

Positive Externalities +



Fall 2008

A newsletter for the alumni and friends of the Department of Agricultural and Resource Economics

Graduate Spotlight: Chuck Lyon

Writing from Japan, Chuck Lyon has sent us this entry.

Saturday morning in Tokyo:

I wake early and pull on my UofA cycling jersey, hop on my road bike, and head down to the river to meet my cycling team. We ride along the river for several kilometers, turn left over a bridge, and pedal out into the rugged mountains west of the city. Although Tokyo is one of the most densely populated places in the world, the surrounding terrain is so steep as to be virtually uninhabitable; the city's vehicle-choked streets quickly give way to quiet, single-lane roads skirting the edges of deep, forested canyons. On these roads, my red and blue UofA jersey often elicits atten-

tion, as someone invariably asks to photograph the menacing wildcat on my sleeve.

The solitude of the mountain ride provides an opportunity to consider the juxtaposition of Tokyo and Tucson. I graduated from UofA in 1988 with an M.S. in agricultural economics, went on to get a Ph.D. at Minnesota, and landed back in Arizona, working for American Express in Phoenix. After many years in Phoenix, I needed a change and now find myself in Tokyo, managing credit risk for the American Express Japan market. These days, as I commute to work on the famously efficient Japanese trains or navigate Tokyo's narrow back streets on my bicycle, I often reflect on my current circumstance and the journey that brought me here.

The journey certainly started during my time as a graduate student at the UofA. I became fascinated with economics and the beauty (elegant or naïve) of how theory and data could be used to explain and predict human behavior. Graduate economics seemed the perfect combination of my liberal arts

background with a quantitative science, making me, I believe, significantly more attractive in the job market. And, indeed, my career at American Express has benefitted greatly from both the rigorous analytical problem-solving approaches I learned as an ag econ student, as well as the strong emphasis from my mentors on precise communication.

Now, observing the current global financial turmoil, I feel especially grateful for the knowledge, experience, and skills I gained during my years at the UofA and Minnesota. As venerable companies collapse or downsize, and corporate earnings announcements trend further into negative territory, it is difficult to resist concerns about one's own future goals and aspirations. Challenging times like these, however, are an opportunity to re-evaluate our personal measures of success, and to contemplate how one achieves success.

Success is attained when opportunity and talent converge. And, in general, both of these factors are highly and positively correlated with education. In times of economic crisis, educa-



tion has been the safety net, my degree and skills distinguishing my future value for the company. During good times as well, the most rewarding opportunities flow to individuals who demonstrate the advanced and precise thinking that we learn as graduate students. In the corporate world, nearly every decision can be addressed as a constrained optimization problem. Economics prepares us to effectively define and solve such problems.

These are the reasons I so highly value my UofA experience. And these are the reasons I continue working with Gary Thompson and the Department more than 20 years after I graduated. The Ag Econ Department was instrumental in defining my future; let me contribute, however marginally, to the future of the Ag Econ Department. +

Positive Externalities +

Contributors

Gary Thompson

Editor

Nancy Bannister

Contact Us

positive@cals.arizona.edu

<http://cals.arizona.edu/arec/pubs/positive.html>

The University of Arizona is an Equal Opportunity/Affirmative Action Employer in compliance with Title VII of the Civil Rights Act of 1972 and the Rehabilitation Act of 1973, the Veterans Readjustment Act of 1974, and other state and federal regulations. The University of Arizona does not discriminate on the basis of race, religion, color, national origin, sex, or handicap in its employment-related programs or activities.

THE UNIVERSITY OF ARIZONA.

Gathering Honors Chuck Lyon

The AREC family gathered in late February to honor Chuck Lyon with the first AREC Alumni Award. Thanks to Chuck's efforts, American Express has awarded AREC \$180,000 for graduate student support during the last three years. The M.S. capstone

course in applied econometrics addresses a business problem with American Express, utilizing proprietary data and culminates with a formal business presentation. Chuck's support and collaboration make this capstone class a unique experience for students. +

See Alumni Award dinner photos on page 8



Alumni Doings

Grad

Romilee Bool (M.S. 2008) has joined the International Rice Research Institute as an associate scientist. She will be working on a project, funded by the Bill and Melinda Gates Foundation, assessing the impact of some technologies for unfavorable environments in Africa and south Asia.

