**Welcome**

**Externalities.** This piece of economic jargon often conjures the notion of negative externalities. But our purpose in producing this new newsletter is quite the opposite: we wish to generate *positive* externalities among all of us, to forge stronger ties whether we are alumni, faculty, friends, current students, or staff. So let this inaugural issue of *Positive Externalities* serve as a bridge for renewing and building important relationships among ourselves. And let’s hope these newly strengthened and shaped relationships will result in enhanced curricula, even better teaching and research, better job placement, and more satisfying, productive jobs for all us.

This past year I served as interim department head while Alan Ker was on a well deserved sabatical. Perhaps Alan enjoyed his respite from head duties so much, he decided that returning to the department as head was not to his liking. In any event, I want to thank Alan for his selfless service to the Department for the last five years. He leaves big shoes to fill!

*Gary Thompson*  
**Department Head**

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**Teaching Corner: Advanced Econometrics**

**Econometrics** is the statistical analysis of data from an economic perspective. Five years ago we changed our graduate curriculum in response to a strong demand for competently prepared students in this subdiscipline. While most other universities offer only one or two econometrics classes, we now teach four courses at the master’s level, and our M.S. students who specialize in this area are hired on par with many Ph.D. students from other programs.

In the fourth and final class (advanced applied econometrics taught by Gary Thompson), students gain real-world consulting experience by teaming up with a company to solve a real business problem. Students focus on a problem and data provided by the company and at semester’s end, they make a formal presentation of their findings. One semester’s collaboration worked with the members of Arizona Electric Power Cooperatives, Inc. to improve forecasts of electricity demand. Other class partnerships have been with American Express in Phoenix. Alan Ker and Gary Thompson contacted **Chuck Lyon** (M.S. 1988, vice president, risk management/chief credit officer), who paved the way for the class to work with the Open Small Business Network of American Express in Phoenix.

There are rich dividends for both the students and American Express. The company receives valuable outside perspectives on pressing business problems and the students gain invaluable experience that makes them more employable.

As a gesture of appreciation and support, American Express has offered full financial backing for two M.S. students per year for two years with options to renew. This gift is approximately $80,000. Clearly, American Express values our program’s econometrics specialization.
Graduate Spotlight: Kraig Schulz

Kraig received his M.S. in applied economics in 1998 from AREC. His thesis advisor was Dr. Satheesh Aradhylula. Kraig also holds a B.S. in economics from the University of Minnesota. Since finishing his work at the UA, Kraig has gone on to great success. He is a principal at Marakon Associates where he is responsible for managing the group’s daily client work and advancing the firm’s customer-focused business strategy development capabilities. His work at Marakon has spanned many industries, including consumer packaged goods, retail, specialty Pharmaceuticals, and B2B products and services.

Before joining Marakon, Kraig led the Advanced Techniques Group (ATG) in North America for MindShare, WPP’s media investment management company. Kraig helped establish ATG as an industry-leading marketing sciences group, working with clients such as American Express, Merck, Unilever, Kimberly-Clark and Kodak to identify their highest-value product marketing strategies both in the United States and abroad.

While at MindShare and, previously, at Ogilvy and Mather, Kraig created the first econometric models to measure individual media return on investment and quantify the long-term sales effects of advertising. He frequently speaks and writes on these topics throughout the marketing industry.

Undergraduate Spotlight: Mark McGinnis

Mark is an attorney with the Phoenix firm of Salmon, Lewis & Weldon, P.L.C. He graduated from the University in AREC in 1984 and earned his master’s degree in 1988. He received his law degree in 1991 from ASU.

Mark’s practice focuses primarily on water law, public utility law, and litigation. His clients include one of the nation’s largest federal reclamation projects and various Arizona irrigation districts, electrical districts, cities, businesses, and individuals. He is admitted to practice before the state and federal courts in Arizona, the Ninth Circuit Court of Appeals in San Francisco, and the United States Supreme Court.

Mark serves as an adjunct professor of law at the ASU College of Law, where he teaches water law. He is the chair of the Environmental & Natural Resources Law Section of the State Bar of Arizona and president of the UA College of Agriculture and Life Sciences Alumni Council. He has been named as one of the Best Lawyers in America (Woodward/White) in 2006 and 2007 and is a long-time coach in the Tempe South Little League. Mark is married to Paula; they live in Tempe and have two sons.

