market where dynamic hedging is shown to effectively truncate insurance company risk.



Joe Atwood

## Outreach/Presentations, cont'd.

### NBER Education Meetings in Washington, D.C.

**Isaac Swensen** presented, "College Party Culture and Sexual Assault" (joint with Jason Lindo and Peter Siminski), at the NBER Education meetings in Washington, D.C. in April.

This research considered the degree to which events that intensify partying increase sexual assault. Estimates are based on panel data from campus and local law-enforcement agencies and an

identification strategy that exploits plausibly random variation in the timing of Division 1 football games. The estimates indicated that the college football games increase daily reports of rape by 17-24 year old victims by 28 percent.

News outlets featuring stories on the research include: *Elle Magazine*, *The New Republic*, *Blomberg News*, *The*

*Washington Post*, *Thinkprogress*, *Slate*, *NPR*, *Sports Illustrated*, *The Guardian*, *Cosmopolitan*, and *The Daily Mail*, among many others.



Isaac Swensen

### Occupational Licensing and Consumer Welfare

**Mark Anderson** presented, "The Effect of Occupational Licensing on Consumer Welfare: Early Midwifery Laws and Maternal Mortality," at Georgia State University in February.

Occupational licensing is intended to protect consumers. Whether it does so is an important, but essentially unanswered, question. Using state- and city-level data published by the U.S. Census Bureau for the period 1900-1940, this

presentation examined the effects of midwifery licensing on maternal and infant mortality.

Requiring midwives to be licensed is associated with a 5 to 9 percent decrease in the maternal mortality rate.

There is also evidence of a negative relationship between requiring midwives to be licensed and non-white infant mortality, albeit weaker in terms of both magnitude and precision.

These results provide the first econometric evidence that occupational licensing leads to an increase in the quality of services received by consumers.



Mark Anderson

#### DAEE Research Seminar Series

In addition to hosting several job market research seminars, the DAEE has hosted two external speakers this semester as part of its Academic Research Seminar Series:

Dhaval Dave of Bentley University presented, "Does Medicaid Coverage for Pregnant Women Affect Prenatal Health Behaviors?"

Mark Hoekstra of Texas A&M University presented, "The Long-Run Effects of Disruptive Peers."

## MSU Extension News



### Estate Planning Programs Reaching Over 1,290 Montanans

From January to the end of March, **Marsha A. Goetting**, MSU Extension Family Economics Specialist, has presented 29 estate planning programs reaching over 1,290 Montanans.

Examples of groups include: Young Agricultural Couples Conference in

Helena; Montana Gerontology Society Conference in Billings; MSU Alumni Foundation in Billings; Penny Conference sponsored by the Commissioner of Securities and Insurance; Western Stock Growers' Association in Polson; Next Generation Conference in Shelby; Adult Education in Three Forks; National Association of Insurance and Financial

Advisors in Butte and Bozeman; and Gallatin Valley Compassion and Dying in Bozeman.



Marsha Goetting

# MSU Extension News, cont'd.



## USDA Tribal Outreach Forum

USDA Montana Food & Agriculture Council, Intertribal Agriculture Council, Indian Nations Conservation Alliance, and MSU Extension sponsored a big event in Bozeman for the USDA Tribal Outreach Forum, March 23-25, 2016. There were over 100 people at the event.

The three-day outreach forum included attendees from USDA-administered federal agricultural programs, including farm loan, risk management, conservation, price support, housing, business and community programs that benefit farmers, ranchers, individuals and communities.

"The 2014 Farm Bill brought many positive changes to USDA programs that can assist agricultural producers and tribal communities," said Lisa Coverdale, USDA Natural Resources

Conservation Service State Conservationist and chair of the inter-agency USDA council. "We look forward to highlighting those programs and services at the forum."

**George Haynes** and **Kate Fuller** presented on agricultural risk management using a variety of resources. **Eric Belasco** presented on cattle prices.



George Haynes presenting at the Tribal Outreach Forum



Kate Fuller presenting at the Tribal Outreach Forum

### Articles for Montana Alumni Association & Radio Guest Speaker

**Marsha A. Goetting**, MSU Extension Family Economics Specialist, has authored several monthly email articles on the topic of estate planning for the MSU Alumni Foundation. The articles are sent to all MSU Alumni. In addition, she is a featured monthly guest speaker for KGEZ, a radio station in Kalispell.