Melissa Burns (M.S. 2005) has joined KPMG as a senior associate with their financial risk management advisory team in Philadelphia. She's looking forward to future opportunities for being posted abroad. She also will be getting married in November on the island of Moorea.

Bob Needham (M.S. 2005) sends news that he has started a Ph.D. program in ag ec and international development at Virginia Tech. Prior to his return to school, Bob worked at ERS/USDA. And by the time you read this, he should be married to Joan Agarcio from the Philippines.



Both **Li Zhu** (M.S. 2007) and **Anoop Nair** (M.S. 2007) are credit policy and risk analysts with HSBC Card and Retail Services in Las Vegas.

Raquel B.F. Gomes (M.S. 2003) and **Hiromi Kasuya** (M.S. 2003) recently came through the Department to say hello. Raquel lives in Brazil's capital city of Brasilia where she is a professor teaching introductory economics at what she loosely translates as the "University of Development of the Center West Region." Hiromi is a research assistant in the Public Involvement Research Department of the Institute of Behavioral Sciences in Tokyo.



Daniel Sellen (M.S. 1989) writes of his oft-changing location on our globe. After finishing his master's in AREC, he worked in Kenya for two years for the late Professor Eric Monke, then moved on to the University of Guelph for a Ph.D. in ag econ. He has now been with the World Bank for a dozen years, living and working in Washington,



Shaojing Li (M.S. Dec. 2004) has joined Advanta in Philadelphia as a risk analyst (overlapping briefly with Melissa Burns' tenure there). She and her husband now have two little boys, Matthew (3) and Chris (not yet 2).

Sarah McDonald (B.S. 2005, M.S. 2007) is a land protection fellow with Colorado Open Lands.

Taylor Shipman (M.S. 2008) finished his master's and has gone to Montgomery & Associates as a hydrogeologist and policy analyst.

Miles Kiger (M.S. 2007) joined Arizona American Water Company in Phoenix as a regulatory analyst.

Paulo Tanimoto (M.S. 2008) has become an economic consultant at KEMA.

Haimanti Bhattacharya (M.S. 2003, M.A. 2005, Ph.D. 2007) has joined the Department of Economics at the University of Utah as an assistant professor.

Both **Pinar Gunes** (M.S. 2008) and **Anand Murugesan** (M.S. 2008) have entered the Ph.D. program at the University of Maryland.

Mini Kohli (M.S. 2006) has a son. Avyukt Bhardwaj arrived on February 25, 2008.

India, and Côte d'Ivoire. He currently coordinates the Bank's sustainable development program in five West African countries. "I have fond memories of doing my thesis on irrigation in Cape Verde (supervised by department newcomer Gary Thompson) despite never going near the place."

Zhihua Li (M.S. Dec. 2005) recently obtained her permanent resident status. After graduation, she worked in an accounting firm in San Jose, CA where she still resides.

Lora Mwaniki-Lyman (M.S. 2002) is a research economist in the Economic and Business Research Center in the Eller College of Management at the University of Arizona. She and her husband Ward have two daughters: Lulu, who is three, and Nia, not yet one.



Department head Gary Thompson reports that on a spring trip to New York City, he had lunch with **Pat McGowan** (M.S. 1999) and **Kraig Schulz** (M.S. 1998) where both are working and prospering.



Undergrad

Lisa McPhee (B.S. 2007) is an assistant resource specialist with the Metropolitan Water District of Southern California where she helps conduct planning studies in the areas of water supply, demand, and water resources.

Kyle Sharp (B.S. 2005) is a guinea pig in a new dual degree program offered by Agricultural Education and the Eller College of Management. He expects to receive an M.B.A. and an M.S. in ag ed.