Alumni Doings

Kelly Burkholder (B.S. 1975) visited the Department recently. Kelly is currently marketing manager for Harris-Woolf Almonds in Coalinga, CA. After finishing his bachelor’s degree in the Department, he went on to earn a joint MBA from Thunderbird and Southern Methodist University. After stints trading cotton with Cargill, among others, Kelly now travels and sells almonds around the world, in Europe, India, and beyond.

Steve Goucher (B.S. 1978) also came through the Department not long ago to inform us about undergraduate internships with Farm Bureau Financial Services. Steve is currently district sales manager for FB Financial Services in Peoria, AZ. As an active alumnus, Steve helps support the Dean’s Burrito Breakfast each year and is enthusiastically involved in various other alumni activities.

Paul Bush (B.S. 1989) has been promoted to vice-president of AZ/So CA/So TX operations for Calcot. Since graduating from the UA, Paul held positions with King Ranch and Chickasha Cotton Oil Company before joining Calcot in 1998. He and his wife, Terri, have two sons, Wyatt (10) and Hayden (6). Jarral Neeper (B.S. 1981) is also at Calcot in Bakersfield, where he currently is vice-president of marketing.

Steve Wu (M.S. 1995) is an associate professor at The Ohio State University. Amanda Leister (B.S. 2005) has received her master’s from Texas A&M and is going on to Purdue in their Ph.D. program. Ana Kennedy (B.S. 1997, M.S. 2003) is a principal at the Humanities and Sciences Academy charter school in Tempe. She’s also serving a two-year term on the American Farm Bureau’s Young Farmers and Ranchers Committee. Ana continues to work on her family’s farm, Kennedy Achers (“yes, that’s the way we spell ‘achers’—notice the ache!”).

Harsha Bollineni (M.S. 2004) was married on February 11, 2007 in Nellore, India to Kavitha Madala. Harsha is a risk manager at JPMorgan Chase & Co, Phoenix.

Mark McGinnis

Mark is an attorney with the Phoenix firm of Salmon, Lewis & Weldon, P.L.C. He graduated from the University in AREC in 1984 and earned his master’s degree in 1988. He received his law degree in 1991 from ASU.

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Members of undergrad class of 2006 with Professor Paul Wilson. L to R: Andrew Martin, Wilson, Tyler Morgan, and Alex Terzis.


Charles Flynn, Melissa Burns, Abby Boor, Srinivasan Ponnaluru, and Hai-lan Yang, graduates of the master’s program in 2005.
**Recent Awards and Honors**

**Faculty**

Rob Innes was named a fellow of the American Agricultural Association, receiving the AAEA's highest honor. He is the second youngest fellow ever and joins AREC’s Bruce Beattie, who became a fellow in 1997. Professor Innes was also recently ranked as the number one agricultural, environmental, and resource economist in the world based on quality and quantity of publications from 1990–2000 (http://student.ulb.ac.be/~tcoupe/update/top1000p.html). Innes received the AAEA award for Publication of Enduring Quality for 2007.

Bonnie Colby has just been named a Distinguished Scholar of the Western Agricultural Economics Association (WAEA).

Roger Dahlgran was named UA Faculty Fellow for his dedication to undergraduate teaching and university service. Paul Wilson received the AAEA’s Best Teacher with 10+ Years of Experience Award in 2005. And in 2004, he and Gary Thompson received Honorable Mention for the Best Article Award from the Review of Agricultural Economics. Thompson, in addition, is now a Fulbright Distinguished Researcher/Lecturer.

Russ Tronstad was named the UA College of Agriculture and Life Sciences (CALS) Extension Faculty of the Year in 2005. That same year, he shared with other members of the Western Extension Marketing Committee the WAEA’s Outstanding Extension Project Award for the publication of U.S. Livestock Identification Systems: Risk Management and Marketing Opportunities. Then again in 2006, Dr. Tronstad won the WAEA’s Outstanding Extension Program Award for Project as the project director for “Innovations in Niche and Value-Added Marketing.”

In 2003, Trent Teegerstrom received both the WAEA Extension Award and the UA CALS’ Appointed Personnel Award of Excellence.