## Southwest Montana Extension 2016 Winter Ag Series

MSU Extension, Carter County Conservation District, and the Bank of Baker sponsored the Southeast Montana Extension 2016 Winter Ag Series during January.

**Kate Fuller** and **Joel Schumacher** presented at 10 locations. Kate presented on agricultural leases, including resources and tools for both landowners and tenants to help set up or re-negotiate lease agreements.

Many of these can be found at <http://msuextension.org/aglease>.

Joel presented, "Transferring the Farm to the Next Generation." He provided information on strategies to successfully make the transfer of a farm and/or ranch business to family members.

There were over 353 attendees for this series.



Joel Schumacher presenting at the 2016 Winter Ag Series

## MSU Extension News, cont'd.



### Noninsured Crop Disaster Assistance Program (NAP) meetings

George Haynes and Kate Fuller, Montana State University Extension, and the United States Department of Agriculture Farm Service Agency presented seven Farm Bill informational meetings in communities across Montana in February 2016.

These meetings informed Montana producers about important changes to the Noninsured Crop Disaster Assistance Program (NAP) authorized by the Agricultural Act of 2014 (2014 Farm Bill).

NAP coverage provides financial assistance to producers of non-insurable crops when low yields, loss of inventory, or prevented planting occurs due to natural disasters.

The meetings focused on the improved NAP program, which is administered by local FSA offices across Montana. Kate and George explained the online NAP Farm Bill Decision Tool that is available to assist current and prospective NAP producers. The decision tool can be accessed at <http://fsa.usapas.com/NAP.aspx>.

The meetings were held in Billings, Bozeman, Missoula, Kalispell, Browning, Great Falls, and Sidney. There were 70 participants who attended these meetings.



George Haynes



Kate Fuller



#### New MSU Extension MontGuide

Marsha A. Goetting, MSU Extension Family Economics Specialist, Jackie Rumph, MSU Yellowstone County Family and Consumer Sciences Extension Agent, and Keri Hayes, MSU Extension Publications, Assistant coauthored an Extension MontGuide entitled, "How to Transfer Real Property Owned in a Life Estate Without Probate."

### Women in Agriculture Conference

Kate Fuller and Keri Hayes, Montana State University Extension, and Aimee Roberts, Northwest Farm Credit Services, hosted the Bozeman location of the fifth annual *Women in Agriculture Conference: Power Up Your Communication Style and Power Up Your Farm* on March 19.

This one-day event was presented remotely by Washington State University Extension and took place simultaneously at 31 locations throughout Washington, Idaho, Oregon, Montana, and Alaska.

The interactive conference was developed to empower women in

agriculture to achieve goals and manage risk through education, networking and technology. This was a day of inspiration, learning and networking with other women farmers.

Presenters include Wendy Knopp and Michael Stolp with Northwest Farm Credit Services and Oregon Farmer, Shelly Boschart Davis. The theme was "Power Up your Communication! Power Up Your Farm." Twenty-two women attended the event.



Participants at the Conference



## Other News

### Gary Brester's New Zealand Sabbatical

**Gary Brester** was on sabbatical at Lincoln University in New Zealand during the 2016 Spring Semester.

His primary sabbatical research efforts were centered on the initial development of a book entitled "Equilibrium Displacement Models: Theory, Application, and Policy Analyses" which is being co-authored with **Joe Atwood**.

He also visited with faculty at Lincoln on a paper co-authored with **Anton Bekkerman** entitled "The Price of (Cheap) Romance: Wine Purchase Decisions as an Empirical Test of Salience under Uncertainty."

The paper attempts to understand U.S. consumer preferences for wine that use cork closures rather than screw

cap closures. Virtually all wine that is domestically produced and consumed in Australia and New Zealand use cap closures, while 70% of wine offerings in U.S. markets use cork closures.

This market phenomenon occurs even though caps are both technologically superior as a closure mechanism and less expensive relative to corks.

While at Lincoln, Gary presented two faculty seminars on these projects.

In addition, he provided guest lectures in two different classes regarding U.S. sugar policy and cooperative governance and equity management.