Kevin Hanger (B.S. 2006) has completed his second year of law school at the University of Oklahoma.



Jake Hughes (B.S. 2007) is a field representative with Fertizona, while **Holly Schindler** (B.S. 2006) is the new agri-science teacher at Kofa High School in Yuma. She's created a new agribusiness curriculum and is testing it out this year.



Devin Palmateer (B.S. 2006) has gotten married, as has **Brandon Leister** (B.S. 2003) who, with wife Katie, lives and works in Buckeye. Also married is **Paul Groseta** (B.S. 2004) to Gretchen. They have several children. Paul works on the family ranch in Cottonwood and also helps run Headquarters West with his father. Another **Groseta** family member, **Ana** (B.S. 2007), is the director of Public Relations and Marketing for the Arizona Beef Council. She has recently become engaged to **Basilio (Bass) Aja** (B.S. 2007) who is employed at McElhaney Feed Lot. The couple expect to marry in spring 2009.



Undergraduate Spotlight: Kelly Burkholder

Kelly Burkholder is a 1975 graduate of the UA with a B.S. in agricultural economics. He also received an M.B.A. from Southern Methodist University in Dallas and a master's in international management in 1979 from Thunderbird, The Gavin School of Global Management in Glendale, Arizona. He is a native of Tucson and currently divides his time between Tucson and his responsibilities as marketing manager of Harris Woolf Almonds, a large family-owned processor and packer of raw, brownskin California almonds.

Kelly has been involved in international agricultural marketing for the last 28 years since joining Cargill in 1980 for a 10-year stint as a cotton trader and merchant. His experience in cotton also includes 6 years working for fellow UA alum Bill Winburne as a cotton broker in California and Arizona. In addition, Kelly

has served as vice-president of marketing for Anderson Clayton Corp, as vice-president for e-Cotton helping to develop an electronic cotton marketing system, and has owned his own brokerage firm, Burkholder-Ullmann LLC.

While Kelly has spent most of his professional career working in international business, his interest in things global really began in high school through his experiences as a volunteer and staff member with Amigos de las Americas, a non-profit organization that provides leadership and community service opportunities for young people in Latin America. Kelly ultimately served as the director of Latin American programs following his graduation from Arizona. He is still associated with Amigos in an advisory capacity. +



May 2008 Commencement



Chris Stoller and Becky Vines



Jace Householder, AREC's Outstanding Senior for 2008



Romilee Bool and Sarah McDonald



Satheesh Aradhyula and Zeyn Mirza



Satheesh Aradhyula, Bior Keech, Moses Mpanga, Mohamed Tangara, and Gary Thompson

Let Us Hear from You

We want news from you, whether you're a recent grad or you finished decades ago. Please let us know what you're doing.

Correct Email Address?

Do we have your correct email address?

Contact Us

Email us at positive@cals.arizona.edu
Or feel free to drop us a note:

Positive Externalities

Agricultural and Resource Economics
The University of Arizona
PO Box 210023
Tucson, AZ 85721-0023 USA



New Field Trip Class Offered

Last May, Paul Wilson and Gary Thompson rolled out a new summer school pre-session course titled “Structure, Management, and Performance of American Agriculture.” After an intense first week of lectures, fourteen students piled into two vans for the fourteen-hour trek to Coalinga, California to begin a three-day field trip in the San Joaquin Valley.

The field trip included visits to some of California’s most sophisticated agricultural operations including Grimmway Farms, J.G. Boswell, Paramount Farms, Harris-Wool Almonds, Terra-

nova Farms, Britz Fertilizer, TeVelde Dairy, Harris Feedlot, and Calcot. Students gained a firsthand appreciation for the spirit of innovation embodied in California agriculture.

At the Harris Ranch Inn, the Westlands Water District hosted students, local alumni, and friends at a sumptuous dinner of prime Harris beef and other delectable local foods. UofA College of Agriculture and Life Sciences Associate Dean Colin Kaltenbach joined the festivities and shared his thoughts on the future of agriculture.