**Staff**

Nancy Bannister, the Department’s editor, was the 2006 recipient of CALS’ Outstanding Staff in Research Award.

Nancy Smith, the Department’s graduate coordinator, received a 2007 UA Staff Award for Excellence.

**Undergrads and Grads**

Kurt Schnier (Ph.D. 2003) received the 2004 award for Outstanding Dissertation from the AAEA. And in 2005, Tolga Ergün (M.S. 1999, Ph.D. 2004) also received an honorable mention from the AAEA for Outstanding Dissertation. Rosalind Bark (Ph.D. 2006) placed first in the Graduate Business, Public Administration and Economics division of the UA Annual Student Showcase and received the President’s Prize in the Graduate Interdisciplinary Programs showcase, both for her project “Muddy Waters: Case Studies in Dry Land Resource Economics.”

The Arizona National Livestock Show awarded Anna Grosetta (B.S. 2007) a $1,500 scholarship for spring 2007. Lisa McPhee (B.S. 2007) was named the CALS Outstanding Senior for 2007.

**Departmental Facts and Highlights**

+ In a recent international ranking based on publications in agricultural and resource economics, the Department was ranked 12th internationally behind the likes of Harvard and Yale. Excluding private universities, we ranked 8th. All the public universities ranked higher have large cadres of Ph.D. candidates. See http://www.econphd.net/rank/rresag.htm for details.

+ External grant funds garnered by our faculty have increased every year over the past five years. Between 2002 and 2006, grants increased by 287%. These grants are now the single largest source of assistantships for graduate students.

+ Recent M.S. graduates in applied econometrics have landed jobs at American Express, JPMorgan Chase, and HSBC, among others. They competed successfully with Ph.D. job candidates.

+ Numbers of undergraduate majors have grown in the last five years from about 55 to around 80. With continued recruitment efforts, we hope to maintain this growth.

+ During Alan Ker’s tenure as department head (2002–2007), we made a concerted effort to support one or two Ph.D. candidates each year. The investment in that select group of students has yielded high returns in the academic job market. Here are some of our recent Ph.D. graduates:

  + Kurt Schnier (2003) assistant professor, University of Rhode Island

  + Tolga Ergün (2004) assistant professor, Suffolk University

  + Abdoul Sam (2005) assistant professor, The Ohio State University

  + Carmen Carrion-Flores (2007) assistant professor, University of Florida

  + Haimanti Bhattacharya (2007) fellow, Earth Institute, Columbia University
### Selected Grants Recently Awarded to AREC Faculty

<table>
<thead>
<tr>
<th>Principal Investigator</th>
<th>Grant Title</th>
<th>Sponsoring Agency</th>
</tr>
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<tbody>
<tr>
<td>Satheesh Aradhyula</td>
<td>North American Trade Suspension Agreements and Winter Tomato Supply Response</td>
<td>USDA/CSREES</td>
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<tr>
<td>Bonnie Colby</td>
<td>Modeling Outdoor Residential Water Use</td>
<td>Technology and Research Initiative Fund (TRIF)/CALS</td>
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<tr>
<td>George Frisvold</td>
<td>Transgenic Cotton, Cotton Quality, and Producer Returns</td>
<td>Cotton, Inc.</td>
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<tr>
<td>George Frisvold</td>
<td>Mobile Markets’ Participation and Impact: An Analysis of Pascua Yaqui Pueblo &amp; the Old Nogales Highway Colonia Tucson</td>
<td>Community Food Bank</td>
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<tr>
<td>Alan Ker</td>
<td>An Analysis of Water Transfers in the West</td>
<td>National Science Foundation</td>
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<tr>
<td>Dean Lueck</td>
<td>Lowering Transaction Costs Through Institutional Arrangements: The Causes and Consequences of the Rectangular Survey in Assigning Property Rights to Land</td>
<td>National Science Foundation</td>
</tr>
<tr>
<td>Tauhid Rahman</td>
<td>Predicting Groundwater Vulnerability to Nitrate in Arizona</td>
<td>Arizona Department of Water Quality</td>
</tr>
<tr>
<td>Trent Teegerstrom</td>
<td>Enhancing Quality of Life in the Rural Southwest: The Roles of AGRI-Lite, Agri-Tourism, and Specialty Products</td>
<td>USDA/Outreach</td>
</tr>
<tr>
<td>Gary Thompson</td>
<td>UA Teaching/Research for “OPEN Small Business”</td>
<td>American Express</td>
</tr>
<tr>
<td>Russ Tronstad</td>
<td>Livestock, Nursery, and Specialty Crop Risk Management Education for the Southwest and Hawaii</td>
<td>USDA/Commodity</td>
</tr>
<tr>
<td>Paul Wilson</td>
<td>Water Demystified</td>
<td>TRIF/CALS</td>
</tr>
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**Little-known fact:** Grants to faculty support two-thirds of our current crop of graduate students!