He also visited a vintner to discuss wine packaging technologies, a dairy farm, a cattle auction, a malting barley/pea/

wheat farm, a cattle ranch, and attended several seminars and classroom presentations.



Gary Brester



Lincoln University in Christchurch, New Zealand

### DAEE Welcomes Two New Faculty Members

The DAEE is happy to welcome two new members to the faculty. **Diane Charlton** will join the DAEE after completing her Ph.D. in Agricultural and Resource Economics at the University of California, Davis. **Brock Smith** earned his Ph.D. in Economics at UC-Davis and is joining the DAEE after completing a postdoctoral fellowship at Oxford University.

#### Diane Charlton

##### *What brought you to the DAEE?*

There was a process of narrowing down potential places to work. I am grateful for the opportunity to come to MSU. I was impressed when I visited MSU this winter by how the faculty discussed their research with one another, their interest in collaboration, and the way

they engage with the agricultural industry. I also liked how the faculty talked about interacting with students, encouraging them to ask questions and pursue methods to answer those questions. I look forward to working with the faculty and students in the DAEE.

##### *What are your current research topics?*

My dissertation is about the farm labor supply from rural Mexico. My findings show that rural Mexico is in a stage of development when the workforce is transitioning out of agricultural work while at the same time agricultural production in Mexico is expanding. Some of the factors leading to this trend include expanding education, declining fertility rates in rural Mexico, and rising non-farm employment in Mexico. Since rural Mexico is the primary supplier

of labor to U.S. farms, this implies that in the future Mexican and U.S. farms will have to compete for a diminishing farm labor supply, and farm wages will continue to rise. Rural communities are expected to benefit from these changes, but the agricultural industry needs to begin preparing for a more educated, more skilled workforce from rural Mexico that demands higher wages and more stable work.

##### *What led you to study agricultural economics?*

When I was in college I chose classes that would help me understand the causes and consequences of poverty. That led me into development economics. I then spent a few months working as a research assistant in rural

## Other News, cont'd.

### DAEE Welcomes Two New Faculty Members, cont'd

India. Seeing the scale and depth of poverty on the farms I visited in India generated some of my curiosity in agriculture. Food and nutrition are important for everyone, and markets connect producers and consumers around the world. I started learning more about U.S. agriculture when my sister and her husband bought an almond orchard in the Central Valley of California. (I tried to secure my role on their farm by taking a tractor driving class at UC-Davis, but I don't think they were particularly impressed with my new skills.) Most recently I have enjoyed doing research that bridges agricultural production and labor decisions in rural Mexico with agricultural production in the U.S. I am looking forward to learning more about agricultural production in Montana.

**What class are you most looking for-**

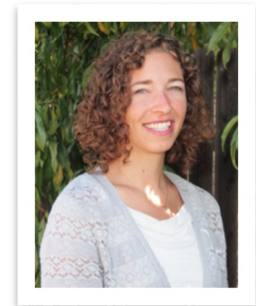
***ward to teaching and why?***

I am most looking forward to teaching Agribusiness Management. I am currently teaching a class on Farm Labor Economics at UC-Davis, and the course I teach on Agribusiness Management at MSU will include additional aspects of agricultural production. I enjoy teaching on this topic, in part, because there are many opportunities for students to relate economic models to current situations that they read in the news or from their own experiences and observations. Hopefully, students will enjoy the class and discussions as much as I do.

***What do you like to do in your spare time?***

I usually try to get outside whenever I have a few spare minutes, preferably in the mountains. I like bicycling and trail running because there is no end to the places you can explore. Last December,

friends and I ran a trail marathon in Death Valley, and we are contemplating various locations for our next trail run together. I love spending time with friends no matter where we are or what we are doing. I rarely turn down an opportunity for an adventure, so I think I will get along well in Bozeman.



Diane Charlton

#### Brock Smith

***What brought you to the DAEE?***

I am coming to MSU after a three-year postdoc at the Oxford Centre for the Analysis of Resource Rich Economies (OxCarre) in the UK, which makes a resource-abundant state like Montana a natural fit. I am thrilled to be joining a faculty full of strong applied researchers, and as a Colorado native, being in the mountains doesn't hurt either!