Kelly Burkholder (B.S.1975) was the prime mover in organizing the field trip for the class. Kelly unselfishly dedicated his enthusiasm and energy to organizing the visits into an action-packed three days. Kelly even took time from his busy sales activities to accompany the group during the first day’s events.

All the students, professors, and administrators thank Kelly for making possible this tremendous educational opportunity for AREC undergraduates. We also thank **Paul Bush** (B.S. 1989), Calcot, and Paramount Farms for underwriting the field trip with their financial support. +



New Joint M.S./J.D. Offering

The Program on Economics, Law, and the Environment (ELE) has initiated a new joint-degree program bringing together AREC and the James E. Rogers College of Law. Students completing the four years of rigorous training and study will

earn their law degree (J.D.) and a master’s of science (M.S.) in agricultural and resource economics. In addition, students receive a certificate in Economics, Law, and the Environment. The program’s first student has started this fall with more to

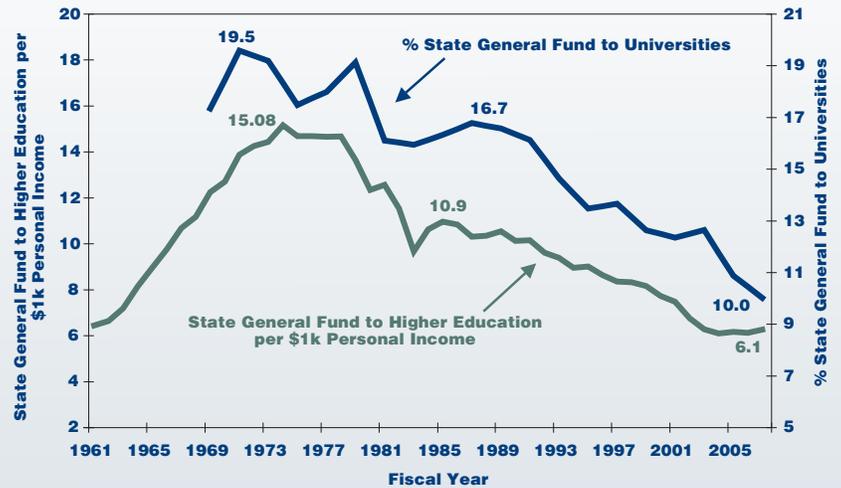
follow in 2009. AREC’s Dean Lueck and the College of Law’s Kirsten Engel are co-directors of ELE. For more information and to see papers from ELE’s recent symposium, please visit the ELE site at ele.arizona.edu. +

Declining State Funds & AREC Grad Students

State funding for higher education in Arizona has declined consistently since the mid-1970s. The percentage of the state general fund destined to Arizona's universities has fallen from 20 to 10 percent in the last 30 years (upper series in graph). But the decline is more pronounced if we consider the amount of state general funds relative to growth in Arizona residents' income. Current allocations of the state general fund per \$1,000 of personal income are only 40 percent of the allocations in the mid-1970s (lower series in graph).

What does this mean for the Department of Agricultural and Resource Economics? Nearly all graduate students in the Department are supported on research or teaching assistantships. Ten years ago, over 2/3 of the graduate students were supported on state funds for assistantships; the remainder were on grants and scholarships. Today, only about 1/3 of all graduate students are supported on state money.

While the Department has managed to support about the same number of graduate students each year over the last decade, many more students are



paid on grants from faculty members. Most grants are of one or two years' duration. What this means is that funding for graduate students is much more volatile and unstable than a decade ago. Literally, faculty are constantly scrambling to find adequate funding to recruit and support graduate students. +

Student Advocates

Brian Smith and **Chris Tucker**, both EWRE majors, joined us this past year as student advocates in our peer recruitment efforts to attract undergraduate majors. On the job, Brian and Chris participated in Meet Your Major Fairs, the Yuma Ag Summit, and all the CALS events that high schoolers or undecided majors attended (FFA CDE Day, UA Close-Up, etc). They also created recruiting materials and came up with ideas on how to recruit students in areas we've overlooked before. Are their efforts helping? Well, we're now over 100 majors in the program. +