### The Bartley P. Cardon Endowment for Agricultural and Resource Economics

For more than 75 years, Bart Cardon was involved with Arizona farming, ranching, agribusiness, and The University of Arizona as a student, professor, and dean. While Cardon assumed a leadership role in Arizona agribusiness, perhaps his greatest contribution to his native state of Arizona was through public service. In 1997, a groundswell movement by friends and colleagues resulted in the creation of the Bartley P. Cardon Endowment for Agricultural and Resource Economics. Cardon selected the Department of Agricultural and Resource Economics to house this endowment and accompanying endowed chair. We’re very proud to have been honored this way.

**Dr. Dean Lueck** is the second Cardon Chairholder and has been in the Department since January 2004. Dean conducts extensive research on many important issues facing Arizona: farmland conversion, urban expansion, water management, impacts of endangered species regulations, agricultural production on tribal lands, and agricultural contracts. AREC is very excited to have Dr. Lueck as a member of the faculty.

### Changes to Our Staff: Undergraduate and Graduate Coordinators

Our newest member of the AREC staff is **Heather Jepsen**. Heather joined us in 2006 as undergraduate coordinator. She’s a Wildcat, too, with a B.S. in agricultural technology management and an M.S. in agricultural education. Heather has extensive experience working in student and alumni matters in CALS. Please feel free to contact her about any matters relating to undergraduate studies. She’s at jepsenh@email.arizona.edu

On the graduate side of things, you can always contact **Nancy Smith** (nansmith@ag.arizona.edu). Nancy has been our graduate coordinator—more of a mother hen—since 2001, when Connie McKay retired. Nancy holds a B.A. from California State University, Long Beach, where she majored in creative writing.

(Those of you who worked with Connie McKay are also likely to remember Pat Olson, who was the undergrad coordinator for many years. She retired not long after Connie did.)

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**Department**

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Obituaries

Faculty

Julie Leones, associate extension specialist, died of breast cancer March 2, 1999. Leones received her doctorate in agricultural economics from Cornell University in 1990. She joined the Department’s Extension faculty that same year. Her research here focused on issues relating to regional economics and rural economic development in Arizona. In 1992 she was named Arizona Cooperative Extension Faculty of the Year. She was 40 years old at her death.

Maurice M. Kelso died at the age of 94 on April 27, 2000. Kelso received a doctorate in agricultural economics in 1933 from the University of Wisconsin–Madison before beginning work with the Department of Interior and then the USDA. He was department head in Agricultural Economics and later dean of the College of Agriculture at Montana State University before joining the Department at the UA in 1958. One of his articles on the Central Arizona Project won the AAEA award for Best Published Research as well as drawing national and international attention.

Eric Monke, professor, born 1952 in Maine, died November 18, 2003 after a long battle with multiple sclerosis. Monke was educated at Williams College and Stanford University, receiving his Ph.D. in 1980. He came to the Department and made his career here, teaching, conducting research, writing, and mentoring and motivating students. A member of a multi-institutional collaborative research project working on Portuguese agricultural policies, Monke used research gleaned from this effort to develop, along with Scott Pearson, the Policy Analysis Matrix (PAM) system. PAM is now a standard component in university economics curricula and is also used by research institutions, international agencies, the United Nations, and the World Bank. Monke’s other research included work in Indonesia and Kenya, focusing on agrarian change and the influence of government policies on that process. He wrote numerous books and articles, was a consultant to many organizations (the World Bank, FAO, USAID, and USDA), and was a Fulbright research scholar in Portugal and a Fulbright professor in Italy.