***What are your current research topics?***

Most of my research is evaluating various impacts of oil and natural gas booms, at both the domestic and international levels. One of my current working papers finds that crime rates increased in shale-producing areas during the recent shale boom, at least partly due to migrant workers with higher propensity to commit crimes. Another paper uses satellite night-time lights data to estimate poverty rates,

and finds that the 2000s boom in oil prices did not decrease poverty much, even though overall GDP increased substantially.

***What led you to study economics?***

This is a good question! I first earned degrees in electrical engineering and finance, so I took a fairly roundabout route to economics. I think a big part of it is that I have wide interests and a big-picture outlook, and economics touches on so many other topics while providing an underlying framework, focusing on incentives, that I find very valuable in understanding the world.



Brock Smith

***What class are you most looking forward to teaching and why?***

I am excited to teach Environmental and Natural Resources Economics. I find the tradeoffs involved with resource extraction and environmental policies particularly interesting and lacking easy answers, which leads to some rich discussion. And with climate change these issues have never been more relevant.

***What do you like to do in your spare time?***

I've skied my whole life and can't wait to be such a short drive away from some good terrain. It's been a while since I've been rock climbing, but I think that will go back to being my summer activity in Bozeman. I also play soccer, read books and play a little guitar (badly).

## Other News, cont'd.

### Saying Goodbye to Oscar Burt

The DAEE bids a fond farewell to former faculty member **Oscar Burt**, who passed away last fall.

As a long time DAEE faculty member notes, "Oscar had an amazing ability to boil down complex economic research issues into their most salient points. He often listened for more than an hour when a speaker was presenting a research paper in Departmental seminars. At the end, he would summarize the entire presentation with two sentences. The first sentence would present the research issue at hand in a succinct statement. The second sentence would either indicate that the research methodology had merit and could be improved in various ways, or that the research issue was a waste of time. In either case, Oscar often delivered the news in a slightly wry but humble and polite manner."

*Some Excerpts from Oscar's obituary:*

Oscar R. Burt, agricultural economics wizard, died October 30, 2015, after 84 years. He conducted research at Montana State University (MSU), University of California at Davis, University of Nebraska, and several other universities. MSU paid him more than Montana's governor earned or any

other professor at MSU earned.

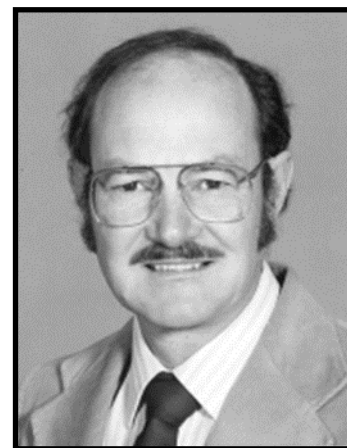
In the 1970's and 1980's, Oscar became arguably the best agricultural economist in the country. Over one decade, in each of nine years, he received one of three national research awards given by the agricultural economics profession, way more than anybody else.

He was the main reason the MSU agricultural economics program ranked third by citations in the U.S. While only publishing about two articles a year, his work was of high quality. Oscar's work addressed both theoretical and applied economics, covering farm management, production economics, natural resource economics and decision theory.

His research overturned previously accepted, but wrong, farm management practices, revolutionizing thinking about the farm-debt crisis. His work in 1968 resulted in the common use of what became known as "flex cropping," adjusting crop schedules depending on soil conditions.

Oscar researched dairy and determined whether building a Missouri dam made economic sense. The Nebraska attorney

general sent a letter to the University of Nebraska complaining about Oscar's journal article probabilistically proving that western Nebraska irrigation wells around French Creek and Stinking Creek depleted water in Kansas. While anti-organized religion, Oscar would write down statistical formulas that emerged from his dreams. Before lunch and in mid-afternoon, he'd do what he called "flaking out." He'd relax, ignore his surroundings, and focus. Maybe that was meditation, but after "flaking out," he'd get the fringe benefit of discovered statistical relationships.



Oscar Burt

## Help Support Agricultural Economics & Economics

A gift to the department is a great way to support student and faculty endeavors. Donations can be earmarked for student scholarship funds, faculty research, the M.L. Wilson lecture series, and more.



### Department of Agricultural Economics & Economics

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