Brian Smith

Home town: Gilbert, Arizona
Class status: junior
Academic interests: environmental law,

water, commodities trading

Interests: dirt biking, backpacking, hunting, fishing, lacrosse, and swimming

Current doings: Back in classes and working in the Department after a summer spent coaching a youth swim team and teaching swim lessons +



Christopher M. Tucker

Home town: Chicago
Class status: 2008 AREC graduate with a B.S. in environmental

and water resource economics

Interests: swimming, biking, cooking, bonding with nature, reading the WSJ

Current doings: Heading to Chicago and marketing himself to environmental/economic consulting firms, the Chicago Climate Exchange, Cargill (among other trading firms), and the Chicago MWRD (Metropolitan Water Reclamation District) +



Ava Bivens (right) with host family in Rosso, Mauritania

Student Worker in Africa

Alums of the last few years may remember our student worker **Ava Bivens**. We're happy to report that Ava is spending six months in Mauritania working as an HIV/AIDS educator among local women. She's living in Rosso, Mauritania near the Senegalese border.

Ava started with AREC during her first semester at the UofA. She's now a senior majoring in interdisciplinary studies and focusing on international relations and political science. +



Faculty Spotlight: Rob Innes, Nonpareil

Most of you think you know who Rob Innes is. Did you know he is the top-ranked agricultural and resource economist in the world? Did you know he was the second youngest

scholar to be named fellow of his professional society? Did you know he served on the president's Council of Economic Advisers? Did you know an article he wrote is now standard reading for Ph.D. candidates at Harvard?

You probably didn't know all this and more—and the reason you had no knowledge is because Rob is such an unassuming, easygoing scholar. He is so utterly dedicated to his work and students that he has no time or inclination to tell you what a superb scholar he is.

In a ranking of economists worldwide (including current Nobel Laureates) at <http://student.ulb.ac.be/~tcoupe/update/top1000p.html>, Rob ranked 67th. No other agricultural and resource economist in the world ranked higher! Even Vernon Smith, former University of Arizona economics professor and Nobel Laureate in 2002, ranked 213th. The ranking is based on quality-

adjusted research productivity from 1990 through 2000.

In 2005, Rob was named a fellow of the Agricultural and Applied Economics Association (AAEA). Only one person has earned this prestigious designation at a younger age than Rob.

Rob served on the Council of Economic Advisers during 1994–95 under Nobel Laureate Joseph Stiglitz. Stiglitz asked Rob to serve on the Council because "...we believed he was the best agricultural economist in the country..."

In 2007, Rob's article "Limited Liability and Incentive Contracting with Ex-Ante Action Choices" in the *Journal of Economic Theory* was given the award for Publication of Enduring Quality by the AAEA. Referring to this article, Oliver Hart of Harvard remarked, "This paper receives prominent attention in the graduate contract theory course that we teach at Harvard."

But Rob's intellectual contributions are not limited to writing journal articles. He has worked tirelessly with Ph.D. candidates on their dissertations. His students have won awards: Kurt Schnier (2003) received the outstanding dissertation award of the AAEA in 2004. Rob's

Ph.D. students have consistently landed excellent academic positions: Abdul Sam (2005), the Ohio State University; Carmen Flores-Carrion (2007), University of Florida; and Haimanti Bhattacharya (2007), University of Utah.

If you think Rob ignores undergraduate students while contributing at the frontier of knowledge, think again. In the senior-level economic policy course he teaches, students work enthusiastically in groups on current policy issues such as biofuels, taxes on dietary fat, and air pollution to mention a few. The group projects culminate in formal presentations made by students at the Department's annual Agribusiness Forum. Attendees from throughout Arizona routinely comment that the high point of the Forum is the student participation.

Rob dedicates countless hours helping undergraduate students refine their analyses and hone their presentations. These undergraduate students routinely award him with some of the highest teaching evaluations in the Department.