Clarence D. “Dub” Edmond died May 13, 2005. He was 85. Edmond received his Ph.D. in land economics from Iowa State University in 1959. He was a member of the Department from 1959 until 1977 before moving to the Institute of Food and Agricultural Sciences at the University of Florida.

Aldon "Gordon" Ball, former professor, died October 28, 2006. Ball received his Ph.D. in agricultural economics from Iowa State University before coming to the Department at the UA where he taught and advised for 40 years. He retired in 1989.

Tom Stubblefield, professor emeritus, died April 25, 2007. He joined the Department in 1951 as an extension economist, becoming an assistant professor in 1957. Stubblefield retired in 1983. He was 85 years old at the time of his death.

Alumni

Changping Chen (M.S. 1991) died November 9, 2002 of liver cancer. Chen came to study in the Department from Sichuan Agricultural University in China. His thesis, Production Variability for Major Arizona Field Crops, was produced under the direction of Professor Paul Wilson. Chen worked in the banking industry in Duluth, Georgia at the time of his death. He was survived by his wife Zhongya and two daughters.

James H. Mast, chairman of the Board of Directors of Fruit Growers Supply Company, died December 9, 2006. He was 70 years old. After graduating in 1959 from the Department with a B.S. in agricultural economics, Mast served in the U.S. Army and then entered the citrus industry. He was a manager at Mesa Citrus Growers and then, more recently, interim president and CEO of Sunkist Growers. CALS awarded him the Lifetime Achievement Award in 2006.

We want to hear from you

Whether you’re a recent grad or you finished decades ago, we’d like to hear from you. What are you doing? What gave you done? Spouse? Children? Interesting activities?

Send us your news!

Correct address? Change of address?

Do we have your correct mailing address? What’s your email address? Please let us know how you can be contacted.

Please send your news, announcements, and contact information to us.

You can email us at positive@cals.arizona.edu

You may fill out a form online: cals.arizona.edu/arec/pubs/positive.html

Or feel free to drop us a note:

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The University of Arizona
PO Box 210023
Tucson, AZ 85721-0023
USA
Announcements

Arizona Agribusiness Forum

The twenty-second annual Arizona Agribusiness Forum has been set for Thursday, November 15, 2007 at Harrah’s Ak-Chin Casino Resort in Maricopa, Arizona. Early bird registration is $85 (students $50). Lunch is included.

The theme of this year’s conference is “Labor, Energy, and Agriculture.” Presentations, panels, and discussions will run from 8:30 to 2:15. Following the conference, there will be a field trip to tour an ethanol plant.

Registration forms, tentative agenda, presenter biographies, and directions are available on the web at cals.arizona.edu/arec/dept/agbusforum2007.html.

For more information, please contact Russ Tronstad (520)621-2425 tronstad@ag.arizona.edu or write to the Departmental address. Save the Date!

The Arizona Review

If you haven’t yet heard, AREC has a newsletter available called The Arizona Review: Economic Perspectives on Arizona’s Agriculture and Natural Resources. Each issue carries a variety of articles and columns focusing on Arizona and its resources.

A sampling of recent topics include Arizona’s agricultural situation, water transfers, water storage and recovery, water conservation policy, memories of Dean Bart Cardon, risk management education, human development in Arizona, agriculture’s impact on the Arizona economy, managing agricultural labor, tourism and cross-border trade, NAFTA, endangered species protection, and interviews with people such as Don Butler, Jimmie Hillman, Bart Cardon, and Paul Wilson.

Newsletter subscriptions are free. Send a subscription request to azreview@cals.arizona.edu or write to the Departmental address listed to the right. You may also download a copy at cals.arizona.edu/arec/pubs/azreview.html.

Current Faculty and Staff

Faculty
Satheesh Aradhyula
Bruce Beattie
Bonnie Colby
Dennis Cory
Roger Dahlgran
George Frisvold
Rob Innes
Alan Ker
Mark Langworthy
Dean Lueck
Sharon B. Megdal
Tauhidur Rahman
Chris Stefanadis
Trent Teegerstrom
Gary Thompson
Russell Tronstad
Paul Wilson

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Nancy Bannister
Heather Jepsen
Nancy Smith
LaVonne Walton

What are you doing? Send us your news.

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