We hope you now know just how special Rob Innes is. Rob is truly "nonpareil," without equal. +

Our Newest Staff Member

Liz Tilley, our business manager, is AREC's the newest staff member, having joined us in March of this year. She is also a grad student just finishing up her M.S in family studies, and she holds a B.A. in psychology from Baylor University. Liz commutes daily to campus from the town of Oracle where she lives with her husband and three kids (3, 5, and 13). If you're visiting the Department, please stop in and meet her! +



Recent Awards and Honors

Sharon Megdal, professor in AREC and director of the University of Arizona's Water Resources Research Center, has been named the first recipient of the new C.W. and Modene Neely Endowed Professorship for Excellence in Agriculture and Life Sciences.

Gary Thompson has won the Ninth Annual Graduate and Professional Education Teaching and Mentoring Award.

Paul Wilson has been selected as a University Distinguished Professor.

Russ Tronstad has been named a University Distinguished Outreach Professor.

Rob Innes, who last year received the AAEE award for Publication of Enduring Quality, is shown here (*far right*) accepting the award plaque. +



Visitors to the Department

Alums and Departmental friends periodically stop by to see us. Some of the people who've come through in recent months include **Paul Bush** (B.S. 1989), **Kelly Burkholder** (B.S. 1975), **Raquel B.F. Gomes** (B.S. 2001, M.S. 2003), **Hiromi Kasuya** (M.S. 2003), **Dave DeWalt** (M.S. 1987), and **George Okumu** (B.S. 1995, M.S. 1998). In addition, retired grad and undergrad advisors, **Connie McKay** and **Pat Olsson**, visited with us and with faculty retirees **Drs. Jimmie Hillman** and **Roger**



Fox. **Connie** has tells us she has finally retired from her retirement job with her church. Coinciden-

tally, **Pat** has also just retired from *her* retirement job at Iowa State University. +

Obituaries

Eugene Rawlings Lewis, 83, died October 19, 2007. Mr. Rawlings received his B.S. in agricultural economics in 1948. He worked in the wholesale and retail gasoline business, founding Oilco in 1953 and becoming a pioneer in the self-service gas station industry. He was involved in real estate

investment and development. And he maintained a cattle ranch in Texas. He is survived by four children and many grandchildren.

Gene Wright died on January 11, 2008. Originally from West Virginia, he came to the University of Arizona in the 1950s where

he earned an M.S. in agricultural economics in 1958. He worked for many years as a research associate in CALS and in Arid Lands. He also served as a mining consultant. He was 76 at the time of his death.



+++

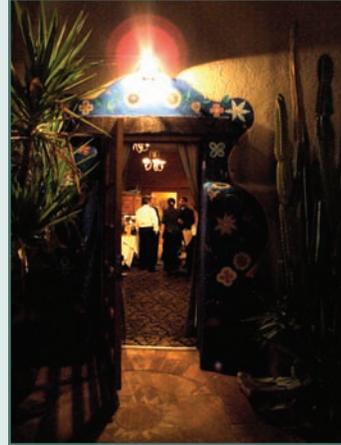
Events



Alan Ker and Harsha Bollenini



Arif Rashid



Entrance at Hacienda del Sol Resort



Antonio Stasi



Chuck Lyon receiving UA cycling shirt from Gary Thompson

Scenes from the AREC Alumni Award Dinner

Alumni, faculty, and AREC friends gathered in early February to honor Chuck Lyon (M.S. 1988) with the first AREC Alumni Award.



Derong Liu and Yanfei Liu



Colin Kaltenbach and Chuck Lyon



Roger Dahlgran and Les Taylor



Pinar Gunes, Paulo Tanimoto, Kyle Emerick, and Romilee Bool



Renee and Tauhid Rahman



Pinar Gunes, Romilee Bool, Anoop Nair, and Kyle Emerick



Gary Thompson and Chuck Lyon with check from American Express



Ying Fu, Yanfei Liu, and Sonam Gupta



Lana Jones and Umberto Medicamento



Russ Tronstad